



Council Agenda 19 February 2025

Meeting will be held at the Council Chamber, Philip Laing House, 144 Rattray Street, Dunedin and live streamed at [ORC YouTube Channel](#)

Members:

Cr Gretchen Robertson, Chairperson
Cr Lloyd McCall, Deputy Chairperson
Cr Alexa Forbes
Cr Gary Kelliher
Cr Michael Laws
Cr Tim Mephram
Cr Kevin Malcolm
Cr Andrew Noone
Cr Alan Somerville
Cr Elliot Weir
Cr Kate Wilson

Senior Officer: Richard Saunders, Chief Executive
Meeting Support: Kylie Darragh, Governance Support Officer

19 February 2025 01:00 PM

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1. WELCOME	
2. APOLOGIES	
3. PUBLIC FORUM Julian Doorey will speak on behalf of South Dunedin Storm Water Justice.	
4. CONFIRMATION OF AGENDA The agenda to be confirmed as published.	
5. DECLARATIONS OF INTEREST Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. The Register of Pecuniary Interests can be found on the ORC Website.	
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	This report enables Council to formalise a draft position on changes to the financial forecasts and work programme contained in the Otago Regional Council Long-Term Plan 2024-34 (LTP). Doing so provides a basis for consultation with the community and making final decisions prior to approving the Annual Plan 2025-26 (AP) in June 2025.	
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	To consider and approve a Letter of Expectation to Port Otago Limited (Port Otago) regarding Otago Regional Council's (Council) expectations for inclusion in the Port Otago Statement of Corporate Intent for the years ended 30 June 2026 to 30 June 2028.	
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11.	NOTICES OF MOTION	
	No notices of motion had been submitted at the time of publishing.	
12.	RESOLUTION TO EXCLUDE THE PUBLIC	240
	Recommendation that the public be excluded from the following parts of this meeting, namely:	
	1.1 Confirmation of the Public Excluded Council Meeting Minutes of 4 December 2024.	
	3.1 GOV2512 Business Case for Queenstown Depot for Electric Buses	
13.	CLOSURE	



**Council
MINUTES**

**Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber,
Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 4 December 2024,
commencing at 1:00 PM.**

<https://www.youtube.com/live/TNHSj4ohwYY?si=9IZEIHijFeUSO9Lf>

PRESENT

Cr Gretchen Robertson (Chair)
Cr Lloyd McCall
Cr Alexa Forbes
Cr Gary Kelliher
Cr Michael Laws
Cr Kevin Malcolm
Cr Tim Mephram
Cr Andrew Noone
Cr Alan Somerville
Cr Elliot Weir
Cr Kate Wilson

DRAFT

1. WELCOME

Chair Robertson welcomed Councillors, members of the public and staff to the meeting at 1 pm. Staff present included Richard Saunders (Chief Executive), Nick Donnelly (GM Finance), Anita Dawe (GM Regional Planning and Transport), Tom Dyer (GM Manager Science and Resilience) Joanna Gilroy (GM Environmental Delivery), Tami Sargeant (GM People and Corporate) Amanda Vercoe (GM Strategy and Customer, Deputy CE), Kylie Darragh (Governance Support).

2. APOLOGIES

There were no apologies for this meeting.
Cr Laws left the meeting at 1:10 pm.

3. PUBLIC FORUM

Pierre Marasti from Extinction Rebellion spoke on climate change. There was an opportunity for questions and Chair Robertson thanked Pierre for attending.

Paul Coffey and Racheal Elder from Otago Trails Network gave a presentation and there was an opportunity for questions, Chair Robertson thanked both for attending.

Adam Currie from 350 Aotearoa spoke on the Climate Change Strategy, online. There was an opportunity for questions and Chair Robertson thanked Adam for attending.

Cr Laws returned to the meeting at 1:18 pm.

4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS

Councillors were reminded to stand aside if a conflict arises.

6. PRESENTATIONS

Clare Hadley, Annie Wallace, and Craig Grant from Waiora Manuherehia gave a presentation to Council on the catchment project highlights from 2024. There was an opportunity for questions and Chair Robertson thanked the group for attending.

7. CONFIRMATION OF MINUTES

No minutes for approval for this meeting.

8. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

Open actions from resolutions of the Committee were reviewed. No changes were noted.

9. MATTERS FOR CONSIDERATION

9.1. Final Climate Strategy 2024 for adoption

[YouTube 46:50] The purpose of this paper was to present Council with the final version of the Climate Strategy 2024 for consideration and adoption. Hilary Lennox, Manager Strategy, Emily Mathias, Principal Advisor Strategy and Amanda Vercoe, General Manager Strategy and Customer, Deputy CEO, were present to respond to questions on the report.

Cr Noone left the meeting at 2:19 pm.

Cr Noone returned to the meeting at 2:22pm.

At 2:41 pm it was moved by Cr Wilson seconded by Cr Robertson that **That** Council adjourn for five minutes.

MOTION CARRIED

Resolution CM24-201: Cr Somerville Moved, Cr Forbes Seconded

That the Council:

- 1. *Notes the evolution of the climate strategy as described in this report.***

MOTION CARRIED

Resolution: Cr McCall Moved, Cr Noone Seconded

That the Council:

- 2. *Moves that a Council workshop is organised in the new year to review the Climate Strategy in more detail and understand the community feedback, before bringing the Strategy back for Council adoption.***

For:	Cr Forbes, Cr Somerville.
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall, Cr Mepham, Cr Noone, Cr Wilson, Cr Robertson.
Abstained:	Cr Weir.

MOTION FAILED

Resolution: CM24-202 Cr McCall Moved, Cr Noone Seconded

That the Council:

- 2. *Adopts the climate action strategy as described in this report.***

MOTION CARRIED

9.2. Focus Areas and Objectives of the Regional Public Transport Plan

[YouTube 2:01:00] This report updated Council and sought to receive a formal response to the draft Focus Areas and Objectives of the draft Regional Public Transport Plan’s (RPTP) (2025-2035) and updated Council for feedback on selected policies and actions of the draft RPTP. Lorraine Cheyne, Manager Transport, Grace Longson, Transport Planner and Daniel Basubas, Transport Planner and Anita Dawe, General Manager Regional Planning and Transport, were present to respond to questions on the report.

Resolution CM24-203: Cr Malcolm Moved, Cr Forbes Seconded

That the Council:

1. **Notes** the report.
2. **Endorses** the Focus Areas and Objectives for the draft Regional Public Transport Plan, subject to any changes requested.

Focus Area	Objective	Council response
a) A Connected and Integrated Network	Deliver a reliable and convenient public transport system that improves personal freedom and access to opportunities.	Support (recommended) OR Request that staff revise the focus area / objective
b) Passenger Experience	Provide useful public transport services that respect the safety and wellbeing of passengers, particularly for people experiencing transport-disadvantages.	Support (recommended) OR Request that staff revise the focus area / objective
c) Value for Money	Provide public transport services in a manner that achieves good value for money.	Support (recommended) OR Request that staff revise the focus area / objective
d) Build Trust	Proactively engage with communities and organisations, including iwi, to foster trust and ensure public transport projects align with community priorities.	Support (recommended) OR Request that staff revise the focus area / objective
e) Environmental Sustainability	Invest in a public transport system that promotes the best possible environmental outcomes regarding greenhouse gas emissions, pollutants and land use.	Support (recommended) OR Request that staff revise the focus area / objective

3. **Notes** the key policies and actions identified in the draft Regional Public Transport Plan

MOTION CARRIED

At 3:35 pm it was moved by Chair Robertson and seconded by Cr Wilson
That Council adjourn for ten minutes until 3:45 pm.

MOTION CARRIED

Cr Laws left the meeting at 3:55 pm.

Cr Laws returned to the meeting at 4:02 pm

9.3. Flood Recovery Update

[2:40:36] This report provided information on the October 2024 flood event, response and initial damage assessment and update on the existing 2020, 2022 and 2023 flood repair and recovery programmes. Tom Dyer, General Manager Science and Resilience and Brett Patterson, Team Leader Programme Management, were available to answer questions on the report. There was an addition to the original recommendation.

Resolution CM24-204: Cr Malcolm Moved, Cr McCall Seconded

That the Council:

1. **Receives** this report.
2. **Notes** the recent flood damage from the October 2024 weather event and specifically that the Puerua Training Line infrastructure requires urgent repair.
3. **Approves** the award of a contract to Southroads Limited to undertake urgent repairs to the Puerua Training Line up to a total amount not exceeding \$1,000,000 (excl. GST). This is comprised of the estimate of \$750,000 (excl. GST) and contingency of \$250,000 (excl. GST).
4. **Authorises** the Chief Executive, in consultation with the Chairperson, to award contracts including variations up to a total amount not exceeding \$2,540,000 (excl. GST) for the repairs identified as a priority as set out in Table 6.
5. **Authorises** the Chief Executive and the General Manager Science & Resilience to make payments against approved project progress claims up to a cumulative amount not exceeding \$2,540,000 (excl. GST).
6. **Notes** that the October 2024 flood damage repairs are unbudgeted expenditure in FY 2024/2025 as a result of the flood event and will be funded by scheme reserves.
7. **Notes** the progress with ORC's Flood repair and recovery from the 2020, 2022 and 2023 flood events.
8. **Requests** that staff provide an update on the October 2024 flood repairs and the financial implications to the March 2025 Council meeting.
9. **Notes** that the approval to award a contract to Southroads without a tender process is not in accordance with ORC's procurement policy but it is justified due to the risk created by the flooding damage to the Puerua Training line.

MOTION CARRIED

9.4. Taieri Trails on Floodbanks

[YouTube 3:12:40] This report sought a policy decision from Council regarding the use of its flood protection assets for the establishment of shared use paths (SUP). Kirsten Tebbutt, Engagement, Strategy & Planning Lead and Tom Dyer, General Manager Science and Resilience were available to respond to questions on the report.

Resolution CM24-205: Cr Wilson Moved, Cr Weir Seconded

That the Council:

1. **Notes** this report.
2. **Approves** the use (of) and access to ORC owned assets and land for the purpose of recreational activities through the construction of shared use pathways by the third parties.
3. **Endorses** Option 3: ORC enables the development of SUPs on suitable flood assets and takes ownership for trail maintenance.
4. **Notes** that staff will develop guidance for construction standards which must be met to ensure the integrity of assets are maintained.
5. **Directs** staff to continue working with the Taieri Trails Group and Clutha District Council to finalise their proposals for Council consideration.
6. **Notes** that the current Long-Term Plan 2024 – 2034 does not include specific funding towards supporting the investigation, construction and maintenance of ORC owned assets to be used for shared use pathways.

MOTION CARRIED

Gary Kelliher voted against.

Cr Somerville left the meeting at 4:39 pm.

Cr Somerville returned to the meeting at 4:40 pm.

9.5. Head of Lake Whakatipu Natural Hazards Adaptation Programme

[YouTube 3:34:30] This paper updated the Council on the progress related to the development of a natural hazards' adaptation strategy for the Head of Lake Whakatipu area. This paper also sought Council endorsement to seek public feedback on the draft Head of Lake Whakatipu Natural Hazards Adaptation Strategy, including 'summary and survey' documents. If endorsed, public feedback activities will commence from 5 December. Toan Nguyen, Senior Natural Hazards Adaptation Specialist, Ann Conroy, Team Leader Natural Hazards Adaptation, Jean-Luc Payan, Manager Natural Hazards and Tom Dyer, General Manager Science and Resilience, were present to respond to questions.

Resolution CM24-206: Cr Weir Moved, Cr Forbes Seconded

That the Council:

1. **Notes** this report.
2. **Notes** the Head of Lake Whakatipu natural hazards adaptation work programme progress.
3. **Endorses** the use of the detailed Draft Strategy document; and summary and survey document; for public feedback.

MOTION CARRIED

9.6 Council Calendar for 2025

[YouTube 4:15:40] This paper sought to adopt the governance meeting schedule for the Otago Regional Council for 2025. Amanda Vercoe, General Manager Strategy and Customer was available to respond to questions on the report.

Resolution CM24-207: Cr Noone Moved, Cr Malcolm Seconded

That the Council:

1. **Receives** this report and the draft attached meeting schedule.
2. **Adopts** the meeting schedule, with or without changes.

MOTION CARRIED

Cr Mepham left the meeting at 5:32 pm.

Cr Mepham returned to the meeting at 5:35 pm

9.7. Delegation to Chief Executive in relation to an appeal to the Dunedin City District Plan

[YouTube 4:27:12] To provide delegation to the Chief Executive to enable the uplift of conditions associated with rezoning of land in the Dunedin City Second Generation District Plan. Anita Dawe, General Manager, Regional Planning and Transport, Tom Dyer, General Manager, Science and Resilience, Richard Saunders, Chief Executive were available to respond to questions on the report.

Resolution CM24-208: Cr Wilson Moved, Cr McCall Seconded

That the Council:

1. **Delegates** to the Chief Executive Officer authority to enter into an agreement under Rule 12.3.4.b.ii.2 of the Dunedin City Second Generation District Plan (2GP) between the Otago Regional Council and any landowner applying under Rule 12.3.4 of 2GP for the release of land in the South East Mosgiel Residential Transitional Overlay Zone (as shown in Figure 15.8.21A of 2GP) containing the terms and conditions on which the Otago Regional Council will accept the discharge of stormwater, directly or indirectly, from that landowner's land to the Owhiro Stream or to any work, system or facility owned or operated by the Otago Regional Council.

MOTION CARRIED

10. NOTICES OF MOTION

Nil

11. RESOLUTION TO EXCLUDE THE PUBLIC

Cr Wilson Moved, Cr Weir Seconded

That the public be excluded from the following parts of this meeting, namely:

- 1.1 Confidential Minutes of Council 25 September 2024
- 3.1 CS2441 Port Otago Resolution In lieu of Annual Shareholders Meeting
- 3.2 CS2451 ORC Office Accommodation in Queenstown and Wānaka: Changes

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under [section 48\(1\)](#) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<i>1.1 Confidential Minutes of Council 25 September 2024</i>	To maintain legal professional privilege – Section 7(2)(g)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a)that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
<i>3.1 Port Otago Resolution In Lieu Of Annual Shareholders Meeting</i>	To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a) To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a)that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
<i>3.2 ORC Office Accommodation in Queenstown and Wānaka: Changes</i>	To enable a local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a)that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

12. CLOSURE

There was no further business and Chair Robertson declared the meeting closed at 5:38 pm.

Chairperson

Date

Meeting Date	Document	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
22-03-2023	Council Meeting 2023.03.22	GOV2306 Proposal to participate in CouncilMARK programme	In Progress	The Chief Executive will execute an agreement with CouncilMARK to undertake an independent assessment in 2024. Res CM23-130	Chief Executive	13/09/2023 Governance Support Officer Underway. Assessment likely to take place February 2024 15/05/2024 Governance Support Officer Te Korowai (formerly CouncilMARK) is underway and due to be completed in September 2024. The main data gathering exercise takes place between May and June. A Councillor Workshop for input into our assessment is due to take place by July. 19/07/2024 Governance Support Officer Workshop took place on 3 July. Next workshop takes place on 7 August. 21/08/2024 General Manager Strategy and Customer Workshop took place on 7 August. Te Korowai assessors onsite 3/4 September 2024. 11/10/2024 Governance Support Officer 10/10/24 - CE Assessment has been completed and we are awaiting the final report which will be on a future Council agenda.	16-12-2024
22-03-2023	Council Meeting 2023.03.22	Recommendations of the Finance Committee	In Progress	Chief Executive directs staff to undertake further work towards development of an annual awards programme including detailed costs AND provide a report to Council for consideration during the upcoming LTP process (Res FIN23-103). Res CM23-136	Chief Executive, General Manager Strategy and Customer	13/09/2023 Governance Support Officer Underway. 08/03/2024 Governance Support Officer The team will be preparing a paper based on the previous direction, to be included in the final meeting to sign off 2025 LTP.	26-07-2024
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-139: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: g. Requests that staff complete a review of options for the allocation of Public Transport targeted rates and report back in time for the 25/26 annual plan.	General Manager Finance, General Manager Regional Planning and Transport	16/10/2024 General Manager Finance In progress. Staff will provide an update and proposed next steps in the Annual Plan 2025-26 workshop on 30-Oct-2024.	6-12-2024
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-138: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: d. Investigate within existing year one forecast budgets the feasibility of incorporating an Oamaru-Dunedin service within the 'Oamaru year two and three public transport trial.	General Manager Regional Planning and Transport		27-06-2025
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	In Progress	FIN24-120: 44) Requests staff undertake a review of all flood and drainage schemes to inform rate allocation and report back to Council on the Terms of Reference and timing for this review	Chief Executive, General Manager Finance, General Manager Science and Resilience	11/10/2024 Governance Support Officer 10/10/24 CE Underway. Staff are considering the best approach for this work and will report back to Council early in 2025.	16-12-2024
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	In Progress	FIN24-149: 50) Requests that staff research and report on alternative community ownership models for flood and drainage schemes as a way of addressing financial unsustainability.	General Manager Finance, General Manager Science and Resilience	16/10/2024 General Manager Finance Underway. Staff are considering the best approach for this work and will report back to Council early in 2025 along with FIN24-120.	27-06-2025

Meeting Date	Document	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-137: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: c. Allocate \$50,000 in Year two Long-Term Plan 2024-2034 for potential sponsorship of the activity outlined in 'Dunedin Tracks and Trails' submission or other activity that would deliver on the Public and Active Transport Connectivity Strategy.	General Manager Regional Planning and Transport		27-06-2025
28-08-2024	Council Meeting - 28 August 2024	POL2419 Waitaki River Update	Assigned	CM24-167 Notes a further update will be provided in 2025, after the early engagement has been undertaken;	Executive Assistant - Regional Planning and Transport, General Manager Regional Planning and Transport		1-06-2025
20-11-2024	Council Meeting - 20 November 2024	GOV2471 LWRP Next Steps	In Progress	CM24-213 Directs staff to report back to Council by March 2025 with advice on solutions for any issues identified that have resulted from the delay to notification of the draft Land and Water Regional Plan.	Chief Executive, Executive Assistant - Corporate Services		28-02-2025
20-11-2024	Council Meeting - 20 November 2024	GOV2471 LWRP Next Steps	In Progress	CM24-213 Directs staff to draft a response to the letter from the Ministers for Resource Management Reform, Environment, and Agriculture, to be signed out by the Chair.	Chief Executive, Executive Assistant - Corporate Services		28-02-2025
4-12-2024	Council Meeting - 4 December 2024	OPS2440 Flood Recovery Update	Assigned	CM24-205 (8) Requests that staff provide an update on the October 2024 flood repairs and the financial implications to the March 2025 Council meeting.	Executive Assistant, Operations, General Manager Science and Resilience		25-03-2025

8.1. Chairperson's Report

Prepared for: Council
Author: Cr Gretchen Robertson
Date: 19 February 2025

Meetings attended:

2024

21 November, Combined Sector Meeting Wellington

22 November, Regional Sector Meeting Wellington

25 November, Youth Voice Forum, NZ First Initiated Follow up Meeting (Dunedin)

27 November, All Otago Regional Council Staff Day (ORC)

9 December, Regional Deals Meeting (Alexandra)

12 December, Civil Defence and Emergency Management Joint Committee

<https://www.otagocdem.govt.nz/otago-cdem/governance-strategy-and-plans>

13 December, Otago Mayoral Forum (Dunedin)

<https://otagomayors.org.nz>

2025

28 January, NPSFM Engagement Online Meeting Hosted By MfE

31 January, Pre-New Dunedin Hospital Announcement Meeting with Hon Simeon Brown and Hon Penny Simmonds

3 February, Port Liaison Group (Dunedin)

5 February, Joint Otago and Southland Mayoral Forum (Queenstown)

Te Rōpū Taiao Otago and Southland (Queenstown)

6 February, 2025 Waitangi Day Commemorations (Tahuna/Queenstown)

11 February, Whare Runaka design online walk-through

Letters Sent/Received

Incoming:

- **21 November – Min Simeon Brown**
- **10 December – Min Simeon Brown**
- **12 December – Min Chris Bishop**

Outgoing

- **21 November – Mins Bishop, Simmonds and McClay**
- **4 December – Min Hoggard**
- **13 December – Min Hoggard**

RECOMMENDATION

That the Council:

- 1) ***Notes this report.***

ATTACHMENTS

1. 21 November 2024 Min Simeon Brown [**8.1.1** - 4 pages]
2. Water Services Bill - Min Simeon Brown. [**8.1.2** - 2 pages]
3. 12 December 2024 Min Chris Bishop [**8.1.3** - 1 page]
4. 21 November 2024 Mins Bishop, Simmonds and Mc Clay [**8.1.4** - 1 page]
5. 4 December 2024 Min Andrew Hoggard [**8.1.5** - 2 pages]
6. 13 December 2024 Min Andrew Hoggard. [**8.1.6** - 2 pages]

Hon Simeon Brown

MP for Pakuranga

Minister for Energy
Minister of Local Government
Minister of Transport

Minister for Auckland
Deputy Leader of the House



Dear Mayor/Chair,

21 November 2024

Invitation to submit a regional deal light-touch proposal

The Government is pleased to invite your council to submit a regional deal proposal.

Regional deals is our Government's initiative to boost economic growth through infrastructure development. Deals will be focused on delivering connected and resilient infrastructure, building economic growth and improving the supply of affordable housing. They will be based on a 30-year vision for the region, with negotiated 10-year strategic plans.

Proposal process

Each region has the opportunity to submit one proposal for consideration. The proposals must be a collaborative submission by the territorial authorities involved and the relevant regional council. 'Regions' in the context of regional deals should be a configuration of territorial authorities within a defined economic and geographic area and must include the regional council where relevant. One relevant regional council will be involved in each regional deal alongside territorial authorities.

The proposal is intended to be straightforward and high level. We are looking for simple, in-house proposals supported by readily accessible information. Each proposal should identify 3-5 key infrastructure priorities or projects for the region. These should clearly show how they will boost regional economic growth or unlock growth for housing. To support the development of your proposal, a light-touch form is attached to guide you.

Should you wish to submit a regional deals proposal, please complete the attached registration form and submit it to regionaldeals@dia.govt.nz by 18 December 2024. Final proposals are due by 28 February 2025.

Please find additional guiding material below. Further information will be available at the <https://www.dia.govt.nz/Regional-Deals>. If you have any questions, do not hesitate to refer them to your Department of Internal Affairs Partnership Director or to regionaldeals@dia.govt.nz.

We are pleased to begin this journey and look forward to working with you to deliver infrastructure investment and economic growth for your communities.

Yours sincerely,

A handwritten signature in blue ink that reads "Simeon Brown".

Hon Simeon Brown

Minister of Local Government

Private Bag 18041, Parliament Buildings, Wellington 6160 New Zealand
+64 4 817 6804 | s.brown@ministers.govt.nz | www.beehive.govt.nz

What classifies as a 'Region'?

'Regions' in the context of regional deals should be a configuration of territorial authorities within a defined economic and geographic area and must include the regional council where relevant. One relevant regional council will be involved in each regional deal alongside the territorial authorities.

Territorial authorities should determine how they collaborate with one another, alongside the relevant regional council, on a proposal that will support economic growth or unlock growth for housing for the region involved.

Why are all councils being invited to submit a light-touch proposal?

We have made the decision to invite all territorial authorities at the same time to enable all regions to put forward proposals that will boost economic growth, and to support the building of relationships between these territorial authorities and their relevant regional council.

What is a light-touch proposal?

A light-touch proposal is a document that outline ideas that can be implemented to address clearly understood issues and opportunities. We are not looking for exploratory studies or huge glossy documents.

While each regional deal will reflect the priorities for each region, deals should address the following criteria:

- Regional alignment - shared strategic objectives, developed in partnership and reflecting the particular local characteristics of each region;
- Identification of economic opportunities for long term growth potential;
- Financial and non-financial resources that will be brought to the table;
- Alignment and commitment on approach to broader government reform objectives such as Local Water Done Well – to provide confidence that councils are meeting their regulatory standards;
- Commitment to use of shared services; and
- Identification of alternative funding and financing tools for projects.

My expectation is that territorial authorities take a 'no-frills' approach to these proposals, which are practical and focused on achieving results. The information needed to complete your proposal is expected to be able to be sourced from your existing resources and materials, minimising any unnecessary additional costs and reducing reliance on external parties.

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+64 4 817 6804 | s.brown@ministers.govt.nz | www.beehive.govt.nz

How should I confirm my intention to submit a light-touch proposal?

To confirm your intention to submit a light-touch proposal, submit the attached registration form to the Regional Deals Team at DIA (RegionalDeals@dia.govt.nz) before 18 December 2025.

How will light-touch proposals be assessed?

Proposals will be assessed according to the assessment criteria on page 24 of the Regional Deals Strategic Framework (<https://www.beehive.govt.nz/sites/default/files/2024-08/Regional%20Deals%20Strategic%20Framework.pdf>).

When will my region get a deal?

We expect the first regional deal to be finalised with the selected region by December 2025, with two more deals finalised by October 2026. Plans for future rounds of deals are still being developed.

We encourage councils that are not selected in the first tranche to continue to build relationships and planning with neighbouring territorial authorities and the relevant regional council to develop their future proposal. The regional deals secretariat will continue to provide support and share information on the rollout of the deals.

What are the key dates I need to know?

Activity	Date
Letters sent to all Councils inviting a regional deal proposal	21 Nov 2024
Online Q&A sessions for all councils	Late Nov 2024
Regions confirm intention to submit a proposal	By 18 Dec 2024
Regions submit final proposals for consideration	28 Feb 2025
Cabinet agreement on next steps for each region	Mid-2025

Further information

In the meantime, I encourage you to review the information at [\[https://www.dia.govt.nz/Regional-Deals\]](https://www.dia.govt.nz/Regional-Deals), including the Regional Deals [Strategic Framework - DIA](#).

For further questions, please contact your DIA Partnership Director in the table ahead or email RegionalDeals@dia.govt.nz.

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<i>Regions</i>	<i>DIA Partnership Director</i>	<i>Contact details</i>
Northland/Auckland/Waikato	Vanessa Blakelock	Vanessa.blakelock@dia.govt.nz [021 832 417]
Bay of Plenty/Gisborne Tairāwhiti/Hawkes Bay/Manawatū Whanganui/Taranaki	Caroline Dumas	Caroline.dumas@dia.govt.nz [022 652 5199]
Wellington/Otago/Southland	Warren Ulusele	Warren.ulusele@dia.govt.nz [021 227 8187]
Nelson City and Tasman /Marlborough/Canterbury/ West Coast	Paul Barker	Paul.barker@dia.govt.nz [027 610 7508]

Action required: Please confirm your acceptance of this invitation to submit a regional deal proposal. Include the councils you will be partnering with to develop your proposal and form your 'region'.

To confirm your intention to submit a regional proposal, please submit the attached registration form to the Regional Deals Team at DIA (RegionalDeals@dia.govt.nz) before 18 December 2025.

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Hon Simeon Brown

MP for Pakuranga

Minister for Energy
Minister of Local Government
Minister of Transport

Minister for Auckland
Deputy Leader of the House



Dear Chair

Local Government (Water Services) Bill introduced to Parliament

This week I introduced to Parliament the Coalition Government's third Local Water Done Well Bill.

When enacted the Local Government (Water Services) Bill will be the central piece of legislation for New Zealand's water services system.

The Bill reflects key policy decisions shared with you in August this year. It builds on the foundations already in place through the Local Government (Water Services Preliminary Arrangements) Act 2024, including the development of Water Services Delivery Plans (Plans) by councils.

About the Bill

The Bill is necessarily comprehensive. It sets out key details relating to the water services delivery system, the economic regulation and consumer protection regime for water services, and changes to the water quality regulatory framework.

The Bill gives effect to the policy decisions announced in August. While there are no changes to the information that has already been shared with you on these, the Bill sets out detailed information about the new water services delivery system that will be of interest, including information about wastewater and stormwater standards, and technical details about the implementation of the National Engineering Design Standards.

I encourage you to visit the Department of Internal Affairs' website for further detailed information about key aspects of the Bill.

The Department has updated the Local Water Done Well factsheets that were shared in August and developed new factsheets, based on the provisions of the Bill as introduced and including further information.

This includes factsheets on wastewater standards, infrastructure design solutions, and National Engineering Design Standards, as well as an overview of roles and responsibilities under the new regulatory regime.

This information is available at: www.dia.govt.nz/Water-Services-Policy-Future-Delivery-System.

Changes to the water services regulatory framework

The Bill makes several changes that impact regional councils' operational roles in relation to wastewater, stormwater and drinking water policy and consenting.

For example, in relation to the new wastewater environmental performance standards, which are currently being developed by the Water Services Authority – Taumata Arowai (the Authority):

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- Regional councils will be required to implement the new single standard approach in resource consents and will not be able to exceed the standard in consenting conditions, apart from on an 'exceptions' basis.
- The standards themselves will provide a national set of consent conditions that consent authorities will be required to include in any resource consent.

I understand the Authority's consultation on the standards will begin in early 2025.

Further information will be provided to support implementation of the Bill (once enacted) about the transitional arrangements for resource consents for wastewater treatment plants, including those that are operating on expired consents.

In relation to stormwater management, the Bill will clarify the responsibilities and obligations of councils and private landowners to support the development of stormwater network risk management plans.

More broadly, the decisions councils make around their future arrangements for water services delivery are also likely to affect how regional councils work at an operational level with councils, including those that have formed joint arrangements for water services delivery.

The Department of Internal Affairs will prepare further guidance material to support the implementation of Local Water Done Well, following the enactment of the Bill in mid-2025.

Next steps

The introduction of this Bill represents a significant milestone for Local Water Done Well, and for the delivery of local solutions for improved, financially sustainable and high-quality water services.

Once the Bill has had its first reading it will be referred to a select committee, where you will be able to make a submission.

I encourage you to have your say to ensure the legislation provides an enduring framework for the future of our water services.

More detail on the timing of the select committee process can be found on the Parliament website at www.parliament.nz, following first reading.

Thank you for your continued engagement and support.

Yours sincerely,



Hon Simeon Brown

Minister of Local Government

Hon Chris Bishop

Minister of Housing
Minister for Infrastructure
Minister Responsible for RMA Reform
Minister for Sport and Recreation
Leader of the House
Associate Minister of Finance



12 December 2024

CB-COR1043/CORM-3273

Gretchen Robinson
Chairperson
Otago Regional Council
By email: kim.waincott@orc.govt.nz

Dear Gretchen

Thank you for your letter of 21 November 2024 to the Minister for the Environment, Hon Penny Simmonds, the Minister of Agriculture, Hon Todd McClay and the Minister Responsible for RMA Reform, Hon Chris Bishop, expressing your preference for Councillors to be directly engaged on the replacement National Policy Statement for Freshwater Management (NPS-FM).

We agree that the experience you and your Councillors have in freshwater planning will provide valuable input into the review of the NPS-FM and I welcome Councillors' direct input.

We understand that officials at the Ministry for the Environment met with Otago Regional Council staff on 10 December 2024 to make arrangements for direct engagement with Councillors. Ministers will consider how best we can be involved in this engagement once further details have been confirmed.

Thank you for the update on work to understand the implications of the deferral of your freshwater plan and changes to freshwater regulations. We welcome further discussion on how central government can work with you to resolve any issues arising once you have received your advice.

Yours sincerely

Handwritten signature of Hon Chris Bishop in blue ink.

Hon Chris Bishop
Minister Responsible for RMA Reform

Handwritten signature of Hon Penny Simmonds in blue ink.

Hon Penny Simmonds
Minister for the Environment

Cc: Hon Todd McClay– Minister of Agriculture



From the Office of the Chairperson

21 November 2024

Hon Chris Bishop, Hon Penny Simmonds and Hon Todd McClay
Parliament Buildings
WELLINGTON

via Email: c.bishop@ministers.govt.nz, p.simmonds@ministers.govt.nz,
todd.mcclay@parliament.govt.nz

Dear Ministers Bishop, Simmonds and McClay

I am writing to you on behalf of ORC, in response to your letter from 23 October 2024 where you expressed a desire to work together collaboratively on freshwater matters including the review of the current National Policy Statement for Freshwater Management and its replacement.

Otago Regional Council is keen to ensure that the region's needs are properly considered in the NPSFM review process and both councillors and staff are keen to share their experience and expertise with your officials who are undertaking this process.

Our staff has had initial discussions with Ministry officials and we would prefer for Councillors to be involved in engagement with officials, alongside our usual staff engagement.

We consider our staff well suited to assist with exploring ideas and providing feedback on proposals, alongside how they may work in the Otago context. As Councillors closely engaged with our community, we are also keen to share our experiences to help shape the land and freshwater framework.

On a separate but related note, we wish to advise that our staff have commenced early work on understanding the full extent of issues resulting from the deferral of the notification decision on the draft Plan and the withdrawal of the National Environmental Standards for Freshwater (NES-F). We have some early understanding of issues such as managing diffuse discharges, consent durations and the gap in managing some rural based activities and are keen to explore how these might be resolved, including if required, taking up the offer of Central Government assistance for these issues. Staff intend to report back to us in early 2025, and we will similarly provide an update to you once we have a better understanding of the options.

We look forward to hearing from you.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Gretchen Robinson".

Gretchen Robinson
Chairperson



From the Office of the Chairperson

4 December 2024

Hon Andrew Hoggard
 Minister for Biosecurity and Food Safety
 Associate Minister for Agriculture and Environment
 Parliament Buildings
WELLINGTON

via Email: a.hoggard@ministers.govt.nz

Dear Minister Hoggard

Corbicula fluminea and Corbicula australis (Freshwater Gold Clam) response

On behalf of the Otago Regional Council (ORC) and other South Island regional/unitary Councils, I would like to urge that Biosecurity New Zealand are appropriately resourced and all options considered, in the response to the invasive species *Corbicula fluminea* and *Corbicula australis* to ensure that effective measures are in place to prevent the spread.

I would like to emphasise the high level of concern that *Corbicula* poses, specifically in regards to the potential impacts of these freshwater clams if they spread to the South Island. The impacts of this could include: competition with and displacement of native species, exacerbation of water quality issues by reworking sediment and releasing nutrients, a direct threat to mahika kai and broader cultural and recreational values associated with freshwater ecosystems. There are likely to be impacts on water-based infrastructure as well, such as electricity generation plants, irrigation systems and water treatment plants which will pose significant economic costs for water infrastructure maintenance and repair.

Based on research it is expected that both species of *Corbicula* can survive in a wide range of temperatures and are considered a threat to South Island freshwater systems.

We appreciate the work that has been undertaken to date to prevent the spread of these invasive species and understand that eradication from the Waikato River is not feasible. A number of South Island Councils have developed surveillance programmes using eDNA and to date we have not detected *Corbicula*.

We encourage Biosecurity New Zealand to be proactive in identifying the potential pathways that *Corbicula* might pose a threat to arriving in the South Island. Resources should be applied to mitigate the risks of these pathways both via air and sea. Education around these pathways and control options is important and these need to be easily understood by the public so they are adopted and not ignored. Amongst other methods, we believe that to support the work that is already occurring interventions should be installed at the Wellington Ferry Terminal. The Cook Strait is a defensible boundary for the South Island and provides an opportunity to prevent spread

from the North Island as the transport of thousands of vehicles and vessels pass through here annually. The implementation of measures such as mandatory vehicle and vessel checks, hot water cleaning stations and clean vessel passes at the ferry terminal would ensure decontamination takes place and reduces the possibility of *Corbicula* being inadvertently transported to the South Island. Staff from Regional and Unitary Councils across New Zealand have raised this with Biosecurity New Zealand staff, and this is currently being considered. We would like to see this, plus other measures progressed and appropriately resourced with urgency especially as the summer holidays approach. This approach should ensure that all waterborne items are suitably cleaned prior to departing the North Island.

We look forward to continuing to work collaboratively with your team and other Councils to ensure that the South Island remains *Corbicula* free.

Yours sincerely,

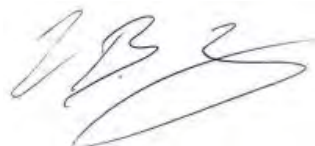


Gretchen Robertson
Chairperson

CC: Richard Saunders, Chief Executive, Otago Regional Council



Chair Nicol Horrell
Environment Southland



Mayor Tim King
Tasman District Council

Chair Craig Pauling
Environment Canterbury



From the Office of the Chairperson

13 December 2024

Hon Andrew Hoggard
 Minister for Biosecurity and Food Safety
 Associate Minister for Agriculture and Environment
 Parliament Buildings
WELLINGTON

via Email: a.hoggard@ministers.govt.nz

Dear Minister Hoggard

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Yours sincerely,

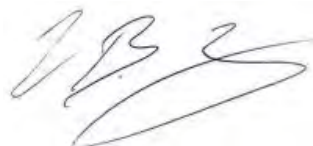


Gretchen Robertson
Chairperson

CC: Richard Saunders, Chief Executive, Otago Regional Council



Chair Nicol Horrell
Environment Southland



Mayor Tim King
Tasman District Council



Chair Craig Pauling
Environment Canterbury

8.2. Chief Executive's Report

Prepared for: Council
Activity: Governance Report
Author: Date: Richard Saunders, Chief Executive
19 February 2025

PURPOSE

- [1] This report provides Council with an overview of Otago Regional Council's key projects, financial performance and progress against our levels of service.

EXECUTIVE SUMMARY

- [2] The Annual Plan project is progressing well. Council will consider a draft annual plan position for consultation at today's Council meeting.
- [3] At the end of January there are seven non-financial level of service measures being reported as at risk and three measures being reported as off track.
- [4] At the end of January 2025 ORC is reporting a surplus of \$7.821m against a budgeted surplus of \$3.799m, a positive variance of \$4.022m. The organisation is currently forecasting a surplus of \$1.255m at year end which is \$1.672m ahead of budget.

RECOMMENDATION

That the Council:

- a) **Notes this report.**

DISCUSSION

Annual Plan 2025/26

- [5] Staff have prepared a draft annual plan for the consideration of Council. The draft position proposes an average rates rise of 7.8% in year two compared to an average of 13.8% which was approved in the long term plan.
- [6] Proposed savings were achieved through a reduction in Transport spend, removal of proposed new permanent staff, the removal of the next tranche of ORC led environmental projects and a general review of all expenditure across the Council business.
- [7] Council will be asked to consider this draft position as the basis for consultation. A paper is included in today's Council agenda.
-

Non-financial Levels of Service

- [8] Attachments 1 and 2 show the results for the non-financial levels of service contained in the LTP. At the end of January there are seven measures being reported as at risk and three measures being reported as off track.
- [9] The off-track measures relate to PT punctuality, the Land and Water Regional Plan and consultation on maps of highly productive land.
- [10] There are a range of at-risk measures. The air plan and strategy work programme is now forecasting to be delivered after 30 June 2025. The risk assessment to support the South Dunedin Future programme has been delayed. The impact of this delay is still being assessed.
- [11] A number of transport targets cannot be measured until Q4 so are not assessed in the preceding months.

Financial Performance

- [12] The statement of comprehensive revenue and expenditure is included as attachment 3 and the statement of financial position is included as attachment 4.
- [13] At the end of January 2025 ORC is reporting a surplus of \$7.821m against a budgeted surplus of \$3.799m, a positive variance of \$4.022m. Revenue is \$2.893m ahead of budget and expenditure is \$80k over budget. The organisation is currently forecasting a surplus of \$1.255m at year end which is \$1.672m ahead of budget. This includes a \$1.0m gain on investments which is reflected in the current financial position.
- [14] There is a focus on the Transport budget currently with some risk in the amount of grant funding available for certain activities. Other savings are being carried over to the 25/26 work programme and will need to be monitored carefully to ensure they are allocated to the general reserve at year end. There is further commentary on this in a report being prepared for the Finance Committee meeting.
- [15] At this stage of the financial year there are no risks to raise with Council. Expenditure is being carefully managed and full financial reporting including forecasting will continue to be provided to the Finance Committee.
- [16] The statement of financial position demonstrates that ORC is continuing to maintain a strong balance sheet that enables us to meet our financial obligations as they fall due.

OPTIONS

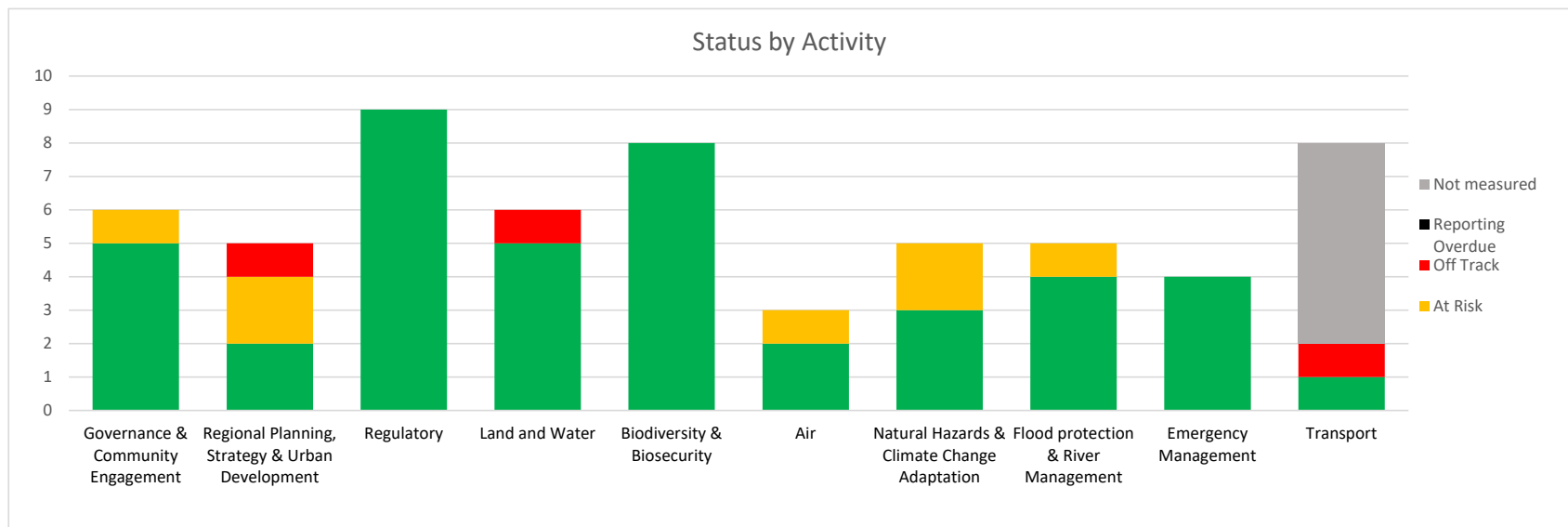
- [17] As this is a report for noting there are no options to consider.

ATTACHMENTS

1. Monthly performance report Jan 2025 Summary [8.2.1 - 3 pages]
2. Monthly performance report Jan 2025 Exceptions [8.2.2 - 2 pages]
3. January 2025 SCORE [8.2.3 - 1 page]

4. January 2025 Balance Sheet [8.2.4 - 1 page]

JANUARY PERFORMANCE REPORTING - SUMMARY

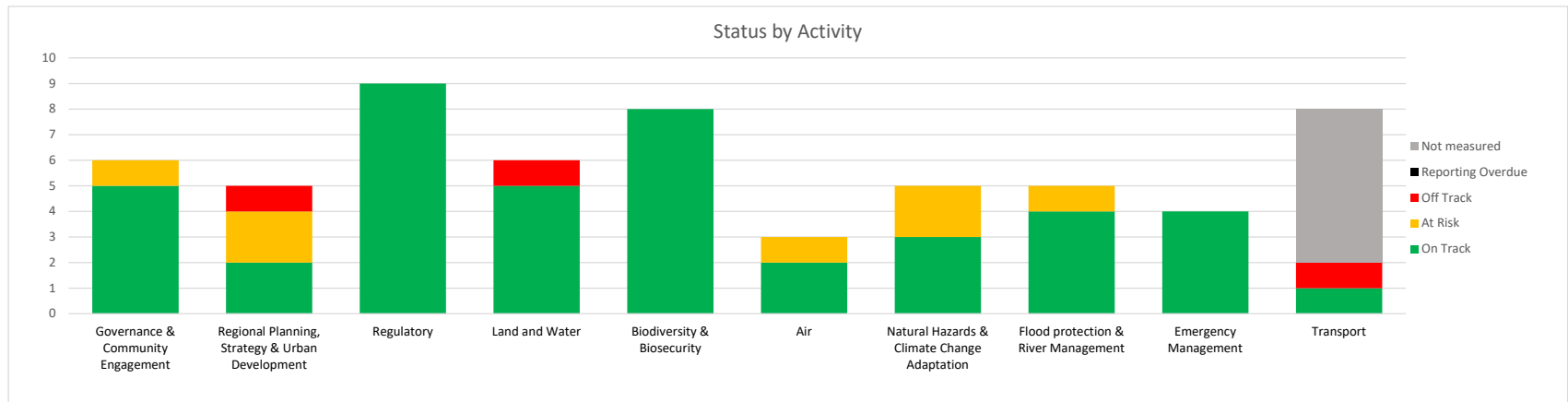


Service Measure and Target							
REGIONAL LEADERSHIP							
Governance & Community Engagement	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Percentage of official information requests responded to within 20 working days of being logged - Target: 100%	At Risk	At Risk	Off Track	At Risk	At Risk	At Risk	At Risk
Deliver our Long-Term Plan, annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements - Target: Annual Plan adopted by council prior to 30 June 2025	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Percentage of council agendas are publicly available two working days or more before a meeting - Target: 100%	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Biannual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC - Target: Report against the action plan to Council by March 2025.	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Customers express high levels of satisfaction with customer service provision - Target: Develop Customer Policy to determine satisfaction levels	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Increase opportunities for engagement with diverse groups across Otago to lift awareness and understanding of the work of the regional council and seek feedback on performance Target: Create and implement engagement plan and establish engagement data	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Regional Planning, Strategy & Urban Development	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Support integrated and well managed urban growth across Otago - Target: Joint Queenstown future development strategy completed by 30 June 2025	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Support integrated and well managed urban growth across Otago - Target: Consultation on maps of highly productive land completed by 31 December 2024	At Risk	Off Track	At Risk	At Risk	At Risk	Off Track	At Risk
Develop a regional biodiversity strategy and implement ORC actions. Target: Draft regional biodiversity strategy is made available for public consultation by 30 June 2025	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Develop a Regional Air Quality Strategy and implement ORC actions. Target: Draft Regional Air Quality Strategy is made available for public consultation along with the revised Air Plan by 30 June 2025.	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Develop a Regional Climate Change Strategy and implement ORC actions -Target: ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually.	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Regulatory	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Maintain 24-hour/7 day a week response for environmental incidents - Target: Pollution hotline staff available/on call 24/7	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Maintain 20 appropriately trained responders for maritime oil pollution incidents -Target: 20 responders attend 3 exercises per year	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Percentage of resource consent applications processed in accordance with Resource Management Act 1991 legislative timeframes - Target: ≥98%	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk
Percentage of significant non-compliance identified where action is taken in accordance with Compliance Policy - Target: 100%	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk

Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%							
Maintain compliance with Port and Harbour Marine Safety Code - Target: External review is completed and deemed to be code consistent.							
The safety campaign for recreational 'boaters' is delivered - Target: 80% achieved							
Percentage of public enquiries for consent information completed within 10 working days - Target: Maintain or increase							
ENVIRONMENT							
Land and Water	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Complete the Land and Water Regional Plan (LWRP) - Target: Freshwater hearing panel nominations and required documents submitted to Chief Freshwater Commissioner by 30 June 2025.							
ORC led and community/landowner supported workshops and events are delivered which promote best practice land management for soil conservation, water quality and/or the efficient use of water. Target: At least 12 ORC led workshops or events are delivered annually							
Site specific projects are developed for selected degraded waterbodies - Target: New projects and associated milestones are developed and reported to Council							
Site specific projects are developed for selected degraded waterbodies - Target: Project actions have been progressed as scheduled (>80%)							
Catchment Action Plans (CAPs) give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community. Target: One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2025							
Report the results of environmental monitoring for freshwater, land use, estuarine, and regional coastal environments. Target: Annual report for each of the 4 environments to Council prior to 30 June 2025.							
Biodiversity & Biosecurity	JUL	AUG	SEP	OCT	NOV	DEC	JAN
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed - Target: 100% of targets for priority pests are delivered.							
Externally funded biosecurity projects/programmes are implemented as per their agreements - Target: 90% of deliverables in the agreements with Central Government are progressing as scheduled							
Biodiversity Forum-based joint projects to enhance indigenous biodiversity are developed - Target: New projects and associated milestones are developed and reported to Council and forum partners							
Joint projects are implemented against milestones - Target: Project actions have been progressed as scheduled (>80%)							
Alignment between initiatives and deliverables receiving Council funding, and Council's strategic biodiversity strategic objectives - Target: 80% alignment							
Externally funded freshwater projects/programmes are delivered as per their agreements - Target: 90% of deliverables in the agreements with Central Government are progressing as scheduled							
Report the results of environmental monitoring for regional indigenous biodiversity ecosystems - Target: Annual report completed prior to 30 June 2025							
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed - Target: 90% of actions achieved within timeframes specified.							
Air	JUL	AUG	SEP	OCT	NOV	DEC	JAN
Implement a regional air monitoring programme - Target: Annual report on monitoring programme completed and reported to Council							
Report the results of environmental monitoring for air. - Target: Annual report for air monitoring for previous financial year reported to Council by 30 Sept 2024. Note: ≥95% = achieved							
Complete review of the Regional Plan Air - Target: Council approves Regional Plan Air for notification by 30 June 2025							
CLIMATE CHANGE AND RESILIENCE							
Natural Hazards & Climate Change Adaptation	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Natural hazards information is available via the web-based Otago Natural Hazards Database - Target: Database is accessible and up-to-date 100% of the time							
Percentage of flood warnings that are issued in accordance with the flood warning manual - Target: 100%							
Implement the findings of the regional natural hazards risk assessment and inform adaptation planning and implementation - Target: Implementation and additional assessments of natural hazards and risks based on the findings of the Otago Natural Hazards Risk Assessment. Phased delivery Yr 1 to 10							

Implement prioritised natural hazard risks adaptation works - Target: The first Head of Lake Whakatipu natural hazards adaptation strategy completed by 31 December 2024; Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.							
Implement prioritised natural hazard risks adaptation works - Target: Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan							
Flood protection & River Management	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Percentage of scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents. - Target: > 85% of renewal programmes completed							
Percentage of scheme maintenance programme: Major flood protection drainage and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents. - Target: > 85% of planned maintenance programme completed							
Percentage of planned maintenance programme: Channel works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: >85% of planned maintenance programme completed							
Respond within defined timelines for reported issues and to flood events in a timely manner - Target: Flood repair programme: Damage identified, prioritised and a repair programme is made available to affected communities within 3 months of the event/100%.							
Respond within defined timelines for reported issues and to flood events in a timely manner - Target: Reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days.							
Emergency Management	JUL	AUG	SEP	OCT	NOV	DEC	JAN
Emergency Management Otago staff are available to respond 24/7 to a Civil Defence emergency - Target: Maintain a duty roster for 24/7 365 coverage for initial responses to Civil Defence emergencies							
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency - Target: An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation. Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response							
Support is provided to Emergency Management Otago to fulfil Otago CDEM Group requirements as defined in the CDEM Act and CDEM - Target: Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement							
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency - Target: Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response							
TRANSPORT							
Transport	JUL	AUG	SEPT	OCT	NOV	DEC	JAN
Percentage of scheduled services on-time (punctuality – to five minutes) - Target: 95%							
Overall passenger satisfaction with Dunedin Public Transport system at annual survey - Target: Maintain or increase 3 yr rolling average >=90%							
Annual public transport boardings in Queenstown - Target: Increase							
Annual public transport boardings in Dunedin - Target: increase							
Percentage of scheduled services delivered (reliability) - Target: 95%							
Overall passenger satisfaction with Whakatipu Public Transport system at annual survey - Target: Maintain or increase 3yr rolling average >=90%							
Percentage of users who are satisfied with the provision of timetable and services information - Target: Maintain or increase 3 yr rolling average >=90%							
Percentage of users who are satisfied with the overall service of the Total Mobility scheme- Target: Maintain or increase 3 yr rolling average >=90%							
	On Track	At Risk	Off Track	Not measured	Reporting Overdue		

JANUARY PERFORMANCE REPORTING - EXCEPTIONS



Service Measure and Target								
REGIONAL LEADERSHIP								
Governance & Community Engagement	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Percentage of official information requests responded to within 20 working days of being logged - Target: 100%	On Track	At Risk	Off Track	At Risk	At Risk	At Risk	At Risk	We are at 98.4% compliance. There were 3 late responses out of 181 LGOIMA requests.
Regional Planning, Strategy & Urban Development	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Support integrated and well managed urban growth across Otago - Target: Joint Queenstown future development strategy completed by 30 June 2025	On Track	At Risk	At Risk	At Risk	At Risk	At Risk	At Risk	As the Housing and Business development capacity assessments (HBCA) for the joint ORC QLDC FDS (Spatial Plan Gen 2.0) is delayed until early 2025 at least it is uncertain when the FDS will be notified to the public, heard by a Panel and completed.
Support integrated and well managed urban growth across Otago - Target: Consultation on maps of highly productive land completed by 31 December 2024	On Track	Off Track	At Risk	At Risk	At Risk	Off Track	At Risk	It is unlikely that public consultation will be completed by end of December 2024 as we are still waiting on direction from central government.
Develop a Regional Air Quality Strategy and implement ORC actions. Target: Draft Regional Air Quality Strategy is made available for public consultation along with the revised Air Plan by 30 June 2025.	On Track	On Track	On Track	On Track	On Track	At Risk	At Risk	A draft strategy will be presented to the ESP Committee in June, but is unlikely to be released for public consultation until August in conjunction with the proposed Air Plan.
ENVIRONMENT								
Land and Water	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Complete the Land and Water Regional Plan (LWRP) - Target: Freshwater hearing panel nominations and required documents submitted to Chief Freshwater Commissioner by 30 June 2025.	On Track	On Track	On Track	Off Track	Off Track	Off Track	Off Track	The pLWRP and the section 32 report were ready for notification decision by end of October 2024, but this decision has been deferred due to legislative change.
Air	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Complete review of the Regional Plan Air - Target: Council approves Regional Plan Air for notification by 30 June 2025	On Track	On Track	On Track	At Risk	At Risk	At Risk	At Risk	The draft Plan and section 32 report will be ready for notification by August 2025, which is two months later than the LOSM in the LTP.
CLIMATE CHANGE AND RESILIENCE								
Natural Hazards & Climate Change Adaptation	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Implement prioritised natural hazard risks adaptation works - Target: The first Head of Lake Whakatipu natural hazards adaptation strategy completed by 31 December 2024; Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	On Track	On Track	On Track	At Risk	At Risk	At Risk	At Risk	A revised schedule to deliver the first iteration of the strategy will be in early 2025. This is to allow sufficient time for community/public feedback on the draft Strategy, and incorporation of this feedback into the final version of the Strategy document.
Implement prioritised natural hazard risks adaptation works - Target: Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan	On Track	On Track	On Track	On Track	On Track	At Risk	At Risk	The delay in the delivery of the risk assessment report affected the overall progression of the SDF programme. The impact of the delay is currently being assessed.
Flood protection & River Management	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Respond within defined timelines for reported issues and to flood events in a timely manner - Target: Reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days.	On Track	On Track	On Track	At Risk	At Risk	At Risk	At Risk	3 enquiries in October fell short of the KPI of 100% responses within 20 working days, the status has been changed to off-target for the rest of the financial year
TRANSPORT								
Transport	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	COMMENT
Percentage of scheduled services on-time (punctuality – to five minutes) - Target: 95%	On Track	At Risk	On Track	At Risk	At Risk	Off Track	Off Track	Services are heavily affected in both Dunedin and Queenstown by extensive roadworks, road closures and heavy congestion.
Overall passenger satisfaction with Dunedin Public Transport system at annual survey - Target: Maintain or increase 3 yr rolling average >=90%	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	The next survey will take place in Q4 2025.
Annual public transport boardings in Queenstown - Target: Increase	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	The next survey will take place in Q4 2025.
Annual public transport boardings in Dunedin - Target: increase	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	The next survey will take place in Q4 2025.
Overall passenger satisfaction with Whakatipu Public Transport system at annual survey - Target: Maintain or increase 3yr rolling average >=90%	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Annual survey to be completed in Q4.
Percentage of users who are satisfied with the provision of timetable and services information - Target: Maintain or increase 3 yr rolling average >=90%	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Surveys are completed in Q4 - Targets are expected to be achieved.
Percentage of users who are satisfied with the overall service of the Total Mobility scheme- Target: Maintain or increase 3 yr rolling average >=90%	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Not measured	Surveys are done in Q4. We expect to achieve the target.





STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE PERIOD ENDING 31 JANUARY 2025

	January 2025 Actual	January 2025 Budget	Variance Actual	2025 Forecast	2025 Budget	Variance Forecast
Revenue	Year to Date	Year to Date	Year to Date	Full Year	Full Year	Full Year
Revenue from non-exchange transactions						
Rates Revenue	37,851	37,854	(3)	64,883	64,893	(10)
Grant revenue and subsidies	14,148	11,456	2,692	25,457	21,991	3,466
Other Revenue non exchange	5,403	5,508	(105)	9,844	9,179	665
Revenue from exchange transactions						
Interest and investment revenue	5,773	5,696	77	8,720	9,765	(1,045)
Dividends	10,793	10,500	293	18,278	18,000	278
Other Revenue Exchange	3,132	3,192	(61)	5,706	5,321	385
Total Revenue	77,099	74,206	2,893	132,888	129,149	3,739
Expenditure						
Employee benefits expense	23,222	23,085	(137)	39,136	39,574	438
Depreciation and amortisation	2,343	1,926	(417)	3,816	3,302	(514)
Finance Costs	4,714	5,497	783	9,019	9,424	405
Other Expenses	41,079	40,770	(309)	82,155	78,759	(3,396)
Total Expenditure	71,358	71,278	(80)	134,126	131,059	(3,067)
Other gains/(losses)						
Other (gains)/losses	2,079	871	1,208	2,493	1,493	1,000
Total Other gains/(losses)	2,079	871	1,208	1,255	(417)	1,672
Surplus/(deficit)	7,821	3,799	4,022	1,255	(417)	1,672
Fair value gain/loss on shares in subsidiary	0	0	0	28,156	28,156	0
Total Comprehensive Revenue and Expense	7,821	3,799	4,022	29,411	27,739	1,672



STATEMENT OF FINANCIAL POSITION - ANNUAL REPORT
AS AT 31 JANUARY 2025

	January 2025	June 2024	Year to Date	June 2025
	Actual	Prior year actual	Variance	Budget
	\$000s	\$000s	\$000s	\$000s
Assets				
CURRENT ASSETS				
Cash and cash equivalents	26,912	13,605	13,307	2,455
Trade and other receivables	31,038	17,139	13,899	18,180
Property held for sale	3,350	3,350	0	0
Current related party receivable	66,688	38,480	28,208	0
Other financial assets	29,799	27,284	2,515	29,181
Other Current Assets	1,633	1,561	72	1,433
Total Current Assets	159,421	101,419	58,002	51,249
NON-CURRENT ASSETS				
Shares in subsidiary	732,720	732,720	0	780,239
Property, plant and equipment	96,392	96,161	231	109,835
Intangible assets	267	408	(141)	2,025
Non current related party receivable	55,990	75,198	(19,208)	150,088
Investment Property	16,850	16,850	0	17,134
Borrower Notes	500	500	0	500
Total Non-current Assets	902,719	921,838	(19,119)	1,059,821
Total Assets	1,062,141	1,023,256	38,884	1,111,070
Liabilities				
CURRENT LIABILITIES				
Trade and other payables	43,402	20,281	23,121	22,594
Employee entitlements	2,445	3,293	(848)	2,716
Borrowings	81,000	48,359	32,641	69,878
Total Current Liabilities	126,847	71,934	54,913	95,188
NON-CURRENT LIABILITIES				
Non current borrowings and other financial liabilities	66,678	90,528	(23,850)	110,438
Total Non-current liabilities	66,678	90,528	(23,850)	110,438
Total Liabilities	193,526	162,462	31,064	205,626
NET ASSETS (Assets minus Liabilities)	868,615	860,794	7,821	905,444
Equity				
PUBLIC EQUITY				
Public Equity	110,287	102,467	7,820	120,576
Total Public Equity	110,287	102,467	7,820	120,576
RESERVES				
Reserves	758,328	758,328	(0)	784,868
Total Reserves	758,328	758,328	(0)	784,868
Total Equity	868,615	860,794	7,821	905,444

9.1. Annual Plan 2025/26

Prepared for: Council
Report No. GOV2482
Activity: Community: Governance & Community
Author: Mike Roesler, Manager Corporate Planning
Endorsed by: Amanda Vercoe, General Manager Strategy and Customer
 Nick Donnelly, General Manager Finance
Date: 19 February 2025

PURPOSE

- [1] This report enables Council to formalise a draft position on changes to the financial forecasts and work programme contained in the Otago Regional Council Long-Term Plan 2024-34 (LTP).
- [2] Doing so provides a basis for consultation with the community and making final decisions prior to approving the Annual Plan 2025-26 (AP) in June 2025.

EXECUTIVE SUMMARY

- [3] The AP process is at a point where Council can decide a draft position on changes to the financial forecasts and associated activity contained in Year 2 (2025-26) of the LTP.
 - [4] Importantly at this point in the process, the Council has achieved a \$6.1 million reduction in operating expenditure compared to the adopted LTP year 2. This reduction results in a reduced rates increase of 7.8% compared to 13.8% for the 2025-26 financial year.
 - [5] The discussion section of this report provides:
 - a. A consolidation of the financial impacts [expenditure and funding] of the proposed changes to the LTP.
 - b. The key changes to the LTP work programme incorporated in the consolidation.
 - c. Proposed changes to the measures and targets.
 - d. Proposed communication content to be used for consultation.
 - e. Reference to detailed attachments including the proposed changes to Council Fees and Charges, and a draft Annual Plan 2025/26 document.
 - [6] Deciding a draft position provides interested parties more certainty around the scope and impacts of proposed changes to the LTP.
 - [7] The proposed changes to the LTP have been considered against Councils 'Significance and Engagement Policy' and are not deemed 'significant' under the Local Government Act 2002 [LGA]. If Council formally agree with this view, then there is no requirement for a special consultative procedure under the LGA.
 - [8] The 'Options' section of this report explores the alternative to the decision-making steps provided by the recommendations of this report. In brief, Council has taken care in considering and reflecting on progress in its decision-making process.
-

- [9] The Communication and Consultation Plan has been well socialised with Councillors leading into this 19 February 2025 meeting. As part of that, draft consultation content has also been provided to Councillors for feedback to staff. Council can use this meeting to resolve any changes that it deems to be important for consultation. The assumption is that any change can be managed with-out impacting the broader decision-making process.

RECOMMENDATION

That the Council:

1. **Notes** the consolidated financial forecasts and key underlying expenditure and funding changes to the LTP 2024-2034 as presented in the 'Discussion' section of this report.
2. **Agrees** the proposed adjustments to the Long-Term Plan 2024-34 work programme and associated financial forecasts as summarised in the discussion section of this report.
3. **Agrees** that the proposed changes to the Long Term Plan 2024-25 do not represent significant or material change.
4. **Approves** the proposed changes to the Long-Term Plan 2024-34 measures and targets for the purpose of consulting the Annual Plan 2025-26.
5. **Approves** proposed changes to the Otago Regional Council 'Schedule of Fees and Charges' for the purpose of consultation.
6. **Notes** that a Communication Plan and draft consultation content for the Annual Plan 2024-25 process has been considered in Council workshops.
7. **Directs** Council staff to begin community consultation on the proposed adjustments to the Long-Term Plan 2024-34.
8. **Directs** Council staff to begin community consultation on the proposed changes to the Otago Regional Council Fees and Charges.

BACKGROUND

[10] This Annual Plan process reviews the adopted Long-term Plan (LTP) with a focus on year 2 financial estimates and associated activity.

[11] Table 1 outlines the changes in service levels across Council activity that is reflected in year 2 LTP.

Table 1: LTP Decisions on Service Provision

Maintain or minor growth	modest increase	Highlighted in LTP Consultation
Land and Water Planning Regional Planning	Land and Water Implementation	
Biosecurity [reduced grants]	Environmental Management [ICM]	Biodiversity Implementation [scaled funding proposal] [over 10 years from Yr2]
Regional Air Plan, Air Strategy	ORC Science	Passenger Transport [from Yr2]
Natural Hazards & adaptation Emergency Management		Resilience Infrastructure and operational work [over 10 years, from Yr2]
Governance and engagement	Regulatory Organisation/Internal services	

[12] Cumulatively these changes contributed to a forecasted increase in funding needs, particularly rates.

[13] The three items in the ‘Highlighted in LTP Consultation’ column were ‘bigger ticket’ items flagged in the LTP consultation.

[14] While finalising the LTP in 2024, councillors voiced an expectation that the year 2 review would need to consider future rating requirements very carefully.

[15] During this AP process, Council has received and considered information about the LTP work programme and associated financial estimates. Meetings and workshops included:

- a. 25 September 2024 Council meeting ‘noted’ the proposed Annual Plan 2025-2026 process.
- b. 30 October 2024 Council workshop – a recap across all Council activity of the priority deliverables, the associated issues, assumptions, and the agreed service levels.
- c. 5 December 2024 Council Workshop - results of the staff review of the LTP work programme and estimates were presented. This included consolidated expenditure and funding impacts.

- d. 4 February 2025 Council Workshop - results of staff refining the 'position' as presented at the 5 December workshop. This included detailed examples of the rating impact across property types and locations.

DISCUSSION

Draft Financial Estimates

- [16] This section relates to recommendation 2 of this report.
- [17] **Operating expenditure** – Table 2 provides the proposed draft AP operating expenditure at activity level. Operating expenditure in the draft AP 2025-26 is \$137.9 million compared to the \$143.9 million as consulted and approved for year 2 of the LTP 2024-34.
- [18] The draft AP expenditure represents a decrease of \$6.069 million compared to year 2 of the LTP estimate. Most of this relates to decreased public transport expenditure resulting from a decision not to proceed with specific Passenger Transport service improvements due to reduced central government funding.
- [19] Other areas where estimated expenditure has been reviewed and reduced include river management (decommissioning of non-scheme risk assets) and land and water implementation (rationalise remediation projects).

Table 2: Operating expenditure Summary

OPERATING EXPENDITURE	AP 23/24	LTP1 24/25	LTP2 25/26	AP 25/26	Mvt 25/26
Governance & Community	8,649	13,343	15,165	15,554	388
Regional Planning	3,071	2,925	3,066	3,157	91
Regulatory	14,214	12,568	13,846	14,232	386
Regional Leadership	25,934	28,836	32,077	32,943	866
Land & Water	19,713	20,140	21,875	20,358	(1,517)
Biodiversity & Biosecurity	10,436	8,955	12,013	12,024	11
Air	894	1,377	1,792	1,773	(19)
Environment	31,042	30,472	35,680	34,155	(1,524)
Climate Change & Hazards	3,555	3,524	3,454	3,445	(10)
Emergency Mgt	3,497	3,730	4,018	4,013	(5)
Flood & Rivers	10,438	11,191	13,579	12,255	(1,324)
Safety & Resilience	17,489	18,445	21,052	19,713	(1,339)
Regional Transport Planning	308	707	714	698	(16)
STEDS	177	168	172	172	(1)
PT Dunedin	23,182	26,228	29,238	26,292	(2,945)
PT Queenstown	10,532	12,573	12,201	11,967	(233)
PT Other	1,919	2,274	3,670	2,190	(1,480)
Transport	36,118	41,950	45,995	41,319	(4,676)
Internal	10,738	11,357	9,154	9,759	604
TOTAL EXPENDITURE	121,323	131,060	143,958	137,888	(6,069)
<i>Movement \$</i>		<i>9,737</i>	<i>12,898</i>	<i>6,828</i>	
<i>Movement %</i>		<i>8.0%</i>	<i>9.8%</i>	<i>5.2%</i>	

- [20] **Operating revenue** – Table 3 shows the proposed sources of revenue budgeted to cover the cost of the draft AP operating expenditure. Draft AP total operating revenue decreases \$6.069 million in line with the decrease in operating expenditure. Of this decrease, \$3.9 million relates to rates which decreases to \$69.9 million compared to \$73.8 million estimated in year 2 of the LTP.

Table 3: Operating revenue summary

OPERATING FUNDING - \$	AP 23/24	LTP1 24/25	LTP2 25/26	AP 25/26	Mvt 25/26
General Rates	28,263	29,046	32,143	31,543	(599)
Targeted Rates	27,515	35,846	41,680	38,411	(3,270)
Total Rates	55,778	64,893	73,823	69,954	(3,869)
Grants	20,497	21,991	23,814	23,399	(415)
Fees & Charges	5,951	4,364	4,729	4,883	155
Bus Fares	6,100	6,969	7,541	7,040	(501)
Other Income	7,468	3,167	6,739	6,684	(55)
Dividends	15,000	18,000	20,000	20,000	
Interest & Other Gains	11,345	11,088	8,738	8,696	(41)
Reserves	(815)	588	(1,425)	(2,768)	(1,343)
Total Non Rates	65,545	66,167	70,134	67,934	(2,200)
TOTAL REVENUE	121,323	131,060	143,958	137,888	(6,069)

OPERATING FUNDING - %	LTP1 24/25	LTP2 25/26	AP 25/26	Mvt 25/26
General Rates	2.8%	10.7%	8.6%	-2.1%
Targeted Rates	30.3%	16.3%	7.2%	-9.1%
Total Rates	16.3%	13.8%	7.8%	-6.0%

- [21] The draft AP total rates increase has reduced to 7.8% compared to 13.8% estimated for year 2 in the LTP.
- [22] The 7.8% rates increase reflects:
- The introduction of the \$2.0m large scale environmental fund.
 - Inflation of 2.2% (this has reduced from 2.7% assumed in the LTP).
 - Increased overhead costs including insurance, software licences and rent costs for the move to new Head Office premises in Dunedin.
 - An increase in Port Dividends of \$2.0m to \$20 million which offsets general rates.
- [23] **Capital expenditure** – Table 4 provides a summary of capital expenditure compared to year 2 of the LTP. Capital expenditure in the draft AP has increased by \$959,000. This includes an increase in the Lower Taieri Flood scheme of \$1.725 million for the contour channel (timing brought forward). This has been partially offset by other capital work being deferred to later years.

Table 4: Capital expenditure summary

CAPEX SUMMARY	AP 23/24	LTP1 24/25	LTP2 25/26	AP 25/26	Mvt 25/26
Ambient Air	74	150	154	153	(1)
Leith Flood	100	150	205	102	(103)
Clutha Flood & Drainage	325	300	822	613	(208)
Lower Taieri Flood	850	1,650	2,465	4,190	1,725
West Taieri Drainage	283	930	1,664	1,656	(8)
East Taieri Drainage	125	100	411	460	49
Toko Drainage	20	100	359	358	(2)
Biodiversity Monitoring	95	100	257	153	(103)
River Mgt - Dunedin		1,395	909	598	(311)
River Mgt - Clutha			21	20	()
Compliance Monitoring		150	54		(54)
Harbours Mgt	21	21	22	21	()
Land & Water Science & EM	530	530	544	542	(3)
Vehicles	750	800	822	818	(4)
Plant	20	250	257	256	(1)
Finance		50	51	51	()
Computers	500	2,625	1,196	1,191	(6)
Property	6,100	9,650	2,182	2,172	(11)
TOTAL CAPEX	10,066	18,993	12,402	13,361	959

- [24] **Balancing the Budget** – Council is required to ensure that estimated revenue is sufficient to cover estimated operating costs. Council can however set its revenue at a different level, if Council resolves that it is financially prudent to do so (this is not required as the draft AP shows a surplus).
- [25] Table 5 shows the operating surplus / deficit position for the draft Annual Plan 2025-26. The draft AP includes a surplus of \$2.9 million which is \$1.3 million better than the LTP year 2 estimate of \$1.6 million.

Table 5: Operating surplus / deficit summary

Statement of Comprehensive Revenue and Expense	23/24 AP \$000	24/25 LTP \$000	25/26 LTP \$000	25/26 AP \$000	Mvt \$000
Rates revenue	55,778	64,893	73,823	69,954	(3,869)
Grant revenue	20,497	21,991	23,814	23,399	(415)
Other revenue	15,202	10,856	15,105	14,516	(589)
Dividends	15,000	18,000	20,000	20,000	0
Interest & Investments	10,250	9,765	7,635	7,593	(42)
Other revenue	4,317	3,644	3,903	4,091	188
Total Revenue	121,043	129,149	144,280	139,554	(4,726)
Employee Benefits	35,823	39,454	41,355	42,050	695
Depreciation	4,211	3,302	3,380	3,365	(15)
Finance Costs	9,500	9,424	7,363	7,363	(0)
Operating Expenses	71,789	78,879	91,860	85,111	(6,749)
Total Expenditure	121,323	131,060	143,958	137,888	(6,070)
Operating Surplus/(Deficit)	(280)	(1,911)	322	1,665	1,343
Other Gains/Losses	1,265	1,493	1,274	1,274	0
Surplus/(Deficit)	984	(418)	1,596	2,940	1,344

- [26] **Rates impact** – total rates are proposed to increase 7.8% for the 2025-26 year. The impact of this on the median residential properties for each district are shown in Table 6.

Table 6: Median property rates examples

District	Median CV	Rates 2024/25	Rates 2025/26	Increase \$	Increase %
Waitaki	\$430,000	258.93	274.34	15.41	6.0%
Central Otago	\$740,000	332.23	358.88	26.65	8.0%
Clutha	\$370,000	283.10	305.64	22.54	8.0%
Dunedin	\$590,000	410.54	436.00	25.46	6.2%
Queenstown	\$1,250,000	635.00	685.07	50.07	7.9%

- [27] Detailed sensitivity analysis is shown in the attached '2025-26 Rates Sensitivity Analysis and Sample Properties'. This includes distribution graphs for the dollar and percentage rates increase by region, district and land use type. A range of sample properties is provided for each district as well sample properties in each flood scheme and other selected properties with high value capital values.
- [28] A 'Rating Estimator' tool will be available for consultation via the ORC website. It will be the same tool as provided during the LTP consultation.

Council Fees and Charges

- [29] The current 'Schedule of Fees and Charges' has been reviewed as part of this AP process and the proposed changes are listed in the attachment 'Proposed Changes to Fees and Charges'.
- [30] The key changes include:
- a. New consents fees relating to dairy effluent storage and discharge.
 - b. New consent fee for small scale contaminated land disturbance.
 - c. New fixed fee relating to dairy audit/inspection [i.e. replacing targeted dairy rate as signalled in LTP consultation].
 - d. Removal of fixed fee for intensive winter grazing.
- [31] Recommendation 5 and 8 seek Council approval to consult with the public on a proposed 'Schedule of Fees and Charges'.
- [32] The consultation would occur alongside, or 'piggy-back' on, the agreed AP process. This is a practical and lower cost approach that ensures the public are:
- a. Informed to the best of our ability.
 - b. Able to easily access the relevant information about the proposed changes.
 - c. Able to provide feedback through multiple channels including the Annual Plan feedback form.
- [33] Feedback on the proposed 'Fees and Charges' will be reported to the Council AP Deliberation meeting programmed for late May 2025. At that point Council can direct staff on 'Fees and Charges' applicable from 1 July 2025.

Statement of Service Provision

- [34] The LTP includes statements of the intended level of service for each ORC activity. The statements are supported by measures and targets that were agreed as part of the LTP process.

- [35] It is pragmatic to review the statements, measures and targets during the LTP cycle, via annual plan process.
- [36] Table 7 lists the proposed changes to the measures and targets that have resulted from a staff review.

Table 7: Summary of changes to measures and targets

Activity	Change
Regional Planning	Target has been refined to align with the completion of the Air Strategy with Regional Plan Air.
Regulatory	Target relating to recreational boaters' safety has been refined.
Land and Water	<p>Land and Water Regional Plan targets have been pushed out and reworded to reflect the new national direction for freshwater.</p> <p>The target for developing new projects for degraded waterbodies has been removed. This reflects a desire to reconsider regional project priorities in the context of the new scaled environment fund. The latter begins in year 2.</p> <p>The target for implementing actions against existing projects for improving degraded water bodies, remains.</p>
Biodiversity and biosecurity	<p>Some targets have been refined to enable effective and accurate reporting.</p> <p>The target for delivering non-priority operational pest management actions has been reduced from 90% to 80% to provide a more realistic target.</p>
Air	The targets relating to reviewing the regional air plan have been refined.
Natural Hazards and Climate Change	<p>Addition of a new measure related to delivering the natural hazards work programme. The target reflects improvement in process for prioritising ORC work.</p> <p>The Clutha Delta Year 2 target has been adjusted to reflect expectations on current year delivery.</p>
Transport	<p>New target relating to implementation of the Regional Land Transport Plan.</p> <p>Improved the 'scheduled services / reliability' measure and targets. Now split between districts and higher target.</p> <p>Improved punctuality measure and a slight reduction in the target [95% to 90%], providing a more realistic stretch.</p>

- [37] Recommendation 4 of this report seeks Council’s approval of the proposed changes to the Long-Term Plan 2024-34 measures and targets. These changes are reflected in a draft Annual Plan 2025-26 document that is attached to this report. This will be available as supporting information for consultation.
- [38] The measures and targets will continue to be refined until the Annual Plan 2025-26 is adopted in June 2025. Refinement will reflect direction from Council, feedback from consultation, and further improvements from managers.
- [39] Importantly any changes post 19 February 2025 Council meeting will be reported at the AP Council Deliberation leading into approval of the final AP in June 2025.

OPTIONS

- [40] The AP process has sought to build an understanding with both the organisation and elected regional councillors about what adjustments are required to the adopted LTP.
- [41] This report presents the results of detailed financial forecasting based off a review of the work programme presented to the 5 December 2024 and 4 February 2025 Council workshops.
- [42] The ‘approving’ recommendations 2 to 8 of this report make up the preferred decision-making option and includes:
 - a. No significant change is proposed to the LTP.
 - b. Proposed changes to the expenditure and funding forecasts.
 - c. Proposed changes to the Council Fees’ and Charges.
 - d. Proposed changes to the ‘Statement of Service Performance.
 - e. Consulting on the above changes.
- [43] Within all these recommendations there is scope for the Council to direct further change.
- [44] However, the scope of any change directives requires careful consideration of the impact on the decision-making process.
 - a. Significance of the change is critical.
 - b. Time to consider and quality of advice regarding material change.
 - c. Time available to consult and meaningfully consider feedback.
- [45] Council has the alternative decision-making option of substantively reviewing and revising the position reached even at this seemingly late point in the drafting process. A council might choose to do this where, for example, there has been a significant change in the assumptions or external factors on which planning position is based.
- [46] Council staff are not recommending this alternative option because from an external operating perspective there does not appear to be any significant reason to do this.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [47] No considerations.

Financial Considerations

- [48] The draft financial forecasts provided in the ‘Discussion’ section of this report is based on detailed financial modelling.

- [49] Council's approval of the draft financial forecasts will result in Council staff 'locking down' the model to formalise a record of the draft position.
- [50] From that point very accurate calculations can be completed that show for example, the impact of decisions at a property or rating unit level.

Significance and Engagement

- [51] Adjustments to the LTP as reported in the AP process to date have been considered in reference to the Council's Significance and Engagement Policy/He Mahi Rua Rika.
- [52] Recommendation 3 of this report seeks Council agreement, that the proposed adjustments to the Long-term Plan 2024-2034 as identified in the process to date and summarised in this report, do not represent a significant or material change.

Legislative and Risk Considerations

- [53] The recommendations in this report sit within a broader AP process that is being implemented by Council. The process is consistent with the relevant planning requirements under the Local Government Act 2002.
- [54] Council staff develop the Annual Plan document in stages, with a draft version attached to this report. This draft version is updated following Council deliberation in late May 2025, and if required, following Council adoption in late June 2025. This updated version will include the detailed forecast financial statements, noting that these are not required or included in the draft version.
- [55] Specific proposed changes to Council Fees and Charges require consultation under the provisions of the Resource Management Act. Council staff are satisfied that consulting the proposed changes alongside the AP process will satisfy those requirements.

Climate Change Considerations

- [56] No considerations.

Communications Considerations

- [57] Recommendation 6 of this report serves as a reminder to councillors of the steps taken to consider the AP communication and consultation approach leading into this 19 February 2025 meeting.
- [58] Council has the option of resolving final changes to the communication approach and content at this meeting based on preceding Councillor workshop consideration and discussion about this matter.
- [59] Recommendations 7 and 8 of this report direct staff to complete implementation of the communication and consultation plan, including any relevant Council resolutions from this 19 February 2025 meeting.

NEXT STEPS

- [60] Assuming Council agree the recommendations of this report, the next steps include:
- a. Council staff complete the communication and consultation content – with a planned 17 March 2025 consultation start.
 - b. Community feedback reported to Council for May 2025 Hearings and 28-29 May 2025 Deliberation.
 - c. Council staff complete any fine tuning adjustments to the planned work programme between now and adoption of the Annual Plan. Any final adjustments will be reported to Council and unless directed, will not as a minimum, increase proposed funding requirements.

- d. Adoption of the Annual Plan 2025/26 (25 June 2025 Council meeting).

ATTACHMENTS

1. Proposed Changes to Fees and Charges [9.1.1 - 1 page]
2. 2025-26 Rates Sensitivity Analysis and Sample Properties [9.1.2 - 46 pages]
3. Draft Annual Plan 2025-26 19 Feb Council_ [9.1.3 - 54 pages]

Proposed Changes to Schedule of Fees and Charges

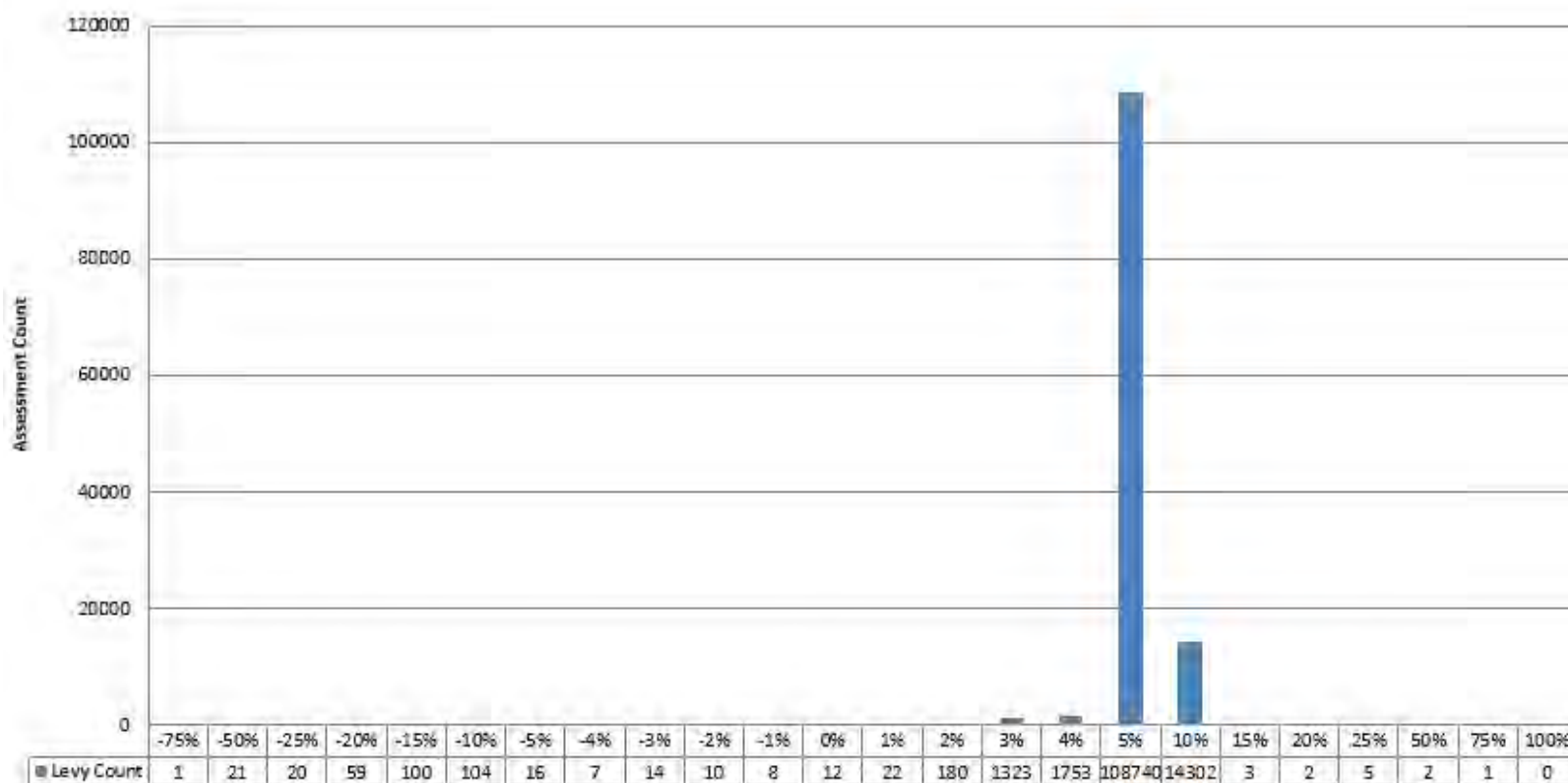
To be consulted alongside the Annual Plan 2025-26 process

- Consents NEW fixed fees
 - Single farm dairy effluent storage and discharge to land - \$5,000
 - Single farm dairy effluent discharge to land - \$3,500
 - Small Scale contaminated land disturbance - \$3,500
- Consents REMOVED fixed fees
 - Intensive Winter Grazing, gone
- Compliance Monitoring/PM (mainly to increase in line with inflation essentially)
 - Management fee charged with PM fees, increase from \$60 to \$62
 - PM monitoring, increase from \$85 to \$87
 - Annual telemetered charge, increase from \$220 to \$230
 - Additional telemetered, from \$60 to \$62
 - Non telemetered annual charge, increase from \$280 to \$290
 - Additional non-telemetered, from \$120 to \$125
 - Annual small/simple discharge, from \$100 to \$102
 - Annual medium, from \$375 to \$390
 - Annual large, from \$1100 to \$1145
 - Annual small/simple earthworks, from \$325 to \$335
 - Annual medium, from \$1050 to \$1075
 - Annual large, from \$2200 to \$2250
 - Structural integrity report, from \$120 to \$125
 - Low flow at Kakanui, from \$400 to \$410
- Resource Consent Monitoring
 - Coastal structure, from \$250 to \$300
 - Coastal Mooring, from \$200 to \$250
 - Bore inspection, from \$350 to \$400
 - Small onsite wastewater discharge, from \$350 to \$450
 - NEW Fixed fee - Dairy Audit fee per inspection \$500
(this replaces the dairy farming targeted rate)

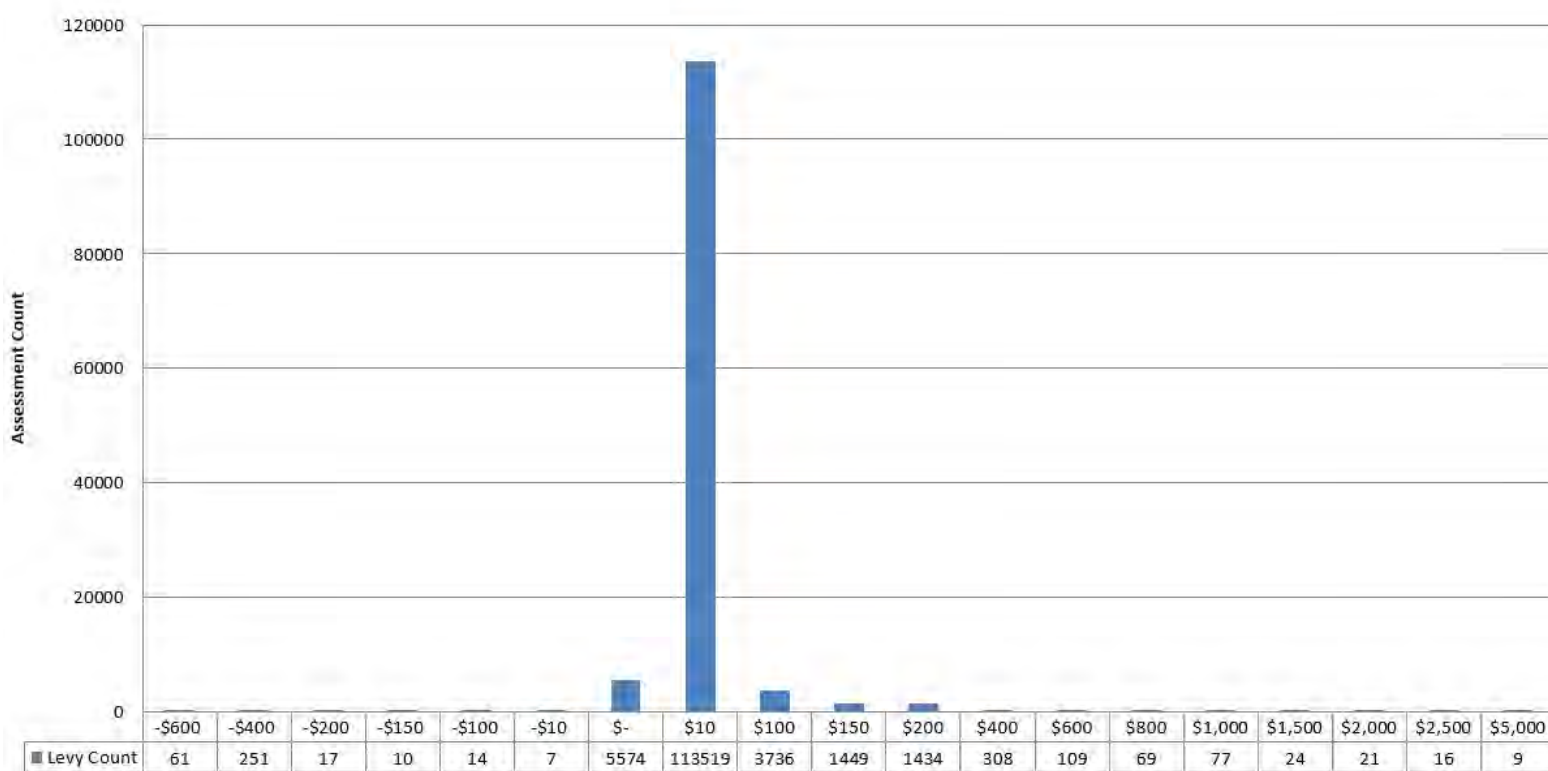
Sensitivity Analysis- 2024/25 rates to proposed 2025/26 rates

Otago Region- All districts

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

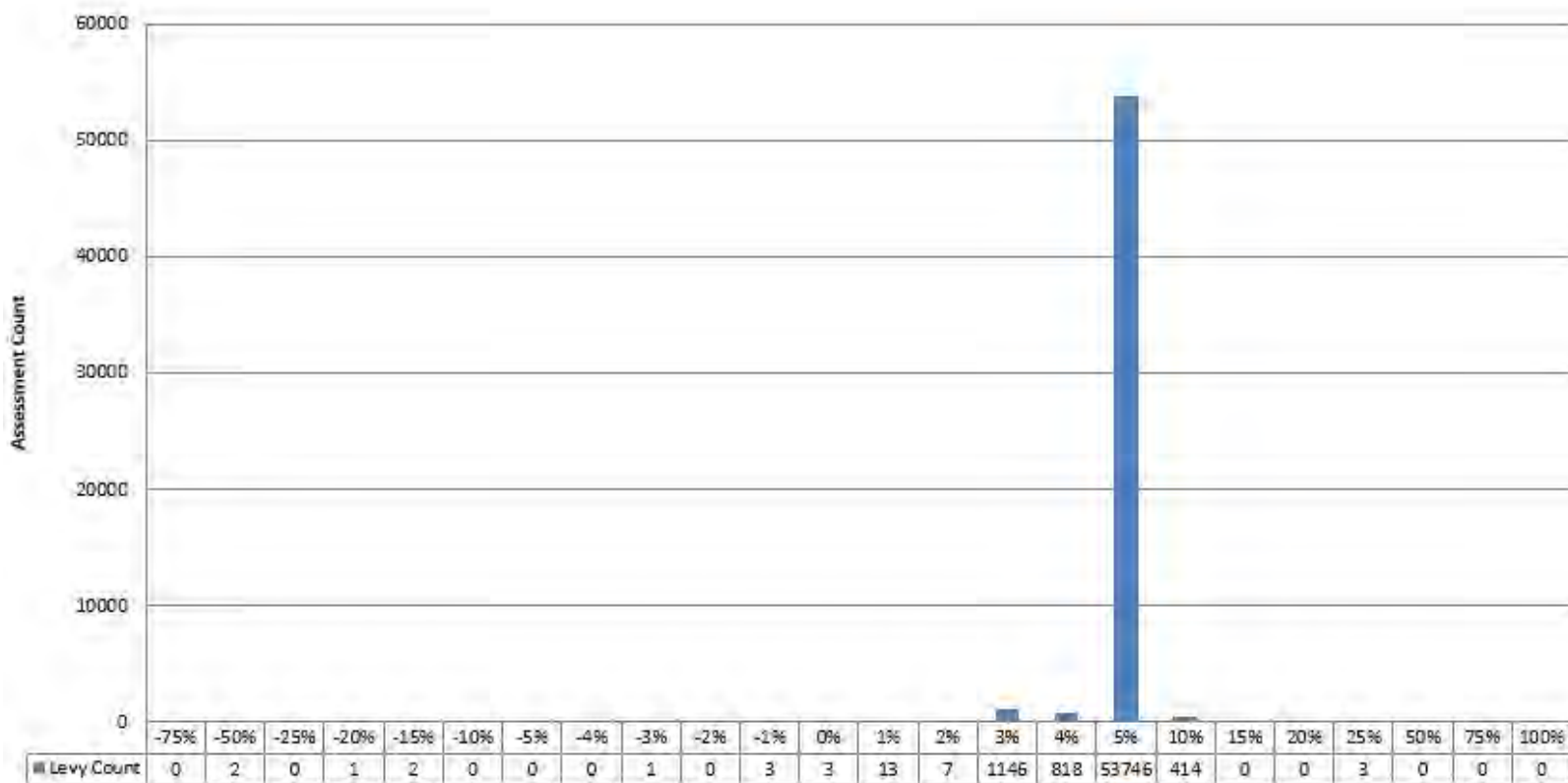


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

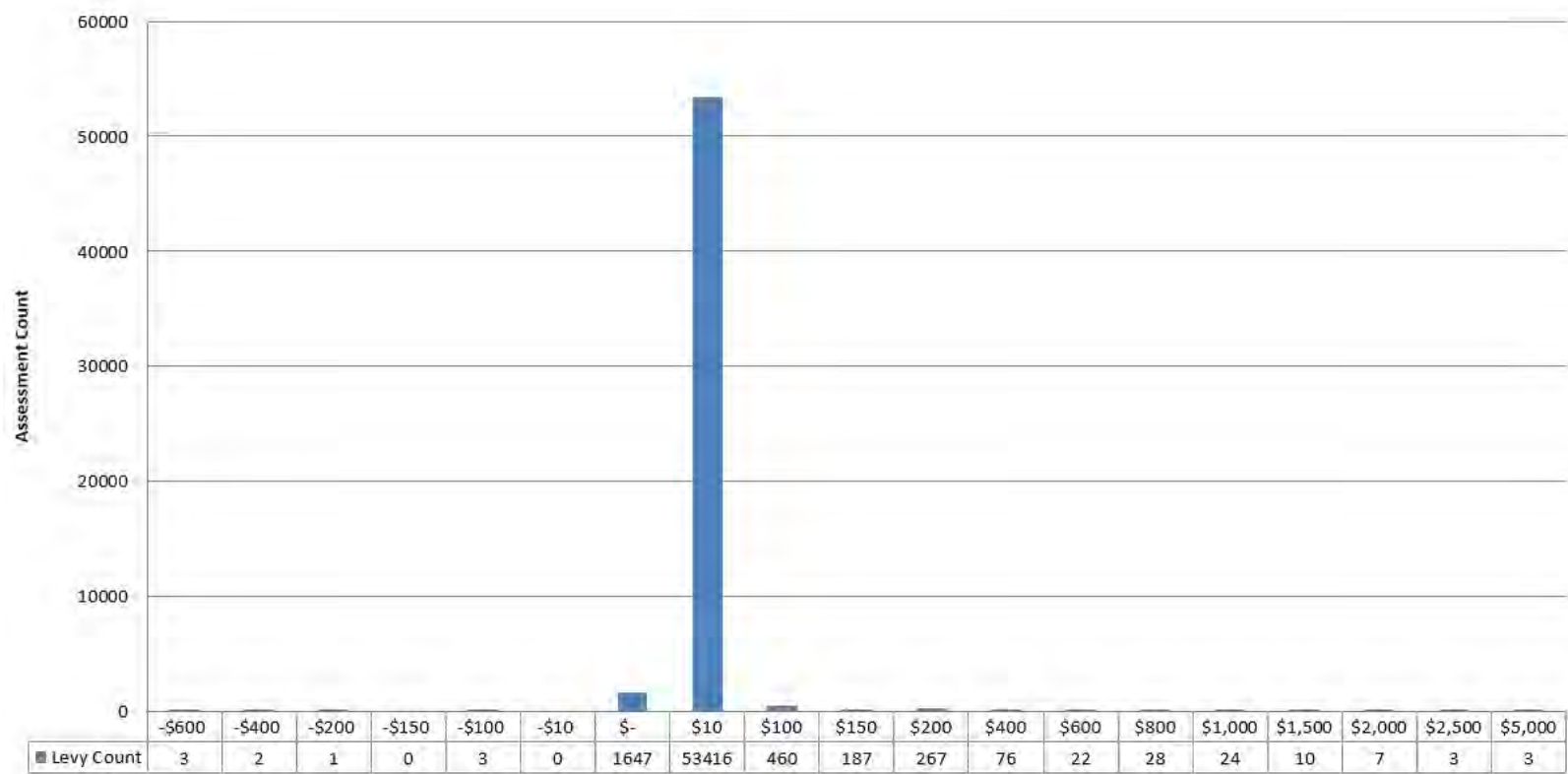


Dunedin District

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

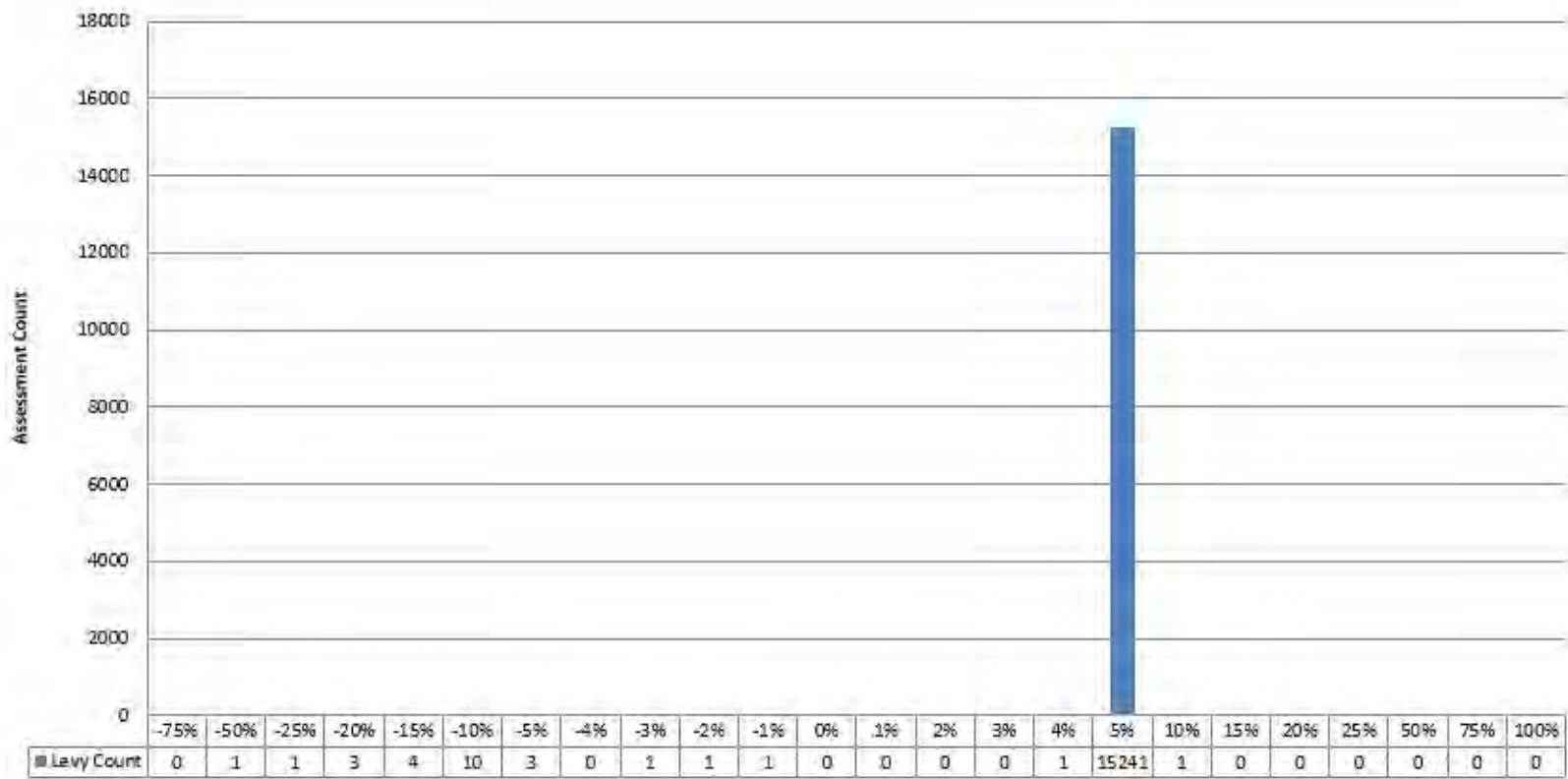


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

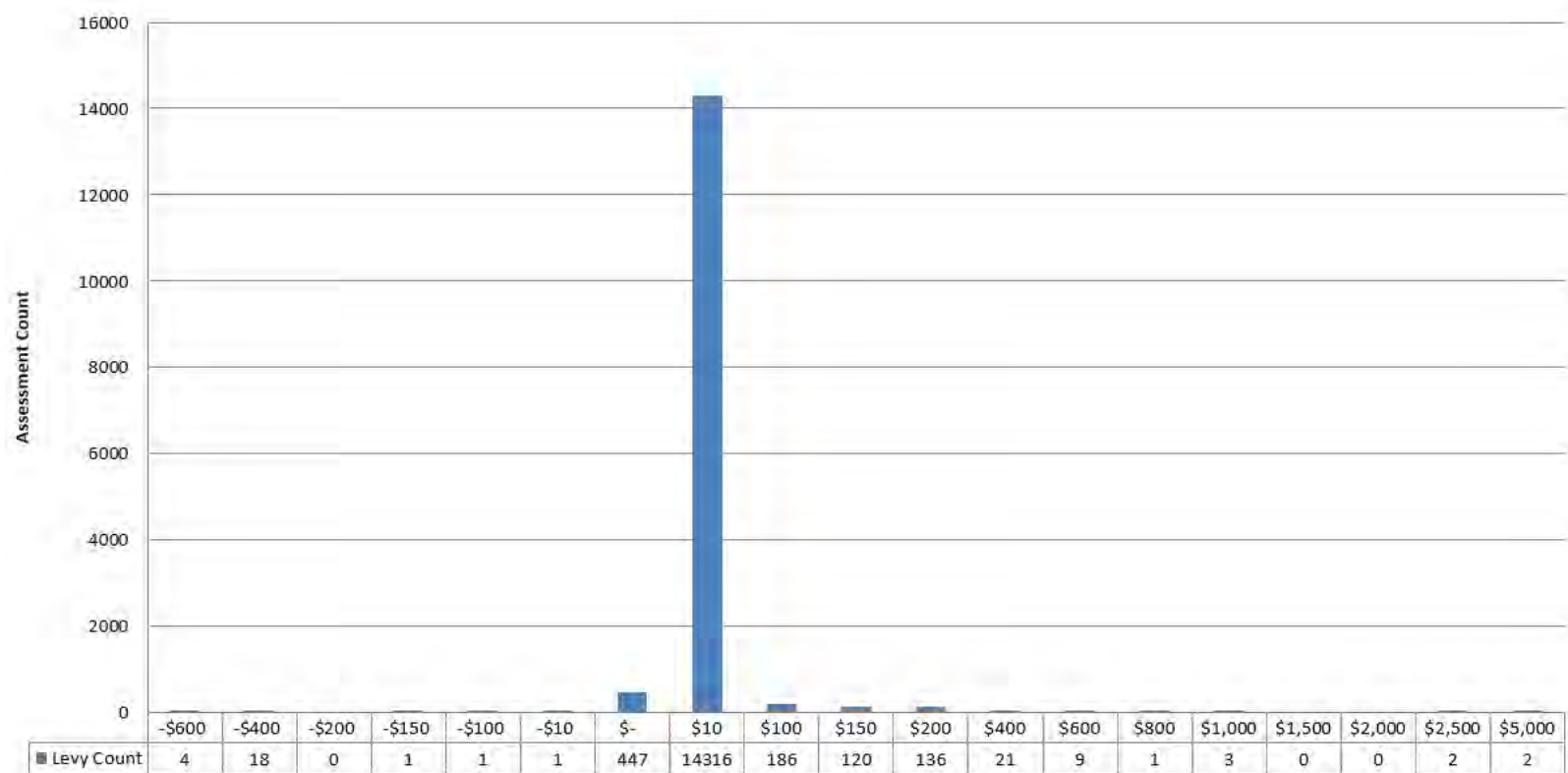


Central Otago District

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

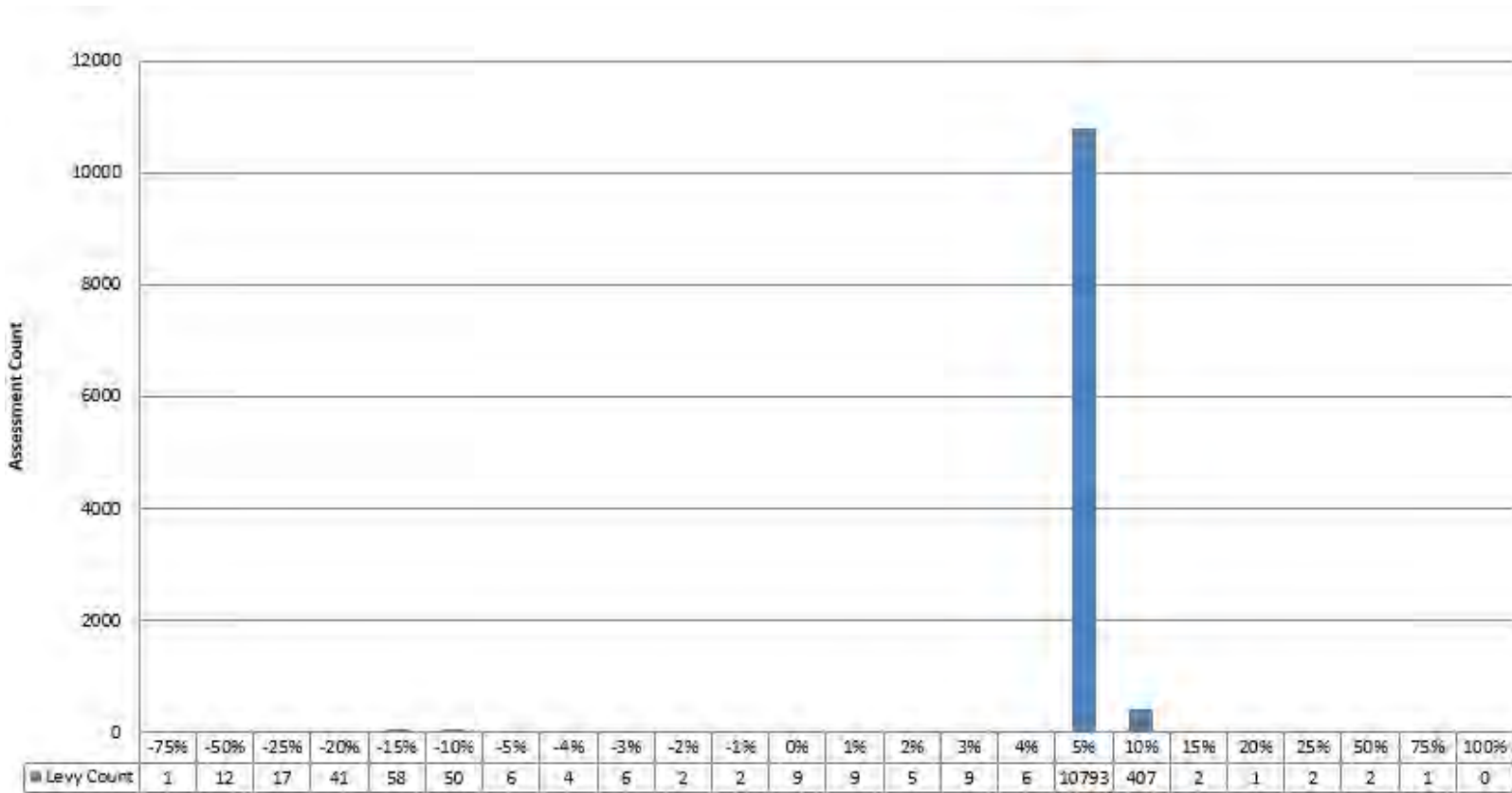


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

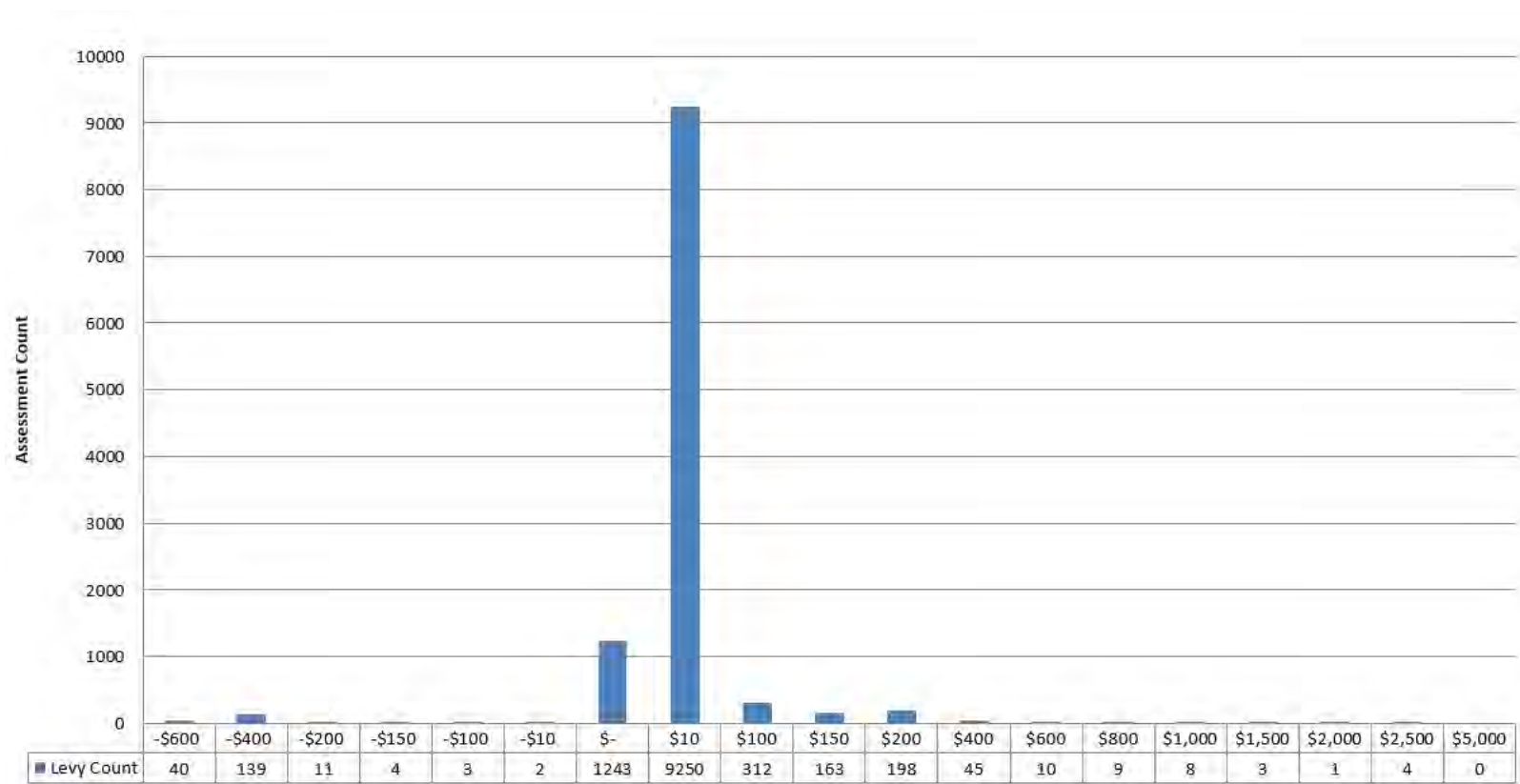


Clutha District

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

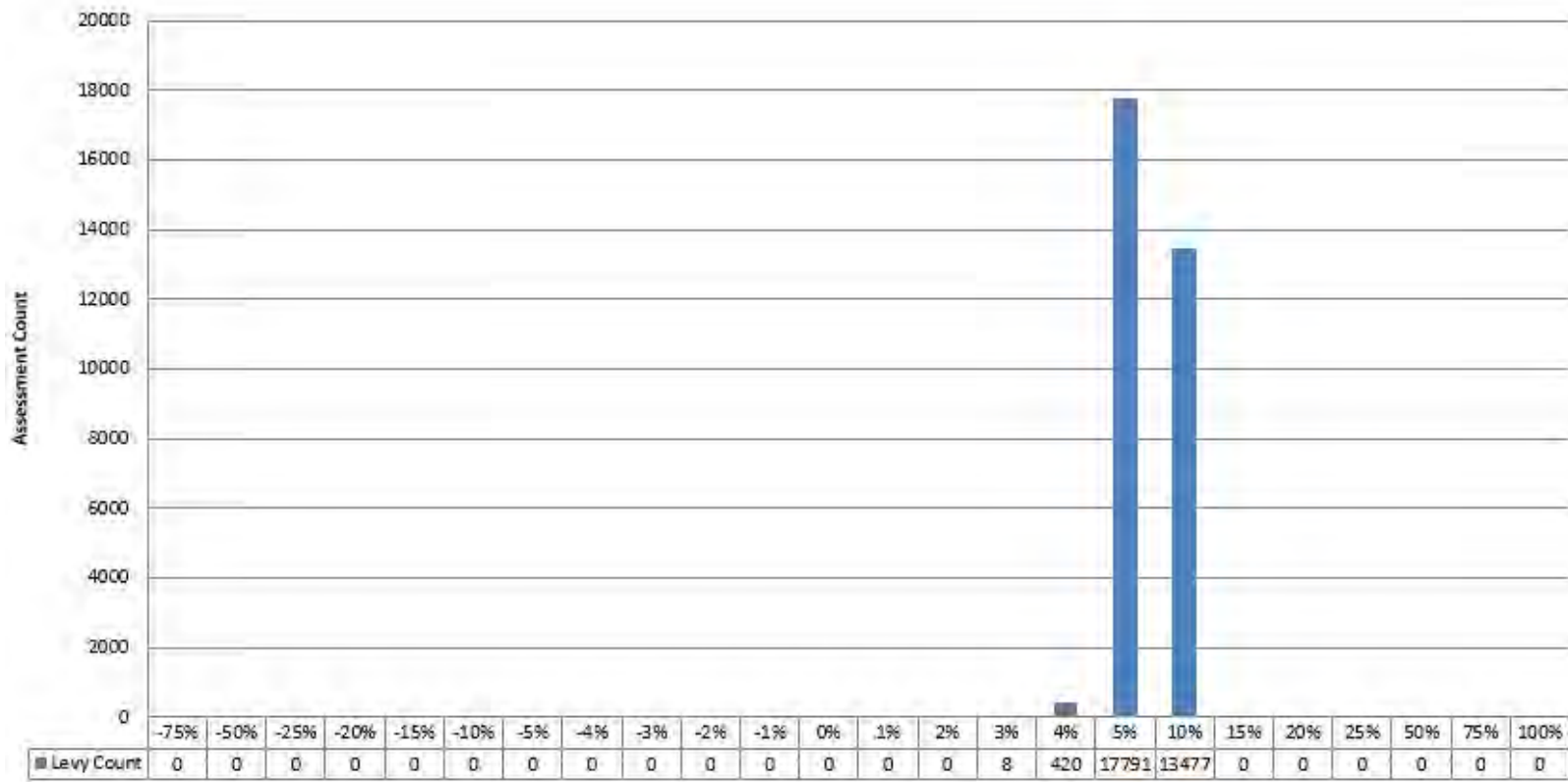


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

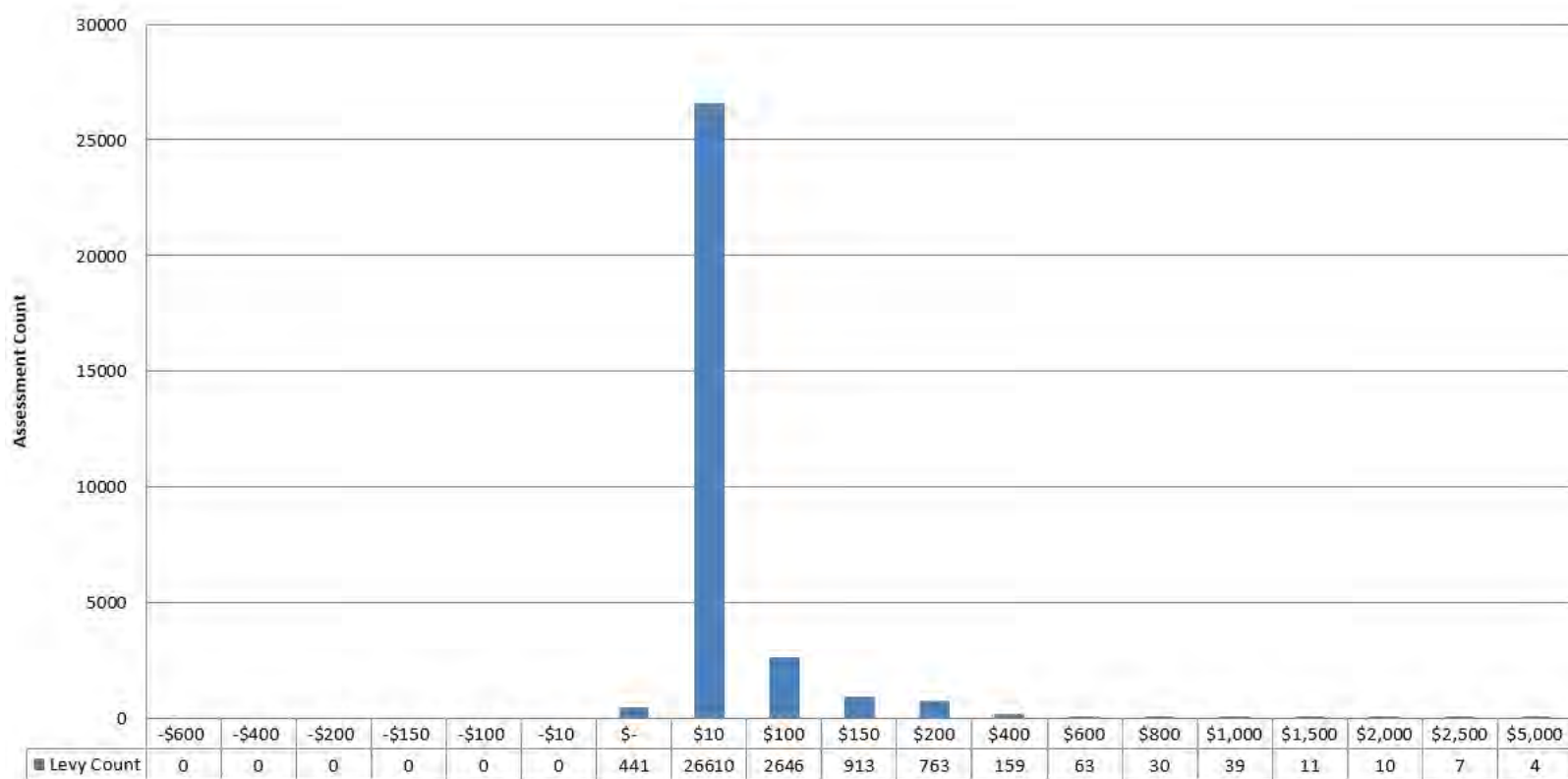


Queenstown District

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

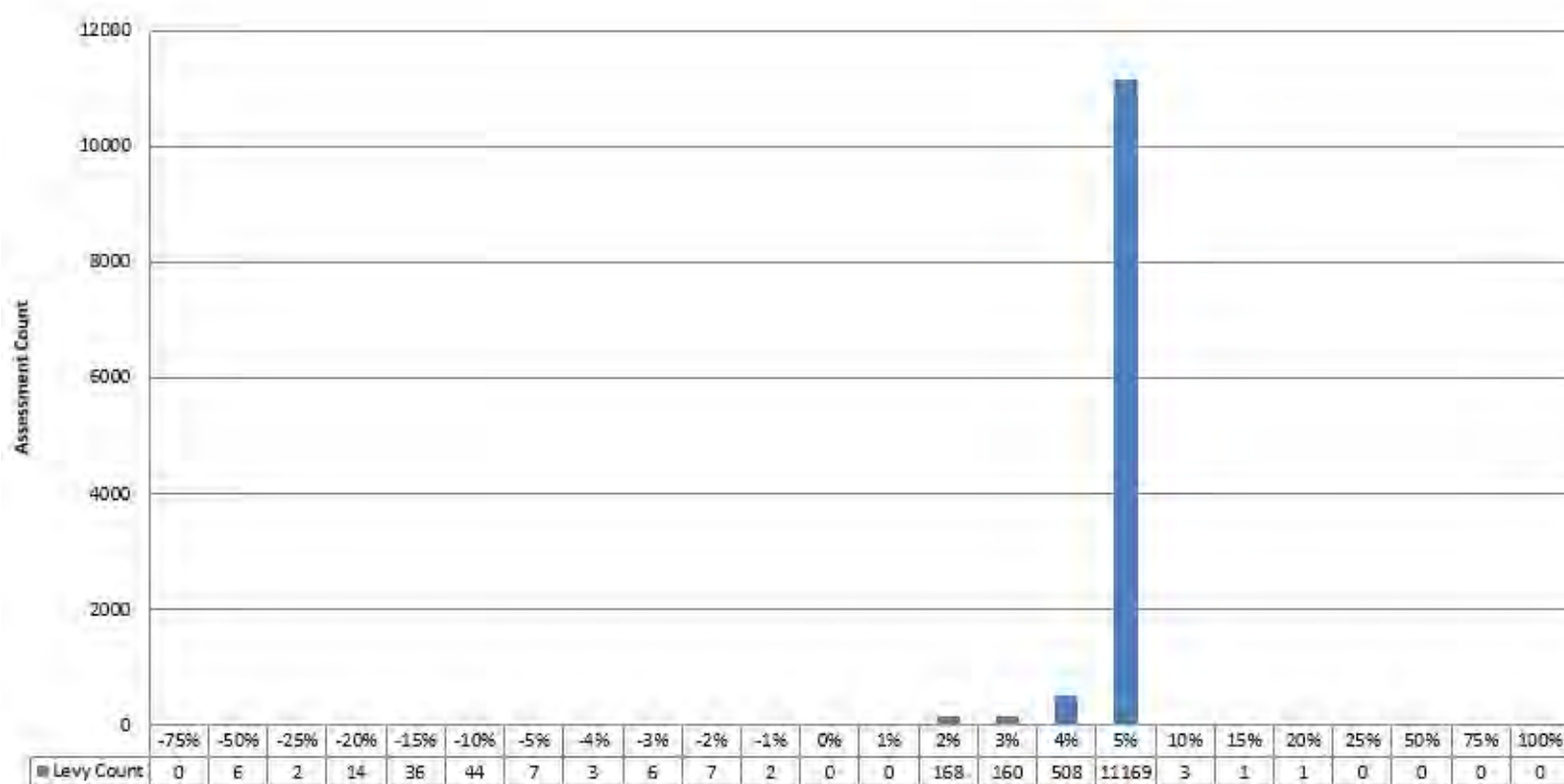


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

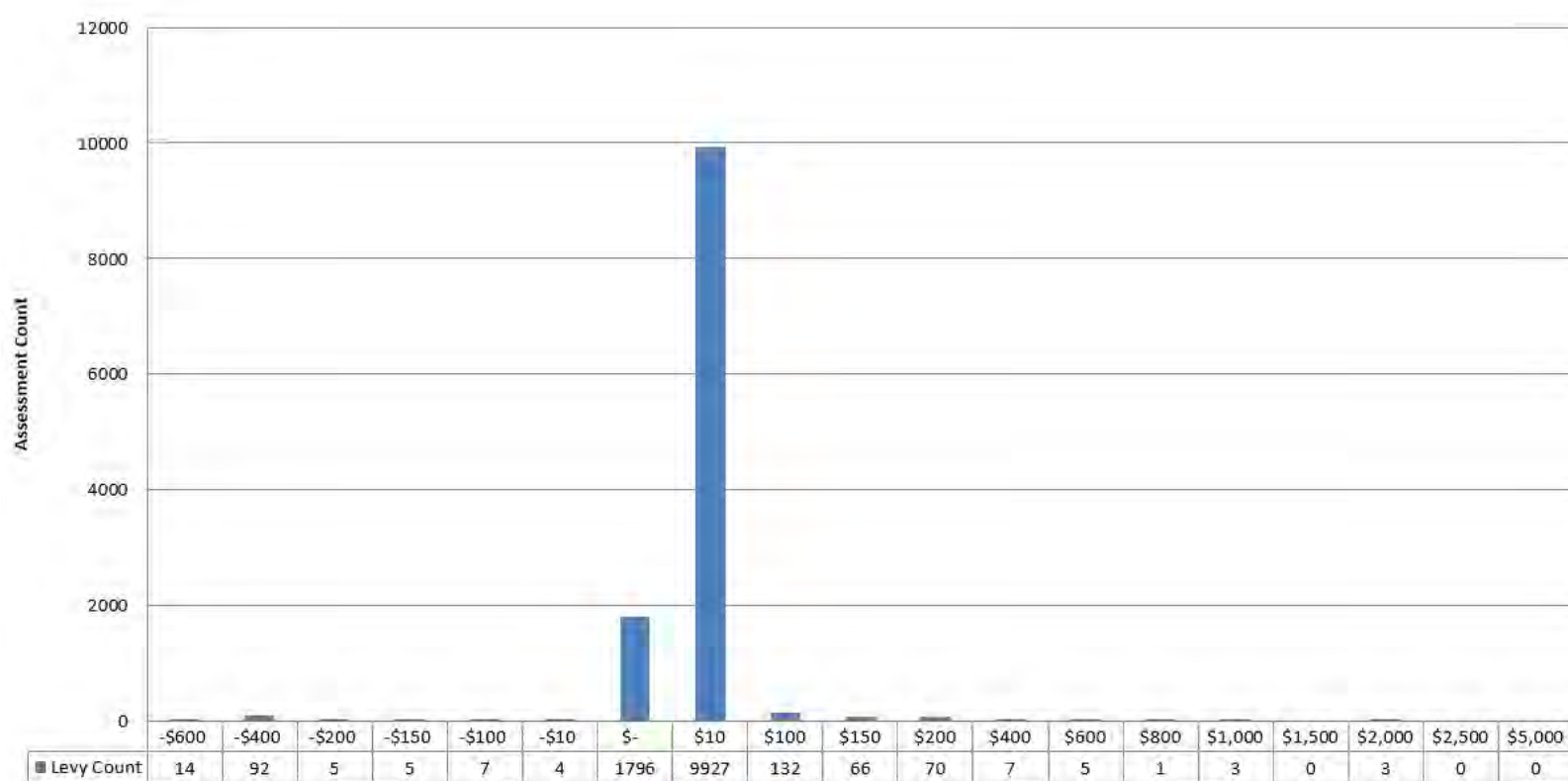


Waitaki District

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

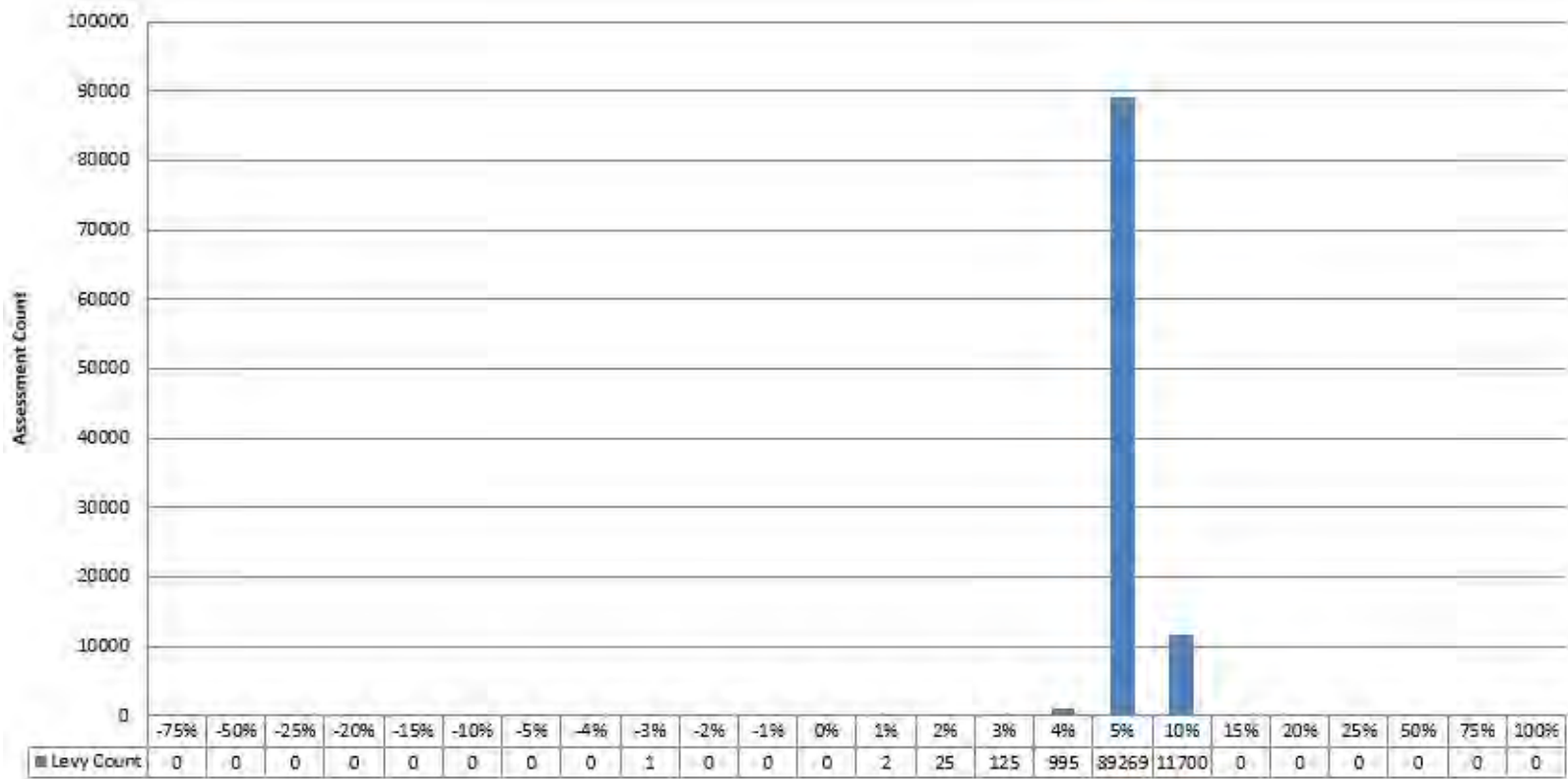


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

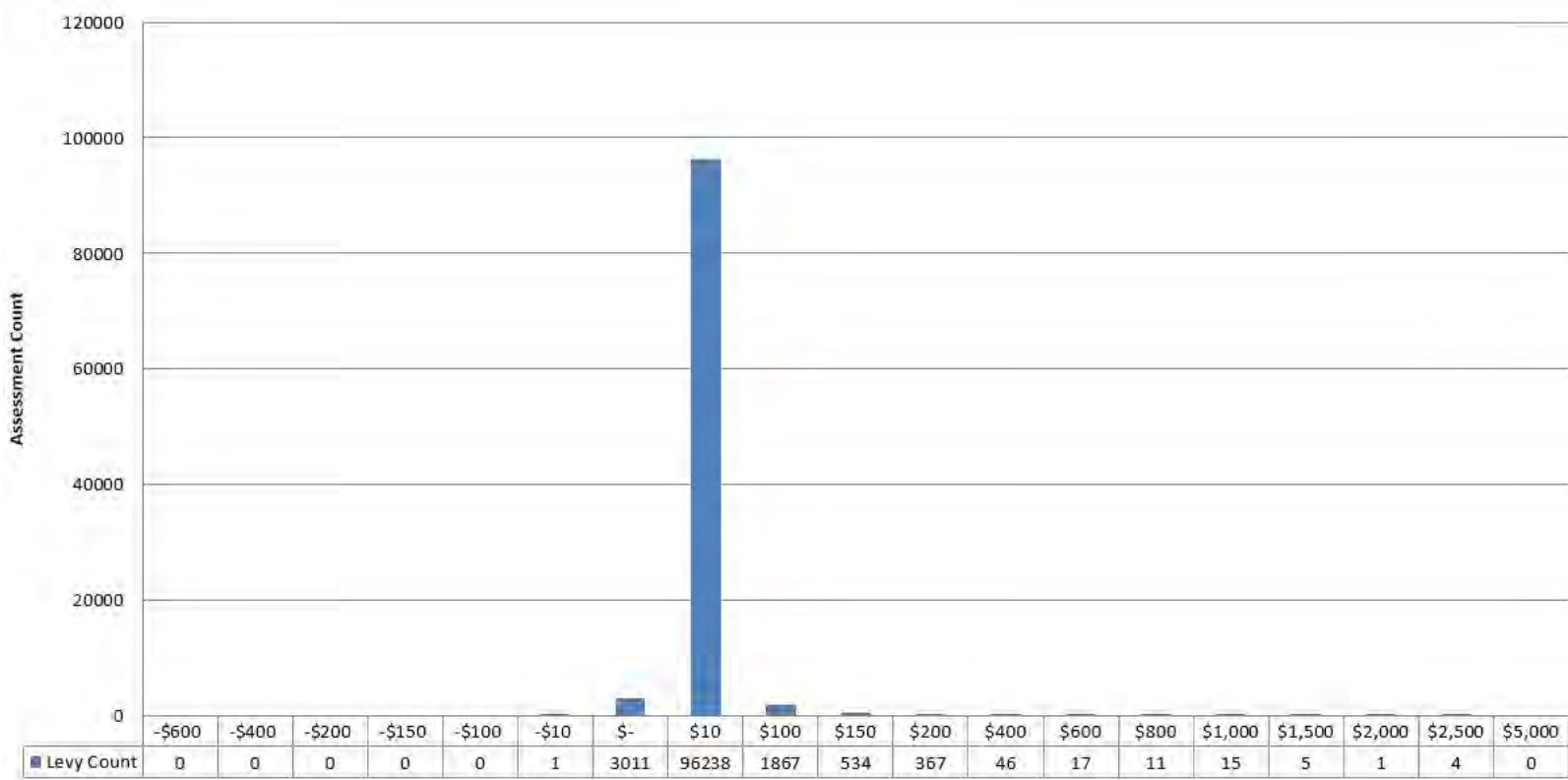


Residential (All Otago)

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

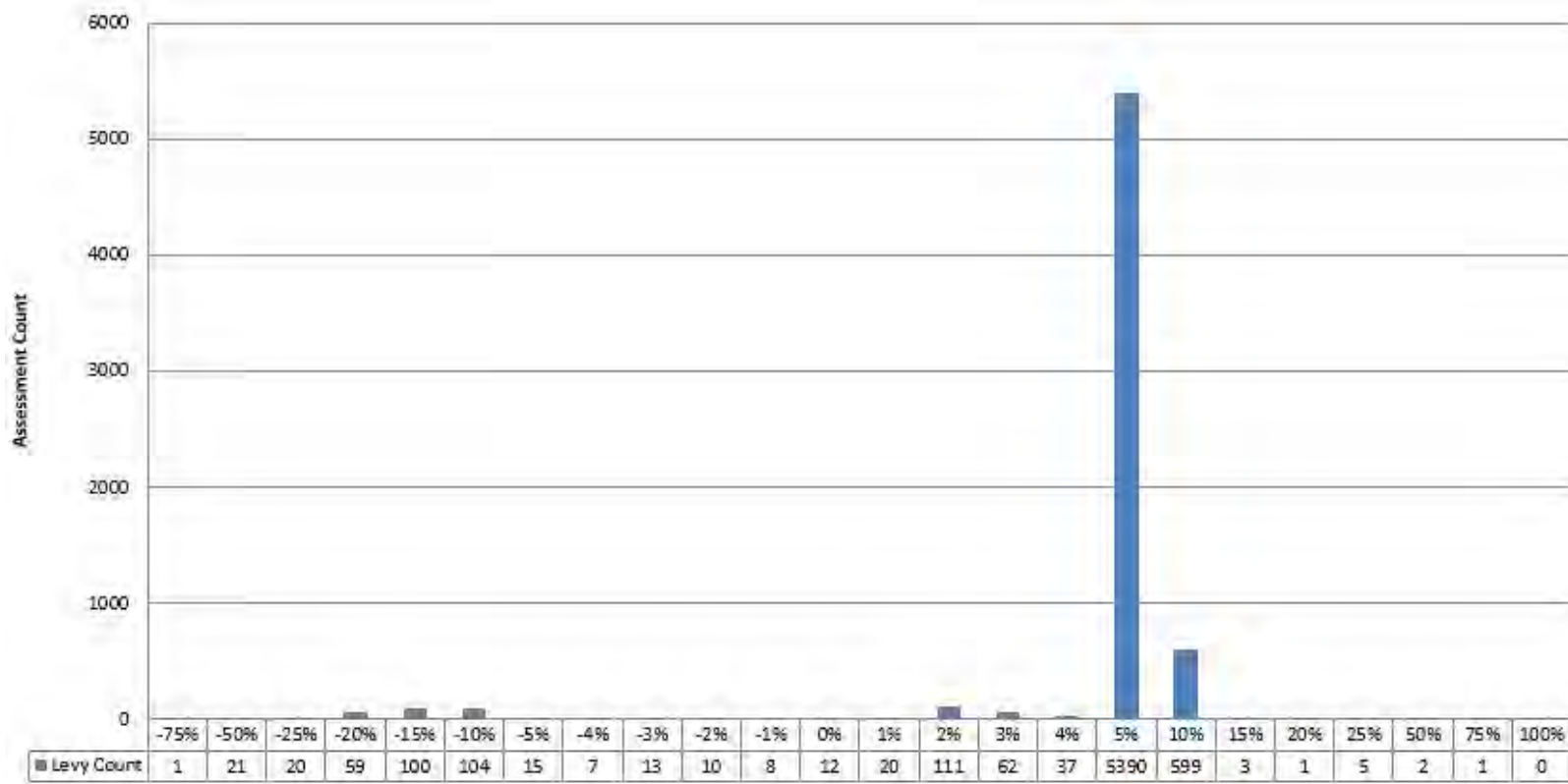


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

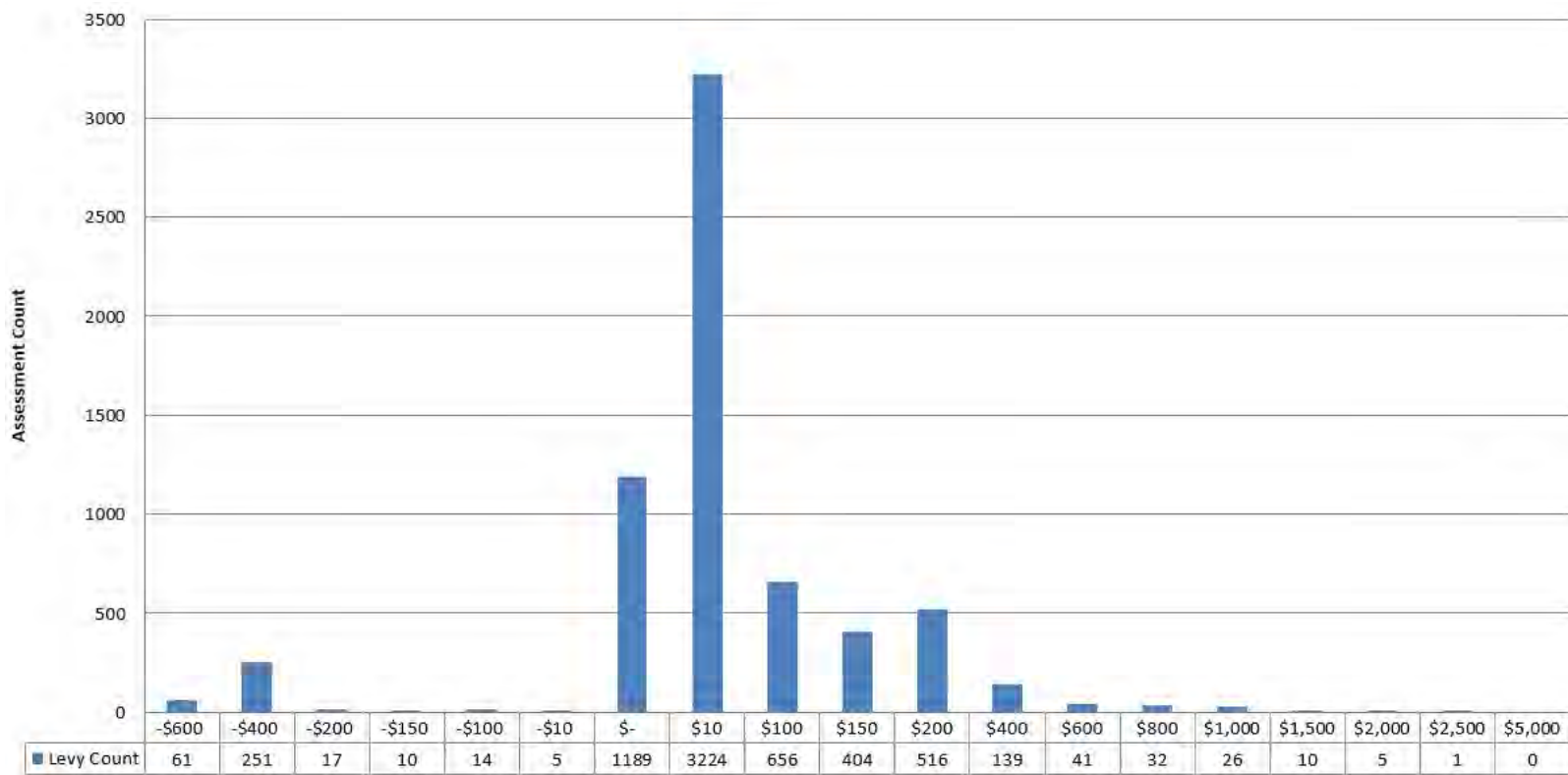


Rural (All Otago)

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates

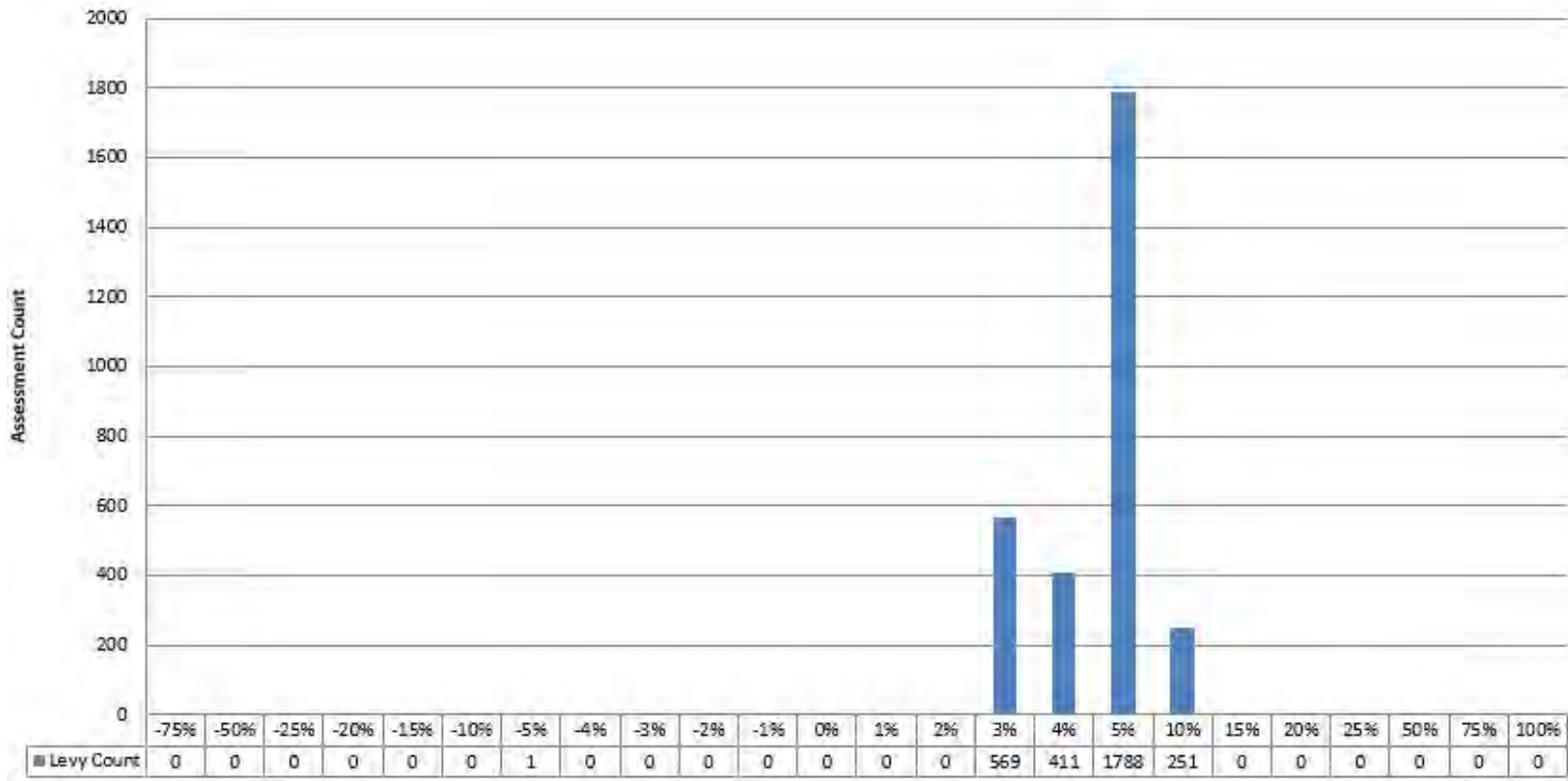


Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates

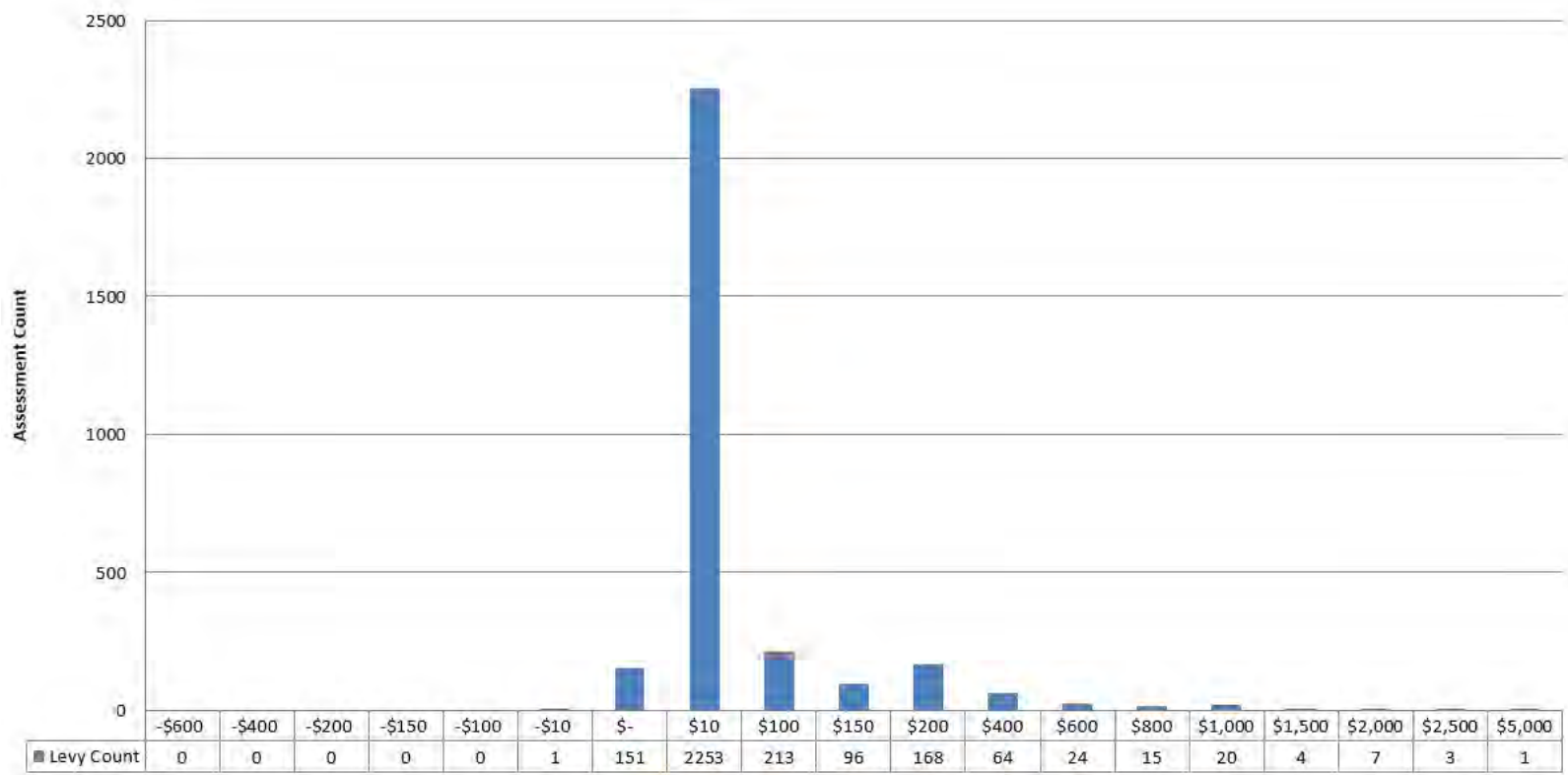


Commercial (All Otago)

Sensitivity Analysis % 2024/25 rates to proposed 2025/26 rates



Sensitivity Analysis \$ 2024/25 rates to proposed 2025/26 rates



Rate Samples- Current Policy to Proposed Policy

Following pages show samples:

District

- residential
- rural/lifestyle
- commercial

Flood and drainage schemes

- by benefit zone

Selected Properties

Dunedin- Residential

	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Residential- Median CV \$590,000			
Dunedin Transport Class B - Dunedin	139.43	141.07	1.64
Biosecurity - Dunedin	18.91	20.99	2.08
General Rate - Dunedin	94.87	101.31	6.44
River & Waterway Management - Dunedin	3.49	4.04	0.55
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	10.01	9.95	-0.06
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	25.77	32.26	6.49
Total	410.54	436.01	25.47

Dunedin Residential- Leith Direct CV \$670,000			
Dunedin Transport Class B - Dunedin	158.34	160.20	1.86
Biosecurity - Dunedin	13.55	15.04	1.49
General Rate - Dunedin	107.74	115.05	7.31
River & Waterway Management - Dunedin	3.96	4.59	0.63
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Direct	264.31	281.62	17.31
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	29.26	36.64	7.38
Total	695.22	739.51	44.29

Dunedin Residential- Mosgiel CV \$740,000			
East Taieri Drainage - ED7	5.59	5.94	0.35
Dunedin Transport Class B - Dunedin	174.88	176.93	2.05
Lower Taieri Flood Protection EF8	22.79	22.86	0.07
Biosecurity - Dunedin	15.52	17.23	1.71
General Rate - Dunedin	118.99	127.07	8.08
River & Waterway Management - Dunedin	4.37	5.07	0.70
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	12.55	12.48	-0.07
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	32.32	40.46	8.14
Total	505.07	534.43	29.36

	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Residential- Outram CV \$850,000			
Lower Taieri Flood Protection WF2	1183.11	1221.65	38.54
West Taieri Drainage - WD2	16.36	17.41	1.05
Biosecurity - Dunedin	20.04	22.24	2.20
General Rate - Dunedin	136.68	145.96	9.28
River & Waterway Management - Dunedin	5.02	5.83	0.81
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	14.42	14.34	-0.08
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	37.12	46.48	9.36
Total	1530.81	1600.28	69.47
Dunedin Residential- Hyde CV \$310,000			
Biosecurity - Dunedin	3.39	3.76	0.37
General Rate - Dunedin	49.85	53.23	3.38
River & Waterway Management - Dunedin	1.83	2.13	0.30
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	5.26	5.23	-0.03
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	13.54	16.95	3.41
Total	191.93	207.67	15.74
Dunedin Residential- Middlemarch CV \$150,000			
Biosecurity - Dunedin	4.52	5.01	0.49
General Rate - Dunedin	24.12	25.76	1.64
River & Waterway Management - Dunedin	0.89	1.03	0.14
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	2.54	2.53	-0.01
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	6.55	8.20	1.65
Total	156.68	168.91	12.23

Dunedin- Rural/Lifestyle

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Rural Median CV \$1,010,000			
Biosecurity - Dunedin	48.54	53.88	5.34
General Rate - Dunedin	162.41	173.44	11.03
River & Waterway Management - Dunedin	5.97	6.92	0.95
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	17.13	17.04	-0.09
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	44.11	55.23	11.12
Total	396.22	432.88	36.66

Dunedin Rural/Lifestyle- West Taieri (WF1) CV \$8,150,000			
Lower Taieri Flood Protection WF1	11,343.90	11,713.43	369.53
West Taieri Drainage - WD1	27,390.58	29,147.41	1,756.83
Dairy Environmental Monitoring Rate	561.63	-	561.63
Biosecurity - Dunedin	383.79	426.01	42.22
General Rate - Dunedin	1,310.52	1,399.52	89.00
River & Waterway Management - Dunedin	48.17	55.87	7.70
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	138.22	137.48	0.74
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	355.91	445.65	89.74
Total	41,650.78	43,451.75	1,800.97

Dunedin Rural/Lifestyle- West Taieri (WF2) CV \$5,140,000			
Lower Taieri Flood Protection WF2	7,154.31	7,387.37	233.06
West Taieri Drainage - WD2	5,933.30	6,313.86	380.56
West Taieri Drainage - WD5	7,207.42	7,669.70	462.28
Biosecurity - Dunedin	239.31	265.63	26.32
General Rate - Dunedin	826.51	882.64	56.13
River & Waterway Management - Dunedin	30.38	35.24	4.86
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	87.17	86.71	0.46
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	224.46	281.06	56.60
Total	21,820.92	23,048.58	1,227.66

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Rural/Lifestyle- Railway Reserve (Rural) CV \$800,000			
Dunedin Transport Class A - Dunedin	708.98	717.30	8.32
Biosecurity - Dunedin	44.59	49.49	4.90
General Rate - Dunedin	128.64	137.38	8.74
River & Waterway Management - Dunedin	4.73	5.48	0.75
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	13.57	13.50 -	0.08
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	34.94	43.75	8.81
Total	1,053.51	1,093.27	39.76
Dunedin Rural/Lifestyle- Median Lifestyle CV \$1,200,000			
Biosecurity - Dunedin	36.69	40.72	4.03
General Rate - Dunedin	192.96	206.06	13.10
River & Waterway Management - Dunedin	7.09	8.23	1.14
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	20.35	20.24 -	0.11
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	52.40	65.62	13.22
Total	427.55	467.25	39.70
Dunedin Rural/Lifestyle- Port Chalmers Lifestyle CV \$1,470,000			
Dunedin Transport Class B - Dunedin	347.41	351.48	4.07
Biosecurity - Dunedin	33.86	37.59	3.73
General Rate - Dunedin	236.38	252.43	16.05
River & Waterway Management - Dunedin	8.69	10.08	1.39
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	24.93	24.80 -	0.13
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	64.19	80.38	16.19
Total	833.52	883.13	49.61
Dunedin Rural/Lifestyle- Momona (lifestyle) CV \$630,000			
Lower Taieri Flood Protection WF2	876.89	905.46	28.57
West Taieri Drainage - WD2	201.24	214.15	12.91
Biosecurity - Dunedin	22.01	24.43	2.42
General Rate - Dunedin	101.30	108.18	6.88
River & Waterway Management - Dunedin	3.72	4.32	0.60
Leith Flood Indirect	10.68	10.63 -	0.05
Catchment Management - Dunedin	27.51	34.45	6.94
Total	1,243.35	1,301.62	58.27

Dunedin- Commercial

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Commercial- Median CV \$860,000			
East Taieri Drainage - ED7	10.70	11.37	0.67
Dunedin Transport Class B - Dunedin	203.24	205.63	2.39
Lower Taieri Flood Protection EF8	26.49	26.57	0.08
Biosecurity - Dunedin	28.78	31.95	3.17
General Rate - Dunedin	138.29	147.68	9.39
River & Waterway Management - Dunedin	5.08	5.90	0.82
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	14.59	14.51 -	0.08
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	37.56	47.03	9.47
Total	582.79	617.00	34.21
Dunedin Commercial- Dunedin (Leith indirect) CV \$3,180,000			
Dunedin Transport Class B - Dunedin	751.53	760.34	8.81
Biosecurity - Dunedin	101.59	112.77	11.18
General Rate - Dunedin	511.34	546.07	34.73
River & Waterway Management - Dunedin	18.79	21.80	3.01
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	53.93	53.64 -	0.29
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	138.87	173.89	35.02
Total	1,694.11	1,794.88	100.77
Dunedin Commercial- Dunedin (Leith direct) CV \$3,290,000			
Dunedin Transport Class B - Dunedin	777.53	786.64	9.11
Biosecurity - Dunedin	139.41	154.74	15.33
General Rate - Dunedin	529.03	564.96	35.93
River & Waterway Management - Dunedin	19.44	22.55	3.11
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Direct	1,297.87	1,382.90	85.03
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	143.67	179.90	36.23
Total	3,025.01	3,218.07	193.06

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Dunedin Commercial- Dunedin Motel CV \$4,280,000			
Dunedin Transport Class B - Dunedin	1,011.49	1,023.35	11.86
Biosecurity - Dunedin	153.52	170.41	16.89
General Rate - Dunedin	688.22	734.96	46.74
River & Waterway Management - Dunedin	25.29	29.34	4.05
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Direct	1,688.42	1,799.03	110.61
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	186.91	234.04	47.13
Total	3,871.91	4,117.50	245.59

Central Otago- Residential

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Central Otago Residential - Median CV \$740,000			
Biosecurity - Central Otago	28.13	30.78	2.65
General Rate - Central Otago	128.10	135.25	7.15
River & Waterway Management - Central Otago	23.15	23.40	0.25
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	34.79	43.07	8.28
Total	332.23	358.86	26.63

Central Otago Residential- Cromwell CV \$820,000			
Biosecurity - Central Otago	33.27	36.40	3.13
General Rate - Central Otago	141.95	149.87	7.92
River & Waterway Management - Central Otago	25.65	25.93	0.28
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	38.55	47.72	9.17
Total	357.48	386.29	28.81

Central Otago Residential- Alexandra CV \$650,000			
Biosecurity - Central Otago	24.20	26.47	2.27
General Rate - Central Otago	112.52	118.80	6.28
River & Waterway Management - Central Otago	20.33	20.55	0.22
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	30.56	37.83	7.27
Total	305.67	330.03	24.36

Central Otago Residential- Clyde CV \$830,000			
Biosecurity - Central Otago	33.27	36.40	3.13
General Rate - Central Otago	143.68	151.69	8.01
River & Waterway Management - Central Otago	25.96	26.25	0.29
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	39.02	48.30	9.28
Total	359.99	389.02	29.03

Central Otago – Rural/Lifestyle

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Central Otago Rural/Lifestyle- Lifestyle Median CV \$1,260,000			
Biosecurity - Central Otago	30.25	33.09	2.84
General Rate - Central Otago	218.12	230.28	12.16
River & Waterway Management - Central Otago	39.41	39.84	0.43
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	59.23	73.33	14.10
Total	465.07	502.92	37.85
Central Otago Rural/Lifestyle- Median Rural CV \$2,000,000			
Biosecurity - Central Otago	79.85	87.36	7.51
General Rate - Central Otago	363.53	383.80	20.27
River & Waterway Management - Central Otago	65.69	66.40	0.71
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	98.72	122.22	23.50
Total	725.85	786.16	60.31
Central Otago Rural/Lifestyle- Farm CV \$10,850,000			
Biosecurity - Central Otago	495.41	542.06	46.65
General Rate - Central Otago	1,878.24	1,982.99	104.75
River & Waterway Management - Central Otago	339.39	343.09	3.70
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Otago	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	510.06	631.45	121.39
Total	3,341.16	3,625.95	284.79

Central Otago- Commercial

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Central Otago Commercial- Median CV \$880,000			
Biosecurity - Central Otago	32.66	35.74	3.08
General Rate - Central Otago	152.34	160.83	8.49
River & Waterway Management - Central Otago	27.53	27.83	0.30
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Ota	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	41.37	51.21	9.84
Total	371.96	401.99	30.03

Central Otago Commercial- CV \$2,780,000			
Biosecurity - Central Otago	107.67	117.81	10.14
General Rate - Central Otago	481.25	508.08	26.83
River & Waterway Management - Central Otago	86.96	87.91	0.95
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Ota	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	130.69	161.79	31.10
Total	924.63	1,001.96	77.33

Central Otago Commercial- CV \$5,120,000			
Biosecurity - Central Otago	104.04	113.84	9.80
General Rate - Central Otago	886.32	935.75	49.43
River & Waterway Management - Central Otago	160.15	161.90	1.75
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Ota	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	240.69	297.97	57.28
Total	1,509.26	1,635.84	126.58

Clutha- Residential

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Clutha Residential- Median CV \$370,000			
Biosecurity - Clutha	7.71	8.50	0.79
General Rate - Clutha	62.93	66.82	3.89
River & Waterway Management - Clutha	18.01	19.70	1.69
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	17.09	21.28	4.19
Lower Clutha Flood Protection & Drainage U4	59.30	62.96	3.66
Total	283.10	305.63	22.53

Clutha Residential- Lawrence Resident CV \$250,000			
Biosecurity - Clutha	10.67	11.77	1.10
General Rate - Clutha	42.52	45.15	2.63
River & Waterway Management - Clutha	12.17	13.31	1.14
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	11.55	14.38	2.83
Total	194.97	210.98	16.01

Clutha Residential- Balclutha resident CV \$310,000			
Biosecurity - Clutha	5.34	5.89	0.55
General Rate - Clutha	52.73	55.98	3.25
River & Waterway Management - Clutha	15.09	16.50	1.41
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	14.32	17.83	3.51
Lower Clutha Flood Protection & Drainage U4	49.68	52.75	3.07
Total	255.22	275.32	20.10

Clutha Residential- Milton Resident CV \$290,000			
Biosecurity - Clutha	6.22	6.87	0.65
General Rate - Clutha	49.33	52.37	3.04
River & Waterway Management - Clutha	14.12	15.44	1.32
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	13.40	16.68	3.28
Tokomairiro Drainage U1	25.78	28.22	2.44
Total	226.91	245.94	19.03

Clutha- Rural/Lifestyle

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Clutha Rural/Lifestyle- Median Rural CV \$1,925,000			
Biosecurity - Clutha	107.89	119.01	11.12
General Rate - Clutha	328.27	348.53	20.26
River & Waterway Management - Clutha	93.95	102.74	8.79
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	89.15	110.98	21.83
Total	737.32	807.63	70.31
Clutha Rural/Lifestyle- Tokomairiro Rural CV \$2,700,000			
Biosecurity - Clutha	136.34	150.40	14.06
General Rate - Clutha	459.24	487.57	28.33
River & Waterway Management - Clutha	131.44	143.73	12.29
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	124.71	155.26	30.55
Tokomairiro Drainage B	35.00	38.46	3.46
Tokomairiro Drainage F	400.46	440.09	39.63
Total	1,405.25	1,541.88	136.63
Clutha Rural/Lifestyle- Lifestyle Median CV \$625,000			
Biosecurity - Clutha	11.86	13.08	1.22
General Rate - Clutha	106.31	112.86	6.55
River & Waterway Management - Clutha	30.43	33.27	2.84
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	28.87	35.94	7.07
Total	295.53	321.53	26.00
Clutha Rural/Lifestyle- Lifestyle CV \$1,000,000			
Biosecurity - Clutha	10.67	11.77	1.10
General Rate - Clutha	170.09	180.58	10.49
River & Waterway Management - Clutha	48.68	53.23	4.55
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	46.19	57.50	11.31
Total	393.69	429.46	35.77

Clutha- Commercial

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Clutha Commercial- Median CV \$285,000			
Biosecurity - Clutha	4.45	4.90	0.45
General Rate - Clutha	48.48	51.47	2.99
River & Waterway Management - Clutha	13.87	15.17	1.30
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	13.16	16.39	3.23
Total	198.02	214.31	16.29
Clutha Commercial- CV \$2,860,000			
Lower Clutha Flood Protection & Drainage U2	2,750.15	2,920.16	170.01
Biosecurity - Clutha	33.79	37.27	3.48
General Rate - Clutha	486.46	516.47	30.01
River & Waterway Management - Clutha	139.22	152.24	13.02
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	132.10	164.46	32.36
Total	3,659.78	3,916.98	257.20

Queenstown Lakes- Residential

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Queenstown Lakes Residential- Median CV \$1,250,000			
Biosecurity - Queenstown	69.63	80.31	10.68
General Rate - Queenstown	243.81	265.73	21.92
Uniform General Charge - Queenstown	69.36	74.70	5.34
Wakatipu Transport Class B	135.48	125.59	- 9.89
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	12.49	13.68	1.19
Catchment Management - Queenstown	66.21	84.62	18.41
Total	635.00	685.06	50.06

Queenstown Lakes Residential- Wanaka Residential CV\$1,500,000			
Biosecurity - Queenstown	77.74	89.67	11.93
General Rate - Queenstown	292.58	318.87	26.29
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	14.99	16.42	1.43
Catchment Management - Queenstown	79.46	101.54	22.08
Total	572.15	641.63	69.48

Queenstown Lakes Residential- Shotover Country Residential CV \$1,300,000			
Biosecurity - Queenstown	33.80	38.99	5.19
General Rate - Queenstown	253.57	276.35	22.78
Uniform General Charge - Queenstown	69.36	74.70	5.34
Wakatipu Transport Class B	140.89	130.61	- 10.28
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	12.99	14.23	1.24
Catchment Management - Queenstown	68.86	88.00	19.14
Total	617.49	663.32	45.83

Queenstown Lakes Residential- Luggate Residential CV \$760,000			
Biosecurity - Queenstown	28.73	33.14	4.41
General Rate - Queenstown	150.19	163.69	13.50
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	7.69	8.43	0.74
Catchment Management - Queenstown	40.79	52.12	11.33
Total	334.78	372.51	37.73

Queenstown Lakes- Rural/Lifestyle

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Queenstown Lakes Rural/Lifestyle- Median CV \$3,100,000			
Biosecurity - Queenstown	164.94	190.26	25.32
General Rate - Queenstown	604.66	659.00	54.34
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	30.97	33.93	2.96
Catchment Management - Queenstown	164.21	209.85	45.64
Total	1,072.16	1,208.17	136.01
Queenstown Lakes Rural/Lifestyle- Wanaka Lifestyle CV \$3,000,000			
Biosecurity - Queenstown	121.00	139.57	18.57
General Rate - Queenstown	585.15	637.74	52.59
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	29.97	32.83	2.86
Catchment Management - Queenstown	158.91	203.08	44.17
Total	1,002.41	1,128.36	125.95

Queenstown Lakes- Commercial

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Queenstown Lakes Commercial- Median CV \$1,950,000			
Biosecurity - Queenstown	118.98	137.23	18.25
General Rate - Queenstown	380.35	414.53	34.18
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	19.48	21.34	1.86
Catchment Management - Queenstown	103.29	132.00	28.71
Total	729.48	820.25	90.77

Queenstown Lakes Commercial- Queenstown Hotel CV \$116,050,000			
Biosecurity - Queenstown	3,160.30	3,645.29	484.99
General Rate - Queenstown	22,635.55	24,669.94	2,034.39
Uniform General Charge - Queenstown	69.36	74.70	5.34
Wakatipu Transport Class A	25,155.00	23,318.67	- 1,836.33
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	1,159.34	1,270.09	110.75
Catchment Management - Queenstown	6,147.17	7,855.72	1,708.55
Total	58,364.74	60,874.84	2,510.10

Queenstown Lakes Commercial- Wanaka Commercial CV \$11,950,000			
Biosecurity - Queenstown	400.19	461.61	61.42
General Rate - Queenstown	2,330.85	2,540.33	209.48
Uniform General Charge - Queenstown	69.36	74.70	5.34
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	119.38	130.79	11.41
Catchment Management - Queenstown	632.99	808.93	175.94
Total	3,590.79	4,056.79	466.00

Queenstown Lakes Commercial- Queenstown Airport (Terminal) CV \$108,000,000			
Biosecurity - Queenstown	3,920.80	4,522.49	601.69
General Rate - Queenstown	21,065.40	22,958.67	1,893.27
Uniform General Charge - Queenstown	69.36	74.70	5.34
Wakatipu Transport Class A	23,410.08	21,701.13	- 1,708.95
Civil Defence & Emergency Management - Queenstown	35.63	38.02	2.39
Targeted Wilding Trees - Queenstown	2.39	2.42	0.03
River & Waterway Management - Queenstown	1,078.92	1,181.99	103.07
Catchment Management - Queenstown	5,720.76	7,310.80	1,590.04
Total	55,303.34	57,790.22	2,486.88

Waitaki- Residential

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Waitaki Residential - Median CV \$430,000			
Biosecurity - Waitaki	7.71	8.51	0.80
General Rate - Waitaki	73.14	78.19	5.05
River & Waterway Management - Waitaki	34.71	36.36	1.65
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	19.86	24.90	5.04
Total	258.93	274.34	15.41
Waitaki Residential - Palmerston CV \$510,000			
Biosecurity - Waitaki	14.52	16.04	1.52
General Rate - Waitaki	86.75	92.74	5.99
River & Waterway Management - Waitaki	41.17	43.13	1.96
Uniform General Charge - Waitaki	69.36	74.70	5.34
Dunedin Transport Class B - Waitaki	127.48	129.15	1.67
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Catchment Management - Waitaki	23.56	29.54	5.98
Total	411.54	436.96	25.42
Waitaki Residential - Oamaru CV \$500,000			
Biosecurity - Waitaki	8.60	9.49	0.89
General Rate - Waitaki	85.05	90.92	5.87
River & Waterway Management - Waitaki	40.36	42.28	1.92
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	23.10	28.96	5.86
Total	280.62	298.02	17.40

Waitaki- Rural/Lifestyle

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Waitaki Rural/Lifestyle - Median Rural CV \$1,755,000			
Biosecurity - Waitaki	93.66	103.41	9.75
General Rate - Waitaki	297.66	318.21	20.55
River & Waterway Management - Waitaki	141.26	147.98	6.72
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	80.83	101.35	20.52
Total	736.92	797.33	60.41
Waitaki Rural/Lifestyle - Median Lifestyle CV \$780,000			
Biosecurity - Waitaki	23.71	26.18	2.47
General Rate - Waitaki	132.67	141.83	9.16
River & Waterway Management - Waitaki	62.96	65.96	3.00
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	36.03	45.17	9.14
Total	378.88	405.52	26.64

Waitaki- Commercial

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Waitaki Commercial- Median CV \$395,000			
Biosecurity - Waitaki	16.60	18.33	1.73
General Rate - Waitaki	67.19	71.82	4.63
River & Waterway Management - Waitaki	31.88	33.40	1.52
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	18.25	22.88	4.63
Total	257.43	272.80	15.37
Waitaki Commercial- CV \$2,680,000			
Biosecurity - Waitaki	54.54	60.21	5.67
General Rate - Waitaki	455.84	487.32	31.48
River & Waterway Management - Waitaki	216.33	226.63	10.30
Uniform General Charge - Waitaki	69.36	74.70	5.34
Targeted Wilding Trees - Waitaki	2.39	2.42	0.03
Civil Defence & Emergency Management - Waitaki	35.63	38.02	2.39
Navigational Safety - Waitaki	10.68	11.24	0.56
Oamaru Transport	5.45	-	- 5.45
Catchment Management - Waitaki	123.79	155.21	31.42
Total	974.01	1,055.75	81.74

Lower Clutha Flood and Drainage

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Clutha Flood & Drainage A Rural- CV\$1,911,000 (total CV \$19,420,000)			
Biosecurity - Clutha	889.20	980.87	91.67
General Rate - Clutha	3,303.15	3,506.93	203.78
River & Waterway Management - Clutha	945.37	1,033.76	88.39
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	897.01	1,116.72	219.71
Lower Clutha Flood Protection & Drainage E	4,403.72	4,675.95	272.23
Lower Clutha Flood Protection & Drainage F	958.03	1,017.29	59.26
Lower Clutha Flood Protection & Drainage A	13,884.12	14,742.39	858.27
Total	25,398.66	27,200.28	1,801.62

Lower Clutha Flood & Drainage B Rural- CV \$2,607,000 (total CV \$3,720,000)			
Dairy Environmental Monitoring Rate	561.63	-	- 561.63
Biosecurity - Clutha	155.31	171.33	16.02
General Rate - Clutha	632.73	671.77	39.04
River & Waterway Management - Clutha	181.09	198.02	16.93
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Lower Clutha Flood Protection & Drainage D	1,830.87	1,944.05	113.18
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	171.83	213.91	42.08
Lower Clutha Flood Protection & Drainage E	38.14	40.50	2.36
Lower Clutha Flood Protection & Drainage B	7,520.62	7,985.52	464.90
Total	11,210.28	11,351.48	141.20

Lower Clutha Flood & Drainage C Rural- CV \$2,225,000 (total CV \$3,280,000)			
Dairy Environmental Monitoring Rate	561.63	-	- 561.63
Biosecurity - Clutha	163.61	180.48	16.87
General Rate - Clutha	557.90	592.31	34.41
River & Waterway Management - Clutha	159.67	174.60	14.93
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Lower Clutha Flood Protection & Drainage C	6,062.03	6,436.78	374.75
Lower Clutha Flood Protection & Drainage D	1,803.52	1,915.01	111.49
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	151.50	188.61	37.11
Total	9,577.92	9,614.17	36.25

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Clutha Flood & Drainage D Rural- CV \$1,608,000 (total CV \$7,700,000)			
Dairy Environmental Monitoring Rate	561.63	-	- 561.63
Biosecurity - Clutha	336.12	370.77	34.65
General Rate - Clutha	1,309.69	1,390.49	80.80
River & Waterway Management - Clutha	374.84	409.88	35.04
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Lower Clutha Flood Protection & Drainage C	16,597.71	17,623.76	1,026.05
Lower Clutha Flood Protection & Drainage D	2,748.88	2,918.80	169.92
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	355.66	442.78	87.12
Total	22,402.59	23,282.85	880.26
Lower Clutha Flood & Drainage E Rural- CV \$2,205,000 (total CV \$3,320,000)			
Biosecurity - Clutha	160.06	176.56	16.50
General Rate - Clutha	564.70	599.54	34.84
River & Waterway Management - Clutha	161.62	176.73	15.11
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	153.35	190.91	37.56
Lower Clutha Flood Protection & Drainage E	2,002.51	2,126.31	123.80
Lower Clutha Flood Protection & Drainage F	119.13	126.50	7.37
Total	3,279.43	3,522.91	243.48
Lower Clutha Flood & Drainage F Rural- CV \$2,965,000			
Biosecurity - Clutha	157.68	173.94	16.26
General Rate - Clutha	504.32	535.43	31.11
River & Waterway Management - Clutha	144.34	157.83	13.49
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	136.95	170.50	33.55
Lower Clutha Flood Protection & Drainage F	316.78	336.37	19.59
Total	1,378.13	1,500.45	122.32

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Clutha Flood & Drainage U1 Rural- CV \$116,000 (total CV \$290,000)			
Lower Clutha Flood Protection & Drainage U2	123.08	130.69	7.61
Biosecurity - Clutha	16.30	17.98	1.68
General Rate - Clutha	49.33	52.37	3.04
River & Waterway Management - Clutha	14.12	15.44	1.32
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	13.40	16.68	3.28
Lower Clutha Flood Protection & Drainage U4	7.37	7.83	0.46
Lower Clutha Flood Protection & Drainage U1	334.63	355.32	20.69
Total	676.29	722.68	46.39
Lower Clutha Flood & Drainage U2 Residential- CV \$355,000			
Lower Clutha Flood Protection & Drainage U2	341.36	362.47	21.11
Biosecurity - Clutha	5.63	6.21	0.58
General Rate - Clutha	60.38	64.11	3.73
River & Waterway Management - Clutha	17.28	18.90	1.62
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	16.40	20.41	4.01
Total	559.11	598.47	39.36
Lower Clutha Flood & Drainage U3 Residential- CV \$355,000			
Biosecurity - Clutha	5.04	5.56	0.52
General Rate - Clutha	60.38	64.11	3.73
River & Waterway Management - Clutha	17.28	18.90	1.62
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	16.40	20.41	4.01
Lower Clutha Flood Protection & Drainage U3	75.86	80.55	4.69
Total	293.02	315.90	22.88
Lower Clutha Flood & Drainage U4 Residential- CV \$655,000			
Biosecurity - Clutha	7.71	8.50	0.79
General Rate - Clutha	111.41	118.28	6.87
River & Waterway Management - Clutha	31.89	34.87	2.98
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	30.25	37.66	7.41
Lower Clutha Flood Protection & Drainage U4	104.98	111.46	6.48
Total	404.30	437.15	32.85

Lower Taieri Flood

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Taieri Flood WF1 Rural- CV \$2,330,000			
Lower Taieri Flood Protection WF1	3,243.10	3,348.75	105.65
West Taieri Drainage - WD1	6,049.77	6,437.80	388.03
Biosecurity - Dunedin	107.80	119.66	11.86
General Rate - Dunedin	374.66	400.11	25.45
River & Waterway Management - Dunedin	13.77	15.97	2.20
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	39.52	39.30	- 0.22
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	101.75	127.41	25.66
Total	10,048.43	10,615.37	566.94

Lower Taieri Flood WF2 Lifestyle- CV \$1,060,000			
Lower Taieri Flood Protection WF2	1,475.40	1,523.47	48.07
West Taieri Drainage - WD5	151.09	160.78	9.69
Biosecurity - Dunedin	34.43	38.22	3.79
General Rate - Dunedin	170.45	182.02	11.57
River & Waterway Management - Dunedin	6.26	7.27	1.01
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	17.98	17.88	- 0.10
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	46.29	57.96	11.67
Total	2,019.96	2,113.97	94.01

Lower Taieri Flood EF1 Rural- CV \$1,600,000			
Biosecurity - Dunedin	88.05	97.73	9.68
General Rate - Dunedin	257.28	274.75	17.47
River & Waterway Management - Dunedin	9.46	10.97	1.51
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	27.14	26.99	- 0.15
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	69.87	87.49	17.62
East Taieri Drainage - ED1	9,678.77	10,284.89	606.12
Lower Taieri Flood Protection EF1	49.28	49.44	0.16
Total	10,297.91	10,958.64	660.73

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Taieri Flood EF2 Rural \$2,065,000			
Biosecurity - Dunedin	94.25	104.62	10.37
General Rate - Dunedin	332.05	354.60	22.55
River & Waterway Management - Dunedin	12.20	14.16	1.96
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	35.02	34.83	- 0.19
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	90.18	112.92	22.74
East Taieri Drainage - ED2	7,017.19	7,456.63	439.44
Lower Taieri Flood Protection EF2	63.60	63.80	0.20
Total	7,762.55	8,267.94	505.39
Lower Taieri Flood EF3 Rural - CV \$370,000 (total CV \$2,010,000)			
Biosecurity - Dunedin	110.06	122.17	12.11
General Rate - Dunedin	323.21	345.16	21.95
River & Waterway Management - Dunedin	11.88	13.78	1.90
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	34.09	33.91	- 0.18
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	87.78	109.91	22.13
East Taieri Drainage - ED2	7,735.18	8,219.58	484.40
Lower Taieri Flood Protection EF2	36.16	36.27	0.11
Lower Taieri Flood Protection EF3	11.40	11.43	0.03
Total	8,467.82	9,018.58	550.76
Lower Taieri Flood EF4 Lifestyle- CV \$1,550,000			
Biosecurity - Dunedin	33.86	37.59	3.73
General Rate - Dunedin	249.24	266.17	16.93
River & Waterway Management - Dunedin	9.16	10.63	1.47
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	26.29	26.15	- 0.14
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	67.69	84.76	17.07
East Taieri Drainage - ED4	960.34	1,020.48	60.14
Lower Taieri Flood Protection EF4	47.74	47.89	0.15
Total	1,512.38	1,620.03	107.65

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Taieri Flood EF5 Lifestyle- CV \$1,350,000			
Biosecurity - Dunedin	38.38	42.60	4.22
General Rate - Dunedin	217.08	231.82	14.74
River & Waterway Management - Dunedin	7.98	9.25	1.27
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	22.90	22.77	- 0.13
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	58.95	73.82	14.87
East Taieri Drainage - ED9	256.14	272.18	16.04
Lower Taieri Flood Protection EF5	41.58	41.71	0.13
Total	761.07	820.54	59.47
Lower Taieri Flood EF6 Lifestyle- CV \$362,000 (total CV \$1,800,000)			
Biosecurity - Dunedin	62.08	68.91	6.83
General Rate - Dunedin	289.44	309.10	19.66
River & Waterway Management - Dunedin	10.64	12.34	1.70
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	30.53	30.36	- 0.17
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	78.61	98.43	19.82
East Taieri Drainage - ED9	1,721.67	1,829.49	107.82
Lower Taieri Flood Protection EF6	11.15	11.18	0.03
Total	2,322.18	2,486.19	164.01
Lower Taieri Flood EF7 Lifestyle- CV \$1,250,000			
East Taieri Drainage - ED8	192.20	204.23	12.03
Biosecurity - Dunedin	34.43	38.22	3.79
General Rate - Dunedin	201.00	214.65	13.65
River & Waterway Management - Dunedin	7.39	8.57	1.18
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	21.20	21.09	- 0.11
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	54.59	68.35	13.76
Lower Taieri Flood Protection EF7	38.50	38.62	0.12
Total	667.37	720.10	52.73

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Taieri Flood EF8 Residential - CV \$1,200,000			
Dunedin Transport Class B - Dunedin	283.60	286.92	3.32
Lower Taieri Flood Protection EF8	36.96	37.08	0.12
Biosecurity - Dunedin	23.14	25.69	2.55
General Rate - Dunedin	192.96	206.06	13.10
River & Waterway Management - Dunedin	7.09	8.23	1.14
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	20.35	20.24	- 0.11
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	52.40	65.62	13.22
East Taieri Drainage - ED10	9.65	10.26	0.61
Total	744.21	786.47	42.26
Lower Taieri Flood EF9 Residential- CV \$1,400,000			
Dunedin Transport Class B - Dunedin	330.86	334.74	3.88
Biosecurity - Dunedin	25.68	28.51	2.83
General Rate - Dunedin	225.12	240.41	15.29
River & Waterway Management - Dunedin	8.27	9.60	1.33
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	23.74	23.62	- 0.12
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	61.14	76.55	15.41
Lower Taieri Flood Protection EF9	43.12	43.26	0.14
Total	835.99	883.05	47.06
Lower Taieri Flood EF10 Lifestyle- CV \$1,750,000			
East Taieri Drainage - ED8	768.43	816.55	48.12
Lower Taieri Flood Protection EF10	53.90	54.07	0.17
Biosecurity - Dunedin	44.59	49.49	4.90
General Rate - Dunedin	281.40	300.51	19.11
River & Waterway Management - Dunedin	10.34	12.00	1.66
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	29.68	29.52	- 0.16
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	76.42	95.69	19.27
Total	1,382.82	1,484.21	101.39

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Lower Taieri Flood EF13 Lifestyle- CV \$1,100,000			
Biosecurity - Dunedin	33.30	36.96	3.66
General Rate - Dunedin	176.88	188.89	12.01
River & Waterway Management - Dunedin	6.50	7.54	1.04
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	18.66	18.56	- 0.10
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	48.04	60.15	12.11
East Taieri Drainage - ED1	324.35	344.67	20.32
Lower Taieri Flood Protection EF13	33.88	33.99	0.11
Total	759.67	817.13	57.46

East Taieri Drainage (Land Area based)

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
East Taieri Drainage ED1 area Rural 3.84 Ha (total area 6 Ha)			
Biosecurity - Dunedin	33.86	37.59	3.73
General Rate - Dunedin	225.12	240.41	15.29
River & Waterway Management - Dunedin	8.27	9.60	1.33
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	23.74	23.62	- 0.12
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	61.14	76.55	15.41
East Taieri Drainage - ED4	342.24	363.67	21.43
Lower Taieri Flood Protection EF4	37.73	37.85	0.12
East Taieri Drainage - ED1	607.50	645.55	38.05
Lower Taieri Flood Protection EF1	5.39	5.41	0.02
Total	1,463.05	1,566.61	103.56
East Taieri Drainage ED2 area Rural 44.35 Ha			
Biosecurity - Dunedin	45.15	50.12	4.97
General Rate - Dunedin	257.28	274.75	17.47
River & Waterway Management - Dunedin	9.46	10.97	1.51
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	27.14	26.99	- 0.15
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	69.87	87.49	17.62
East Taieri Drainage - ED2	2,554.41	2,714.37	159.96
Lower Taieri Flood Protection EF2	49.28	49.44	0.16
Total	3,130.65	3,340.51	209.86
East Taieri Drainage ED4 area Lifestyle 3.84 Ha			
Biosecurity - Dunedin	39.51	43.85	4.34
General Rate - Dunedin	305.52	326.27	20.75
River & Waterway Management - Dunedin	11.23	13.03	1.80
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	32.22	32.05	- 0.17
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	82.97	103.89	20.92
East Taieri Drainage - ED4	949.42	1,008.88	59.46
Lower Taieri Flood Protection EF4	58.52	58.71	0.19
Total	1,597.45	1,713.05	115.60

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
East Taieri Drainage ED5 area Lifestyle 5.39 Ha			
Biosecurity - Dunedin	60.39	67.03	6.64
General Rate - Dunedin	344.11	367.48	23.37
River & Waterway Management - Dunedin	12.65	14.67	2.02
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	36.29	36.10	- 0.19
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	93.45	117.02	23.57
East Taieri Drainage - ED5	853.53	906.98	53.45
Total	1,518.48	1,635.66	117.18
East Taieri Drainage ED7 area Residential 0.05 Ha			
East Taieri Drainage - ED7	7.91	8.41	0.50
Dunedin Transport Class B - Dunedin	122.89	124.33	1.44
Lower Taieri Flood Protection EF8	16.02	16.07	0.05
Biosecurity - Dunedin	22.58	25.06	2.48
General Rate - Dunedin	83.62	89.29	5.67
River & Waterway Management - Dunedin	3.07	3.56	0.49
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	8.82	8.77	- 0.05
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	22.71	28.43	5.72
Total	405.68	430.31	24.63
East Taieri Drainage ED8 area Residential 0.83 Ha			
Dunedin Transport Class B - Dunedin	349.77	353.87	4.10
Biosecurity - Dunedin	69.42	77.06	7.64
General Rate - Dunedin	237.98	254.15	16.17
River & Waterway Management - Dunedin	8.75	10.15	1.40
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	25.10	24.97	- 0.13
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	64.63	80.93	16.30
East Taieri Drainage - ED9	131.16	139.38	8.22
Total	1,004.87	1,066.86	61.99

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
East Taieri Drainage ED9 area Residential 0.08 Ha			
Dunedin Transport Class B - Dunedin	302.50	306.05	3.55
Biosecurity - Dunedin	21.17	23.49	2.32
General Rate - Dunedin	205.82	219.80	13.98
River & Waterway Management - Dunedin	7.56	8.78	1.22
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	21.71	21.59	- 0.12
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	55.90	69.99	14.09
East Taieri Drainage - ED9	13.12	13.94	0.82
Total	745.84	790.02	44.18
East Taieri Drainage ED10 area Lifestyle 0.66 Ha			
Dunedin Transport Class B - Dunedin	333.23	337.13	3.90
Biosecurity - Dunedin	31.04	34.46	3.42
General Rate - Dunedin	226.73	242.13	15.40
River & Waterway Management - Dunedin	8.33	9.67	1.34
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	23.91	23.79	- 0.13
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	61.57	77.10	15.53
East Taieri Drainage - ED10	105.09	111.67	6.58
Lower Taieri Flood Protection EF9	43.43	43.57	0.14
Total	951.39	1,005.87	54.48

West Taieri Drainage (Land Area based)

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
West Taieri Drainage WD1 area Lifestyle 4.65 Ha			
Lower Taieri Flood Protection WF1	1,642.43	1,695.93	53.50
West Taieri Drainage - WD1	574.75	611.62	36.87
Biosecurity - Dunedin	35.56	39.47	3.91
General Rate - Dunedin	189.74	202.63	12.89
River & Waterway Management - Dunedin	6.97	8.09	1.12
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	20.01	19.91	- 0.10
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	51.53	64.52	12.99
Total	2,639.05	2,768.54	129.49
West Taieri Drainage WD2 area Lifestyle 4.05 Ha			
Lower Taieri Flood Protection WF2	1,322.30	1,365.37	43.07
West Taieri Drainage - WD2	500.11	532.19	32.08
Biosecurity - Dunedin	30.48	33.83	3.35
General Rate - Dunedin	152.76	163.13	10.37
River & Waterway Management - Dunedin	5.61	6.51	0.90
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	16.11	16.03	- 0.08
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	41.49	51.95	10.46
Total	2,186.92	2,295.38	108.46
West Taieri Drainage WD3 area Rural 2.58 Ha			
Biosecurity - Dunedin	3.89	4.32	0.43
General Rate - Dunedin	11.74	12.54	0.80
River & Waterway Management - Dunedin	0.43	0.50	0.07
Uniform General Charge - Dunedin	69.36	74.70	5.34
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Leith Flood Indirect	1.24	1.23	- 0.01
Catchment Management - Dunedin	3.19	3.99	0.80
West Taieri Drainage - WD3	318.83	339.28	20.45
Total	457.38	488.24	30.86

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
West Taieri Drainage WD4 area Rural 8.04 Ha (total 8.58 Ha)			
Biosecurity - Dunedin	18.06	20.05	1.99
General Rate - Dunedin	52.50	56.07	3.57
River & Waterway Management - Dunedin	1.93	2.24	0.31
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	5.54	5.51	- 0.03
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	14.26	17.85	3.59
West Taieri Drainage - WD4	993.30	1,057.01	63.71
Total	1,203.65	1,285.10	81.45
West Taieri Drainage WD5 area Residential 0.2 Ha			
Lower Taieri Flood Protection WF2	1,085.67	1,121.04	35.37
West Taieri Drainage - WD5	24.98	26.58	1.60
Biosecurity - Dunedin	27.09	30.07	2.98
General Rate - Dunedin	125.42	133.94	8.52
River & Waterway Management - Dunedin	4.61	5.35	0.74
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	13.23	13.16	- 0.07
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	34.06	42.65	8.59
Total	1,433.12	1,499.17	66.05

Tokomairiro Drainage

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Tokomairiro Drainage A Rural- CV \$660,000			
Biosecurity - Clutha	37.35	41.20	3.85
General Rate - Clutha	112.26	119.18	6.92
River & Waterway Management - Clutha	32.13	35.13	3.00
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	30.49	37.95	7.46
Tokomairiro Drainage A	106.44	116.98	10.54
Total	436.73	476.82	40.09
Tokomairiro Drainage B Lifestyle- CV \$460,000			
Biosecurity - Clutha	18.38	20.27	1.89
General Rate - Clutha	78.24	83.07	4.83
River & Waterway Management - Clutha	22.39	24.49	2.10
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	21.25	26.45	5.20
Tokomairiro Drainage B	74.19	81.53	7.34
Total	332.51	362.18	29.67
Tokomairiro Drainage C Rural- CV \$1,663,000 (total CV \$1,890,000)			
Biosecurity - Clutha	88.92	98.09	9.17
General Rate - Clutha	321.47	341.30	19.83
River & Waterway Management - Clutha	92.01	100.61	8.60
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	87.30	108.68	21.38
Tokomairiro Drainage D	36.61	40.23	3.62
Tokomairiro Drainage C	268.21	294.75	26.54
Total	1,012.58	1,110.04	97.46

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Tokomairiro Drainage D Rural- CV \$1,205,000			
Biosecurity - Clutha	68.76	75.85	7.09
General Rate - Clutha	204.96	217.60	12.64
River & Waterway Management - Clutha	58.66	64.14	5.48
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	55.66	69.29	13.63
Tokomairiro Drainage D	194.34	213.57	19.23
Total	700.44	766.84	66.40
Tokomairiro Drainage E Residential- CV \$650,000			
Biosecurity - Clutha	7.11	7.85	0.74
General Rate - Clutha	110.56	117.38	6.82
River & Waterway Management - Clutha	31.64	34.60	2.96
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	30.02	37.38	7.36
Tokomairiro Drainage E	104.83	115.21	10.38
Total	402.22	438.79	36.57
Tokomairiro Drainage F Rural- CV \$4,260,000			
Dairy Environmental Monitoring Rate	561.63	-	- 561.63
Biosecurity - Clutha	198.59	219.06	20.47
General Rate - Clutha	724.58	769.28	44.70
River & Waterway Management - Clutha	207.38	226.77	19.39
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	196.77	244.97	48.20
Tokomairiro Drainage F	687.05	755.04	67.99
Total	2,694.06	2,341.49	- 352.57
Tokomairiro Drainage U1 Residential- CV \$390,000			
Biosecurity - Clutha	9.78	10.79	1.01
General Rate - Clutha	66.34	70.43	4.09
River & Waterway Management - Clutha	18.99	20.76	1.77
Uniform General Charge - Clutha	69.36	74.70	5.34
Civil Defence & Emergency Management - Clutha	35.63	38.02	2.39
Targeted Wilding Trees - Clutha	2.39	2.42	0.03
Navigational Safety - Clutha	10.68	11.24	0.56
Catchment Management - Clutha	18.01	22.43	4.42
Tokomairiro Drainage U1	34.67	37.95	3.28
Total	265.85	288.73	22.88

Leith Flood

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Leith Flood Indirect Median Residential CV \$600,000			
Dunedin Transport Class B - Dunedin	141.80	143.46	1.66
Lower Taieri Flood Protection EF8	18.48	18.54	0.06
Biosecurity - Dunedin	15.24	16.92	1.68
General Rate - Dunedin	96.48	103.03	6.55
River & Waterway Management - Dunedin	3.55	4.11	0.56
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	10.18	10.12	- 0.06
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	26.20	32.81	6.61
Total	429.99	455.36	25.37
Leith Flood Direct Median Residential CV \$710,000			
Dunedin Transport Class B - Dunedin	167.79	169.76	1.97
Biosecurity - Dunedin	28.78	31.95	3.17
General Rate - Dunedin	114.17	121.92	7.75
River & Waterway Management - Dunedin	4.20	4.87	0.67
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Direct	280.09	298.44	18.35
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	31.01	38.82	7.81
Total	744.10	792.14	48.04

Selected Properties

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Selected Properties -Central Clyde Dam CV \$709,200,000			
Biosecurity - Central Otago	168.16	183.99	15.83
General Rate - Central Otago	122,769.61	129,616.03	6,846.42
River & Waterway Management - Central Otago	22,183.78	22,425.47	241.69
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Ota	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	33,339.49	41,274.01	7,934.52
Total	178,579.10	193,625.88	15,046.78

Selected Properties -Central Roxburgh Dam CV \$346,950,000			
Biosecurity - Central Otago	166.35	182.01	15.66
General Rate - Central Otago	60,060.51	63,409.87	3,349.36
River & Waterway Management - Central Otago	10,852.60	10,970.84	118.24
Uniform General Charge - Central Otago	69.36	74.70	5.34
Civil Defence & Emergency Management - Central Ota	35.63	38.02	2.39
Targeted Wilding Trees - Central Otago	2.39	2.42	0.03
Navigational Safety - Central Otago	10.68	11.24	0.56
Catchment Management - Central Otago	16,310.12	20,191.79	3,881.67
Total	87,507.64	94,880.88	7,373.24

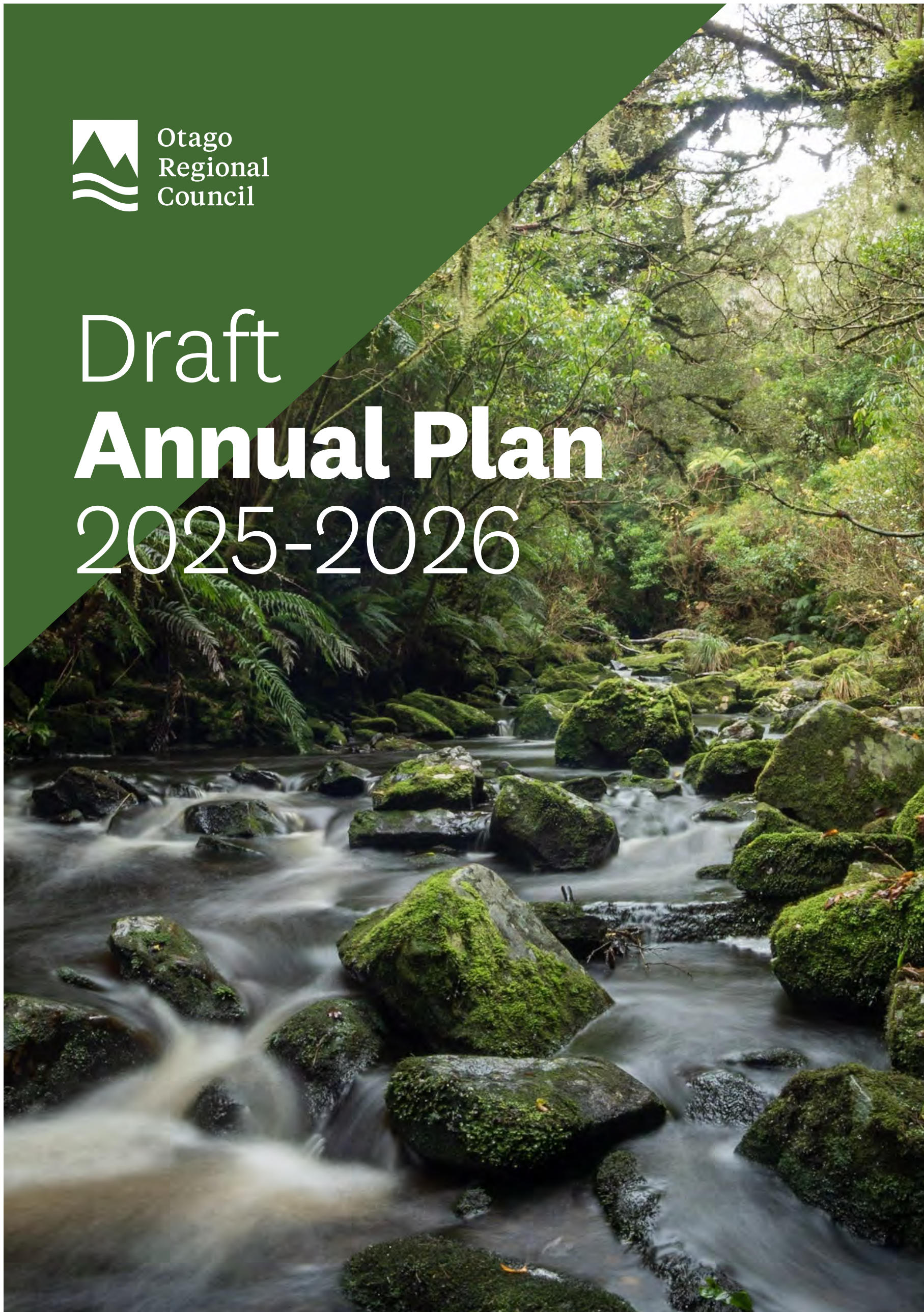
Selected Properties -DCC 3 Waters (Utility) CV \$335,010,000			
Biosecurity - Dunedin	-	-	-
General Rate - Dunedin	53,869.61	57,527.88	3,658.27
River & Waterway Management - Dunedin	1,979.91	2,296.65	316.74
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	5,681.77	5,651.22	- 30.55
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	14,629.89	18,318.77	3,688.88
Total	76,279.24	83,920.90	7,641.66

Selected Properties -DCC 3 Waters (Utility) CV \$417,440,000			
Biosecurity - Dunedin	-	-	-
General Rate - Dunedin	67,124.35	71,682.76	4,558.41
River & Waterway Management - Dunedin	2,467.07	2,861.75	394.68
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	7,079.78	7,041.71	- 38.07
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	18,229.60	22,826.15	4,596.55
Total	95,018.86	104,538.74	9,519.88

Rate description	Actual 2024/25 rate	Proposed 2025/26 rate	Variance
Selected Properties -DCC 3 Waters (Utility) CV \$178,729,000			
Biosecurity - Dunedin	-	-	-
General Rate - Dunedin	28,739.62	30,691.33	1,951.71
River & Waterway Management - Dunedin	1,056.29	1,225.27	168.98
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	3,031.24	3,014.94	- 16.30
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	7,805.10	9,773.13	1,968.03
Total	40,750.31	44,831.05	4,080.74
Selected Properties -Dunedin Stadium CV \$249,700,000			
Dunedin Transport Class B - Dunedin	59,011.60	59,703.33	691.73
Biosecurity - Dunedin	1,442.04	1,600.68	158.64
General Rate - Dunedin	40,151.76	42,878.46	2,726.70
River & Waterway Management - Dunedin	1,475.73	1,711.81	236.08
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Direct	98,504.15	104,957.32	6,453.17
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	10,904.40	13,653.91	2,749.51
Total	211,607.74	224,631.88	13,024.14
Selected Properties -Dunedin Airport main terminal CV \$38,680,000			
Lower Taieri Flood Protection WF1	53,838.31	55,592.11	1,753.80
West Taieri Drainage - WD1	2,215.59	2,357.69	142.10
Biosecurity - Dunedin	283.89	315.12	31.23
General Rate - Dunedin	6,219.74	6,642.13	422.39
River & Waterway Management - Dunedin	228.60	265.17	36.57
Uniform General Charge - Dunedin	69.36	74.70	5.34
Leith Flood Indirect	656.01	652.49	- 3.52
Civil Defence & Emergency Management - Dunedin	35.63	38.02	2.39
Targeted Wilding Trees - Dunedin	2.39	2.42	0.03
Navigational Safety - Dunedin	10.68	11.24	0.56
Catchment Management - Dunedin	1,689.16	2,115.07	425.91
Total	65,249.36	68,066.15	2,816.79



Draft Annual Plan 2025-2026



DRAFT

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Chairperson's foreword

Nurturing this special place

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. This guides our direction and shapes the work planned for the year ahead.

In developing the draft Annual Plan for 2025/26, we've listened to your feedback and focused on finding efficiencies in work programmes to deliver value for money. We have also increased Port Otago's financial contribution to help keep rates costs down and make the most of this regional asset. At the same time, we're focused on continuing the vital work that supports Otago's people and our environment which underpins thriving communities and people's livelihoods.

A key highlight for the coming year is introducing a new \$2 million annual environmental fund. This fund, developed through public consultation, delivers maximum impact by supporting communities dedicated to driving positive change. By harnessing local knowledge, community spirit, and vision, this fund 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. Although this is disappointing, 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 and Head of Lake Whakatipu, alongside projects to strengthen our flood protection schemes.

Last year we supported the Catlins community as they created a Catchment Action Plan. This year we'll work with the Upper Lakes community and iwi to create a plan for the headwaters of the Clutha River and lakes area. These plans harness the goals, knowledge and collective strength of community to achieve outcomes that matter most to them.

The draft Annual Plan for 2025/26 outlines our goals and priorities for the year ahead. I encourage you to learn more and give your feedback.

We look forward to hearing from you.

Gretchen Robertson
Chair, Otago Regional Council

Overview

Overview



Location to come xxxxxxxxxxxx

ANNUAL PLAN 2025-2026

3

Overview

Why does this document matter?

This draft Annual Plan 2025-2026 (AP) reflects an important step in a process that decides what change, if any, is required to the Otago Regional Council Long-term Plan 2024-34 (LTP).

In brief, the LTP describes Council's activity, key work programmes and financial needs in detail over three years, and less detail over ten years. The process to decide the LTP ultimately sits with the elected regional councillors who consider a range of information and advice including strategic components such as:

- legislation [e.g. roles we must provide and ways we must conduct our activity]
- Infrastructure plans [Flood, Drainage and River Schemes; Natural Hazards and Climate Change]
- Transport plans [e.g. Bus services]
- Operational /action orientated plans [e.g. Regional Pest Plan and Operational Pest Plan; Catchment Action Plans]
- Resource management plans [e.g. Regional Land and Water Plan]
- Financial Strategy and Funding Policy [i.e. prudent and sustainable funding of activity over the long-term including rating and Port Otago ownership; a principled, transparent and consistent approach on who pays and how]
- ORC Strategic Directions document. This provides broad goals that overarch all Council activity and its purpose is to help ensure our action and resource is aligned with those goals.

Above shows some of the considerations and indicates there is complexity in considering and deciding the LTP. The Annual Plan process enables us to adapt and change in response to our communities and/or other reasons such as central government.

So, this document is important in that it tells the community what the Council is proposing to change, if anything, to the LTP. The community then have an opportunity to provide the elected regional councillors with feedback about what is proposed in this document.

What changed in the LTP?

The LTP, for year 2 (being 2025-2026 financial year), indicated a 13.8% increase in funding required from rates. This planned increase provided an additional \$9 million from rates in year 2 to help maintain and increase Council's work programme. Key activity expenditure associated with the rates funding included:

- New scaled environmental funding begins in year 2. This was a consulted proposal in the LTP process.
- Implementing Passenger Transport Service Improvements. This was a consulted proposal in the LTP process.
- Increased operational expenditure on river management.
- Increased operational expenditure on priority environmental implementation projects.
- Increased operational expenditure on a range of governance and democracy related work including: Climate Change Strategy implementation, organisational structural change, business transformation initiatives, and insurance.
- Council Information and technology – new licences and increased depreciation for future replacement of critical hardware and software.
- Increased operational expenditure on land and water science, and monitoring.
- Provision for inflation across all operational expenditure.

The review of LTP year 2, via this Annual Plan process, has reduced the 13.8% rate funding increase to 7.8% - from \$9 million to \$3.9 million.

In achieving this result there was careful consideration about maintaining the direction and work programme intentions as listed above, and as agreed in the LTP. Apart from public transport activity, Council has achieved this via the following adjustments:

- Dunedin Public Transport service improvements not implemented as planned and consulted in the LTP. In brief, Council decided not to progress without government co-funding.
- Queenstown Ferry service improvements not implemented as planned and consulted in the LTP. In brief, Council decided not to progress without government co-funding.
- Refinement of the river management programme. On review, aspects of the operation programme were overly ambitious and have been adjusted to reflect delivery capacity.
- Work associated with priority environmental implementation projects paused to consider how it aligns with the scaled environmental implementation fund.
- A slightly more optimistic assumption on inflation

These adjustments contribute to approximately \$6 million in expenditure representing about 4.4% of total operational expenditure for this AP.

Importantly, rate funding requirements are reduced by annual Port of Otago dividends. For year 2 the dividend is forecast to increase by \$2 million, from \$18 million to \$20 million. This dividend is specifically applied to the general rate so that all ratepayers across the region benefit.

Overview

Strategic Directions 2024-2034

In 2023, Councillors and mana whenua revised Council's strategic directions. Both global and local trends, as well as existing enduring priorities, were taken into consideration as part of the review. As a result, 'Strategic Directions 2024-2034' was adopted and subsequently used to support decision-making within the LTP process.

'Strategic Directions 2024-2034' will continue to inform our decision-making over this three year LTP planning review cycle and a summary of key elements are provided below.

The diagram outlines the focus areas and the outcomes we want to achieve for each focus area. The list of the goals under each focus area can be found in the Appendix



What we will deliver

Our work is structured into five portfolios, which are aligned to our strategic directions.

We describe each portfolio in the following sections, including an overview of the work we do, why we do it and planned activities. We have also included levels of service, measures and targets for each portfolio, which we report against quarterly:

Regional Leadership

- Governance and Community Engagement
- Regional Planning
- Regulatory

Environment

- Land and Water
- Biodiversity and Biosecurity
- Air

Climate Change and Resilience

- Natural Hazards and Climate Change
- Flood Protection, Drainage and River Management
- Emergency Management

Transport

- Transport (including Regional Land Transport and Public Transport)

Council Organisation

- Internal Services
- Port Otago

Lauder

What we will deliver content

Regional Leadership



Tunnel Beach, Ōtepoti Dunedin

What we will deliver content

What Regional Leadership is

Our Regional Leadership work supports both the elected body of Council and the organisation in its role of decision making, partnering with mana whenua, and engaging with the community across the specific legislative responsibilities and other matters important to the Otago community.

We have three activities supporting our Regional Leadership work. They are:

Governance and Community Engagement

Regional Planning

Regulatory

Group Revenue and Expenditure - Regional Leadership

2024/25 LTP \$000s		2025/26 LTP \$000s	2025/26 Annual Plan \$000s
13,343	Governance and Community Engagement	15,165	
2,925	Regional Planning	3,066	
12,568	Regulatory	13,846	
28,836	Expenditure	32,077	0
23,346	General Rates	25,948	
1,049	Targeted Rates	1,184	
3,909	Fees & Charges	4,258	
225	Grants	75	
260	Other Income	260	
47	Reserves	353	
28,836	Revenue	32,077	0

What we will deliver content

Governance and Community Engagement

What we do

Connecting our communities in a timely and meaningful way to the work of the regional council is vital.

Through our elected representatives and communication and engagement activities, the many diverse voices from around Otago can be heard and be part of our decision-making process. In turn, we share the stories about our work, to raise awareness of the results of the investment Otago people make in us.

We aim to provide quality leadership that benefits our region and our work in this activity supports Otago's elected Regional Council representatives to carry out their duties.

The key programmes that make up this activity are:

- Communications and Marketing
- Governance and Democracy

Why we do it

Supporting governance, good decision-making, and connecting and engaging with our communities in a timely way are essential features of a civilised society. Legislation also enshrines principles, powers, duties and functions that underpin this activity and the need for it.

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Provide and promote governance processes and democratic decision making by ensuring and supporting elected member committee structure and council meetings. • Councillor and external appointees; Council/Committees/Mana to Mana/Workshops Support; Regional meetings; Election 2025; Governance advice / projects; Subscriptions. • Represent the diverse views and interest of the region in a fair and equitable way through engagement, communication and partnership • Provide communications which enable the community to understand and participate in ORC's programmes and decision making. • Supply comms and marketing materials for all consultations, and Regional Planning activity; Te Matapuna quarterly newsletter; Community Survey; Environmental Awards; Website. • Develop and deliver robust and effective corporate planning and reporting for accountability and transparency.
Revised work [change]	No Change to report
Key Projects [one off]	Deliver 2025 Otago Regional Council Local Body Election [as planned]

What we will deliver content

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide and promote governance processes and democratic decision that is robust and transparent to the community.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of council agendas that are publicly available two working days or more before a meeting.	100%	100%	100%	100%
Percentage of official information requests responded to within 20 working days of being logged.	100%	100%	100%	100%

LoS: Develop and deliver robust and effective corporate planning and reporting.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Deliver our Long-Term Plan, annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements.	Annual Plan [Yr2] adopted by council prior to 30 June 2025. Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2024.	Annual Plan [Yr3 LTP] adopted by council prior to 30 June 2026. Council financial and activity performance against the Year 1 LTP 2024-34 reported to Council by October 2025.	LTP 2027-37 adopted by Council prior to 30 June 2027 Council financial and activity performance against the Year 2 LTP 2024-34 reported to Council by October 2026.	Annual Plan adopted by council prior to 30 June each year. Council financial and activity performance reported to Council by October each year.

LoS: Represent the diverse views and interest of the region in a fair and equitable way through engagement, communication and partnership.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Increase opportunities for engagement with diverse groups across Otago to lift awareness and understanding of the work of the regional council and seek feedback on performance.	Create and implement engagement plan and establish engagement data.	Maintain or increase numbers.	Maintain or increase numbers.	Maintain or increase numbers.

What we will deliver content

LoS: Provide relevant, timely and accessible communications which enable the community to understand and participate in ORC's programmes and decision making.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Biannual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC.	Report against the action plan to Council by March 2025.	Survey and action plan completed March 2026.	Report against the action plan to Council by March 2027.	Survey and action plan completed by March 2028.
Customers express high levels of satisfaction with customer service provision.	Develop Customer Policy to determine satisfaction levels.	Meet or exceed satisfaction targets.	Meet or exceed satisfaction targets.	Meet or exceed satisfaction targets.

Regional Planning

What we do and why

This activity sets strategic direction for Otago's natural resources through a resource planning framework and programme that guides how people interact with the environment. In this framework, the Regional Policy Statement (RPS) sits over the various regional plans, including water, land, air, and the coast. They set out objectives, policies and rules for sustainably using natural and physical resources in Otago.

Other strategies and plans are also needed to support regulation, on -the-ground action, and community capacity building. Strategic direction and collaboration on important regional issues, such as climate change and community wellbeing, help support better outcomes for Otago communities.

Another important component of this activity is working with Otago's city and district councils on resource management and urban development. An integrated approach is sought via liaison with other functions, such as engineering, hazards management, and transport planning.

The key programmes that make up this activity are:

- Regional planning programme (including the RPS)
- Urban development
- Response to policy issues
- Strategy (non Resource Management Act)

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Implement Regional Planning Programme: Regional Policy Statement; Regional Plan Air (notify 2025). • Jointly delivering National Policy Statement (NPS) Urban Development, and National Policy Statement Highly Productive Land. Statutory requirements with Tier 2 district councils – via future development strategies. • Respond to national legislative processes to advocate for Otago. • Implementation, monitoring of the Regional Climate Change Strategy.
Revised work [change]	No change to report
Key Projects [one off]	<ul style="list-style-type: none"> • Deliver 2025 Otago Regional Council Local Body Election [as planned] • Complete an Air Strategy

What we will deliver content

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Support Otago's councils and communities to manage environmentally sustainable urban growth.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Support integrated and well managed urban growth across Otago.	Joint Queenstown future development strategy completed by 30 June 2025.	No target	Review of joint Dunedin Future Development Strategy completed by 30 June 2027. Review of joint Queenstown Future Development Strategy completed by 30 June 2027.	No target
Support integrated and well managed urban growth across Otago.	Consultation on maps of highly productive land completed by 31 December 2024.	RPS change to insert maps of highly productive land ready for notification by 17 October 2025. Hearing panel for RPS change appointed by 30 June 2026.	No target	No target

LoS: Lead a regional approach to biodiversity management in collaboration with mana whenua, local councils, and other stakeholders.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a regional biodiversity strategy and implement ORC actions.	Draft regional biodiversity strategy is made available for public consultation by 30 June 2025.	Regional biodiversity strategy is adopted by 30 June 2026.	ORC actions from the regional biodiversity strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the regional biodiversity strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three years.

What we will deliver content

LoS: Lead a regional approach to climate change in collaboration with mana whenua, local councils, and other stakeholders.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a Regional Climate Change Strategy and implement ORC actions.	ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three year

LoS: Lead a regional approach to air quality improvement in collaboration with mana whenua, local councils, and other stakeholders

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a Regional Air Quality Strategy and implement ORC actions.	Draft Regional Air Quality Strategy is made available for public consultation along with the revised Air Plan by 30 June 2025.	Draft Air Quality Strategy revised following public consultation by 31 March 2026.	Regional Air Quality Strategy is adopted by June 2027.	ORC actions from the Regional Air Quality Strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three years.

What we will deliver content

Regulatory

What we do and why

This activity ensures that ORC can fulfil its role as a regulatory authority supporting the sustainable management of water, land, air and the coast. We process resource consents, develop rules for how natural resources are used and managed, monitoring them end ensuring the rules are applied. We investigate activities that don't comply, providing services to ensure activities in Otago are consistent with both national and regional rules in the Resource Management Act.

As well as undertaking consent processing and monitoring compliance with consents, RMA and Regional Plans, ORC has an educational and awareness-raising role. The regulatory teams collaborate with Otago communities to increase knowledge and understanding of environmental matters.

We are also responsible for maritime activity and navigational safety on lakes, rivers and harbours and for the regulation of ports under the Maritime Transport Act. In Queenstown and Wānaka, navigational safety is delegated to the Queenstown- Lakes District Council. This work has a mix of achieving environmental (e.g. oil spill response) and 'people safety' (e.g. navigation) outcomes.

The key programmes that make up this activity are:

- Consent processing
- Compliance monitoring
- Incident response, investigation and enforcement
- Harbours and waterway management

Key work for year 2

The table below outlines key aspects of Council's planned work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Consent processing [cost recoverable]: Processing consents under regional plans and national regulations is a mandatory activity with mandatory timeframes. • Implementation of national regulations and regional plans - Implementation and providing regional context to national regulation and standards is a discretionary activity with discretionary timeframes • Consent fund: Providing consent processing costs to community and catchment groups for environmental enhancement projects is a discretionary activity with discretionary levels of service and timeframes. • Incident response: Maintaining a 24/7 pollution hotline response to environmental complaints. • Supporting behaviour change and compliance education activities. • Investigations and enforcement: Investigating environmental incidents; Taking appropriate enforcement action and legal proceedings; Investigating dam construction breaches. • Compliance monitoring - undertaking audits and compliance inspections for RMA consents, NES-CF forestry and dairy activities; undertaking appropriate follow-ups to ensure compliance with conditions.
Revised work [change]	Realignment of existing capacity from Environmental Implementation to Regulatory.
Key Projects [one off]	IRIS Next Gen

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide effective, efficient and customer centric consenting processes under the Resource Management Act (RMA) 1991 to enable the lawful use of natural and physical resources.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of resource consents application processed within Resource Management Act 1991 legislative timeframes.	≥ 98%	≥ 98%	≥ 98%	≥ 98%
Percentage of public enquiries for consent information responded to within 10 working days.	Maintain or increase Note: Year 1 establish a measurement baseline	Target to be determined	Target to be determined	Target to be determined

LoS: Provide effective and efficient compliance monitoring, investigations and enforcement services and take appropriate actions to ensure the lawful use of natural and physical resources.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets*.	≥90%	≥90%	≥90%	≥90%
Percentage of programmed inspection/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets*.	≥90%	≥90%	≥90%	≥90%
Percentage of significant non-compliance incidents identified where action is taken in accordance with Compliance policy**.	100%	100%	100%	100%

*Note: Compliance Audit and Performance Monitoring Schedule is presented and approved by Council each year.

**Note: Please click here for the Compliance plan 2023-2026.

What we will deliver content

LoS: Provide effective and efficient environmental response services to pollution incidents or notifications of non-compliant activities.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Maintain 24-hour/7 day a week response for environmental incidents.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.
Maintain 20 appropriately trained responders for maritime oil pollution incidents.	20 responders attend 3 exercises per year.	20 responders attend 3 exercises per year.	20 responders attend 3 exercises per year.	20 responders attend 3 exercises per year.

LoS: Develop and maintain robust regulations and procedures to enable safe use and navigation of our region's ports, harbours, coastal areas and inland waterways.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Maintain compliance with Port and Harbour Marine Safety Code.	External review is completed and deemed to be code consistent.	Annual self review is completed by ORC and POL and signed off by the Chief Executives.	Annual self review is completed by ORC and POL and signed off by the Chief Executives.	Annual self review is completed by ORC and POL and signed off by the Chief Executives.

LoS: Promote and encourage safe use of ports, harbours, coastal areas and inland waterways and take appropriate action in response to non-compliance and incidents.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
The safety campaign for recreational 'boaters' is delivered.	80% achieved	Develop and deliver a recreational boating engagement plan.	Develop and deliver a recreational boating engagement plan.	Develop and deliver a recreational boating engagement plan.

What we will deliver content

Environment



Miromiro/Tomtit

What we will deliver content

What Environment is

Our environment portfolio is diverse and is aimed at supporting Otago to have a healthy environment, including thriving ecosystems and communities and flourishing biodiversity. It also encompasses both the completion and implementation of plans relating to Otago's natural environment (e.g. Land and Water Regional Plan, Regional Pest Plan, Biodiversity Strategy).

The following three activities underpin 'Environment':

Land and Water

Biodiversity and Biosecurity

Air

Group Revenue and Expenditure - Environmental

2024/25 LTP \$000s		2025/26 LTP \$000s	2025/26 Annual Plan \$000s
20,140	Land & Water	21,875	
8,955	Biodiversity & Biosecurity	12,013	
1,377	Air	1,792	
30,472	Expenditure	35,680	0
17,003	General Rates	18,346	
10,498	Targeted Rates	14,400	
0	Fees & Charges	0	
2,886	Grants	2,831	
0	Other Income	0	
85	Reserves	103	
30,472	Revenue	35,680	0

Land and Water

What we do

Our role involves working with Otago communities to manage activities that impact on health and well-being of water bodies and freshwater ecosystems. To do this well, we need robust, integrated and consistent regional plans and strategies. We have drafted a new Land and Water Plan (LWRP), with mana whenua Kāi Tahu. The Plan will give comprehensive direction for managing land and water resources in the region.

We also assess water quality and quantity through our network of monitoring sites across the region, and this data informs planning and future decision-making. Our water monitoring and science programmes have expanded to include monitoring estuaries, the coast, groundwater, biomonitoring, land-use and soil monitoring.

We collaborate with communities to protect Otago's water and land resources through education, engagement and action. Our implementation programme includes education and support for landowners and catchment groups, as well as involvement in community-led projects and remediation works.

The key programmes which make up this activity are:

- Land and Water Planning
- Land and Water Implementation
- Land and Water Science and Monitoring

Why we do it

Protecting our high quality freshwater and improving degraded freshwater is a key community concern in the region. Although some parts of the region, such as the lakes, river and stream reaches are located at high elevations, typically they have good or excellent water quality. Other parts, such as urban

Key work for year 2

The table below outlines key aspects of Council's planned work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Land and Water Regional Planning: Reviewing Coast Plan to notify proposed Plan by 30 June 2028. • Freshwater Implementation: <u>The consultation proposal</u> to increase the level of funding support to community-based groups to improve water quality, support for best practice land use and regulatory change begins. • Environmental Monitoring: Implement environmental monitoring programmes for Land, freshwater resources and coastal environment; implement 'Water Quality Monitoring Network Review'; • Science: Annual and 'State of Environment' (SoE) reporting;; Water allocation Reviews; Highly Allocated Catchment Assessments; Scientific advice and support for catchment management planning and environmental projects (ongoing).

What we will deliver content

Revised work [change]	<ul style="list-style-type: none"> • Land and Water Regional Planning: paused the LTP work program to reflect government legislation and direction to ORC on process, including revision of the National Policy Statement Freshwater Management. • Freshwater Implementation: Pause work on agreeing and implementing new site-specific collaborative projects for degraded water bodies [i.e. new projects in addition to the existing three projects of Lake Hayes, Tuakitoto, and Tomahawk Lagoon projects.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Implement environmental monitoring programmes across the region which provide accurate, relevant and timely information to decision-makers and the Otago public.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Report the results of environmental monitoring for freshwater, land use, estuarine, and regional coastal environments.	Annual report for each of the 4 environments to Council prior to 30 June 2025. [4 reports = achieved]	Annual report for each of the 4 environments to Council prior to 30 June 2026. [4 reports = achieved]	Annual report for each of the 4 environments to Council prior to 30 June 2027. [4 reports = achieved]	Annual report for each of the 4 environments to Council prior to 30 June each year. [4 reports = achieved]

LoS: Provide a robust and integrated environmental planning framework for Otago’s land, water and coast resources.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Complete the Land and Water Regional Plan (LWRP).	Freshwater hearing panel nominations and required documents submitted to Chief Freshwater Commissioner by 30 June 2025.	Review the draft LWRP against new national direction to freshwater. Draft LWRP ready for Council decision on notification.	Freshwater hearing panel nominations and required documents submitted to Chief Freshwater Commissioner.	Proposed LWRP ready for Council decisions in 2027/2028.
Complete a review of the Regional Plan Coast.	No target	Issues and options papers developed and reported to Council by 30 June 2026.	No target	Draft Coast Plan ready for Council decision on notification by 30 June 2028.
Initiate plan changes to the Land and Water Regional Plan.	No target	No target	No target	New measures from Yr 4.

What we will deliver content

LoS: Promote and enable best practice land management for soil conservation, water quality preservation and the efficient use of water.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
ORC led and community/landowner supported workshops and events are delivered which promote best practice land management for soil conservation, water quality and/or the efficient use of water.	At least 12 ORC led workshops or events are delivered annually.	At least 12 ORC led workshops or events are delivered annually.	At least 12 ORC led workshops or events are delivered annually.	At least 12 ORC led workshops or events are delivered annually.

LoS: Partner with iwi and collaborate with communities and landowners to develop and implement projects which enhance water quality and indigenous biodiversity in selected degraded water bodies.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Site specific projects are developed for selected degraded waterbodies. <i>Note: [>80% = achieved]</i>	Project actions have been progressed as scheduled.	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.

LoS: Develop and maintain an integrated catchment management programme that aligns with national directions and enables sustainable environmental management.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Catchment Action Plans (CAPs) give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community.	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2025.	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2026.	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2027.	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June each year.

What we will deliver content

Biodiversity and Biosecurity

What we do

Biodiversity

Council's biodiversity work programme is growing and our monitoring programme is progressing. We are strengthening partnerships across the region and we encourage and empower communities to take local action through our ECO Fund.

Our biodiversity work programme incorporates:

- Collaboration and partnership
 - Support to community groups and partners for joint projects.
 - Joint Project delivery via support and advice to partners and community.
 - Administration and support associated with grant funding.
 - QEII covenant incentive and partnership funding.
 - OSPRI transition initiatives.
- Technical advice and management.
 - Management plans for high biodiversity sites
 - Education material
 - Catchment and operational planning (to implement strategy).
- Science-based monitoring.

Biosecurity

Our Regional Pest Management Plan 2019-2029 (RPMP) sets out the framework for how pest plants and animals will be managed in Otago. It is supported by our Biosecurity Strategy that looks at how we will work with organisations and communities to achieved the goals set out in the RPMP.

Our biosecurity work supports the control of prolific pests, such as feral rabbits. We do this by educating our communities, facilitating compliance through funding projects. Council also plays a lead role in facilitating government funding and overseeing projects such as wilding conifer removal and wallaby eradication.

The key programmes which make up this activity are:

- Biodiversity Implementation
- Biodiversity monitoring
- Catchment planning and advice
- Biosecurity (Pest Management)

Why we do it

At a national level, the Te Mana o te Taiao — Aotearoa New Zealand Biodiversity Strategy 2020 articulated the urgency of addressing biodiversity decline in New Zealand, and the National Policy Statement for Indigenous Biodiversity 2023 identified a key role for regional government in leading collaboration and coordinating efforts.

Under the Biosecurity Act 1993, Otago's Regional Pest Management Plan (RPMP) identifies 51 species to be managed by land occupiers, with oversight from us.

There are many agencies and stakeholders across different land tenures involved in and/or with an interest in biodiversity in Otago. ORC has a remit across all Otago to promote biodiversity protection and enhancement. It has a key role in facilitating regional collaboration, including both developing a monitoring approach and seeking to partner in projects and initiatives.

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> ● Biosecurity: Delivery of the Regional Pest Management Plan (RPMP); review of the RPMP with Council to confirm its timing; surveillance of biosecurity issues and threats; development and

What we will deliver content

	<p>implementation of Marine Biosecurity programme; community programmes support and delivery: National programme delivery.</p> <ul style="list-style-type: none"> • Biodiversity: EcoFund applications and administration; Partnership/Incentive Funding QEII; OSPRI transition; Education materials; High biodiversity site management plans; mana whenua engagement. • Coordinate collaboration on biodiversity programmes and initiatives within the region • Science and monitoring: Advise on the review of the Biodiversity Strategy; Advise and support plan review consistent with the NPS-IB (Y2 onwards). Threatened species mapping; Scroll Plain Management Plan development; Wetland Delineation and Mapping.
Revised work [change]	None to report.
Key Projects [one off]	<ul style="list-style-type: none"> • Regional Planning activity leading the completion of a Biodiversity Strategy. • Science and monitoring: Biodiversity: Develop and implement a regional indigenous biodiversity ecosystem monitoring programme consistent with the NPS-IB (underway and ongoing).

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Implement an indigenous biodiversity monitoring programme across the region which provides accurate, relevant and timely information to decision-makers and the Otago public.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Report the results of environmental monitoring for regional indigenous biodiversity ecosystems.	<p>Annual report completed prior to 30 June 2025.</p> <p><i>Note: at the time of Council reporting underlying data capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved].</i></p>	Annual report on monitoring programme completed and reported to Council on 30 June 2026.	Annual report on monitoring programme completed and reported to Council on 30 June 2027.	Annual report on monitoring programme completed and reported to Council on 30 June each year.

What we will deliver content

LoS: Collaborate with iwi, DOC and other key organisations through leading the Otago Biodiversity Forum and develop, coordinate and deliver a programme of actions to enhance indigenous biodiversity.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Biodiversity Forum-based joint projects to enhance indigenous biodiversity are developed.	New projects and associated milestones are developed and reported to Council and forum partners.	At least one new project is developed and implemented with Biodiversity Forum partners	At least one new project is developed and implemented with Biodiversity Forum partners	At least one new project is developed and implemented with Biodiversity Forum partners
Joint projects are implemented against milestones.	Project actions have been progressed as scheduled. <i>[>80%= achieved]</i>	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.

LoS: Provide support and funding to selected initiatives and organisations across the region which deliver environmental outcomes that align with our strategic objectives.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Alignment between *initiatives and deliverables receiving Council funding, and Council's strategic biodiversity strategic objectives. * Initiatives and deliverables provided by non-council groups and organisations.	80% alignment <i>[80-100% = achieved]</i>	All environmental projects and initiatives are aligned to at least one of the Council's Environmental strategic objectives.	All environmental projects and initiatives are aligned to at least one of the Council's Environmental strategic objectives.	All environmental projects and initiatives are aligned to at least one of the Council's Environmental strategic objectives.

LoS: Develop and deliver practices and programmes that give effect to the Regional Pest Management Plan.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Actions within the Biosecurity Operational Plan (BOP) are progressed.	90% of actions progressed within time frames specified. 100% of targets for priority pests are delivered.	80% of non-priority pest management actions are achieved. 100% of priority pest management actions are achieved.	80% of non-priority pest management actions are achieved. 100% of priority pest management actions are achieved.	80% of non-priority pest management actions are achieved. 100% of priority pest management actions are achieved.

What we will deliver content

LoS: Ensure that ORC's externally funded biosecurity programmes (such as wilding conifers, wallabies and Check, Clean, Dry) are delivered as per the agreement.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Externally funded biosecurity projects/programmes are implemented as per their agreements.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.

LoS: Ensure that ORC's externally funded Freshwater programmes (such as Essential Freshwater Hill Country Erosion Funding) are delivered as per the agreement.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Externally funded freshwater projects/programmes are delivered as per their agreements.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.

What we will deliver content

Air

What we do and why

Good air quality is necessary for health and wellbeing. We are responsible for making sure our region complies with the government’s National Environmental Standard for Air Quality 2004 and, under the Resource Management Act 1991, for controlling the discharge of contaminants into the air.

Meeting air quality standards is especially challenging in areas with extremely cold winter weather and temperature inversions. Otago’s air quality often degrades during winter when domestic heating emissions increase with cold and calm weather and inversion layers occur.

We monitor air quality at sites across Otago, including Milton, Mosgiel, Dunedin, Alexandra, Clyde, Cromwell and Arrowtown. These sites measure the concentration of particles in the air and capture a mixture of pollutants.

Key programmes which make up this activity are:

- Regional Plan: Air
- Air Monitoring

Key works for year 2

The table below outlines key aspects of Council's planned work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Science and monitoring: Ambient Air Quality – Annual and SoE air quality monitoring and reporting (Annual and ongoing); Bespoke studies (ongoing); Advise Air Plan Review and Implementation (ongoing). Additional funding and FTE. • Science and monitoring: installing monitoring sites/assets. • Work under the Regional Planning Activity contributes to Air Quality and includes the Regional Plan Air and Air Quality Strategy.
Revised work [change]	None to report
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Monitor Otago’s air quality and make accurate, relevant and timely information publicly available.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Implement regional air monitoring programme.	Annual report on monitoring programme completed and reported to Council.	Annual report on monitoring programme of previous calendar year completed and reported to Council. Note: 95% = achieved	Annual report on monitoring programme of previous calendar year completed and reported to Council. Note: 95% = achieved	Annual report on monitoring programme of previous calendar year completed and reported to Council. Note: 95% = achieved

What we will deliver content

LoS: Provide a robust and integrated environmental planning framework for Otago’s air resource.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Complete the review of the Regional Plan - Air	Council approves Regional Plan Air for notification by 30 June 2025.	Hearing panel for Regional Plan Air appointed by 31 March 2026.	Proposed Regional Plan Air ready for Council decisions by 30 June 2027.	No target

What we will deliver content

Climate change and resilience



Location to come xxxxx

What Climate change and resilience is

Our climate change and resilience work is aimed at supporting the region to adapt to the effects of climate change and to manage and reduce the risks of natural hazards. Integration of work within the activity is clear and present including:

- Our science and knowledge-based work advising and supporting our 'on the ground' management of risk.
- Our ownership, planning and management of infrastructure-based flood protection services.
- Our work to understand the implications of climate change and the implication for our Infrastructure Strategy (IS). Climate change has implications beyond our IS because the Council is working to understand the broader issues, risks and challenges. This informs adaptation planning.
- Our preparedness for natural risk events that embody our understanding of the events, their potential severity, and the nature impact and response.

The following activities underpin 'Climate Change and Resilience':

Natural hazards and climate change

Flood protection, drainage and river management

Emergency management

Group Revenue and Expenditure - Climate change and resilience

2024/25 LTP \$000s		2025/26 LTP \$000s	2025/26 Annual Plan \$000s
3,524	Natural Hazards & Climate Change	3,454	
11,191	Flood Protection, Drainage & River Management	13,579	
3,730	Emergency Management	4,018	
18,445	Expenditure	21,052	0
4,420	General Rates	4,885	
10,984	Targeted Rates	11,692	
326	Fees & Charges	340	
35	Grants	36	
256	Other Income	256	
2,424	Reserves	3,842	
18,445	Revenue	21,052	0

What we will deliver content

Natural Hazards and Climate Change

What we do and why

The key programmes within this activity are:

- Natural hazards
- Adaptation – natural hazards and climate change
- Flood planning and forecasting

These work programmes combine to both set direction on the management of natural hazard risks in Otago and provide advice on managing related risk. Our role is to:

- Monitor and investigate natural hazards to inform our understanding of risk and opportunity relevant to community resilience.
- Communicate our understanding of risk and, where appropriate, options for managing it. This is both internally to Council and externally to a wide range of organisations, groups and affected communities.

- Developing a comprehensive spatial approach to natural hazards to inform future priorities, at the same time as undertaking projects for the risks we already know about.
- Lead and collaborate on key projects to prepare and adapt to natural hazards and climate change.
- Support other activity, particularly Emergency Management and ORC's Engineering team, to understand impacts of flood events. This is provided in a planned way (e.g. potential scenarios) and in 'real time' via assessing actual events prior to and as they occur.

While there is legislation that directs ORC to address natural hazards risk and climate change as part of regional scale planning, our experience, knowledge and community tells us that we need to be active regarding the wide variety of substantive natural hazards present in Otago. They impact people, property, infrastructure and the wider environment, so we should at least be aware and ideally manage risk where practicable.

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Regional Planning is the lead activity for the Climate Change Strategy. • Otago natural hazards risk assessment. The Natural hazards management and Adaptation programmes are based this assessment. Scoping to be completed year 2 and implementation starts Yr3 with phased delivery over time. • Flood hazard assessments (including Lindsay Creek, Alexandra, Middlemarch). • Otago Natural Hazards Database. • Assist territorial authorities with natural hazards and risk information (e.g. District Plan reviews, plan changes). • Natural hazards adaptation: Clutha Delta, Head of Lake Whakatipu, South Dunedin. • Roxburgh Natural Hazards management investigations
Revised work [change]	None to report.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

What we will deliver content

LoS: Provide information on natural hazards and risks, including the effects of climate change, so that communities and stakeholders can make informed decisions.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Natural hazards information is available via the web-based Otago Natural Hazards Database.	Database is accessible and up-to-date 100% of the time.	Database is accessible and up-to-date 100% of the time. Partially achieved: 80-100% Not achieved: <80%	Database is accessible and up-to-date 100% of the time. Partially achieved: 80-100% Not achieved: <80%	Database is accessible and up-to-date 100% of the time. Partially achieved: 80-100% Not achieved: <80%
Percentage of flood warnings that are issued in accordance with the flood warning manual.	100%	100% Partially achieved: 80-100% Not achieved: <80%	100% Partially achieved: 80-100% Not achieved: <80%	100% Partially achieved: 80-100% Not achieved: <80%

What we will deliver content

LoS: Collaborate with communities and stakeholders to develop and deliver natural hazards adaptation strategies.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Deliver a natural hazards management and adaptation work programme based on a new prioritisation process.	New measure	Natural hazards prioritisation process as presented to the Safety and Resilience Committee in November 2024 is completed by June 2026.	Annual review of priorities is completed by June 2027.	Annual review of priorities is completed each year.
Implement prioritised natural hazard risks adaptation works.	The first Head of Lake Whakatipu natural hazards adaptation strategy completed by 31 December 2024; Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.
Implement prioritised natural hazard risks adaptation works.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.
Implement prioritised natural hazard risks adaptation works.	No target	Phase 1 and phase 2 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2026.	Phase 3 and phase 4 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2027.	Actions developed, implemented and reviewed, as per Clutha Delta natural hazards adaptation strategy.

Note:

Phase 1- Natural hazards investigations

Phase 2- values identification

Phase 3 - Initial risk assessment and identification and initial evaluation of options.

Phase 4 - Development of the first Clutha Delta natural hazards adaptation strategy.

Flood Protection, Drainage and River Management

What we do and why

The Council has a range of Flood Protection and Drainage Schemes which make up this activity.

They are:

Flood Protection and drainage	River Management
Alexandra flood protection	Designation and bylaws
Leith flood protection	Dunedin rivers and waterways
Lower Clutha flood and drainage	Clutha rivers and waterways
West Taieri drainage	Central Otago rivers and waterways
East Taieri drainage	Queenstown-Lakes' rivers and waterways
Lower Taieri Flood Protection Scheme	Waitaki rivers and waterways
Tokomairiro drainage	Lower Waitaki river control scheme (Environment Canterbury)

The ORC owns and is responsible for operation and maintaining the above Otago schemes. The only exception is the Lower Waitaki River Control Scheme that we own but commission external management for parts of. So around 43,000 ha of rural and urban land is serviced by infrastructure associated with these schemes. The schemes, associated infrastructure assets and more specific detail such as why we provide the service, the issues, service standards and work programmes, are provided in our Infrastructure Strategy (IS).

Core functions include:

- Maintenance, renewal and development of infrastructure.
- Investigation, development and renewal of amenity projects.
- Operation of flood protection and drainage schemes during floods.
- Operation of drainage schemes 24/7 to support activity on land associated with the scheme.
- Bylaw processing and monitoring technical compliance with bylaws.
- River management including the control of channel erosion, willow maintenance, vegetation control, removing obstruction, and repairing critical erosion works.
- Input to consent applications for gravel extraction with a focus on flood protection and river health.

Key works for year 2

The work programme as defined in the ORC Infrastructure Strategy (IS) has been reviewed and updated as part of the Annual Plan 2025-26. This link provides the detailed draft work programme [LINK].

What we will deliver content

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Protect communities, their livelihoods and infrastructure from the impacts of flood events.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of scheme maintenance programme: Major flood protection drainage and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.
Percentage of scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.

LoS: Respond efficiently and effectively to community issues relating to rivers, schemes and flood events.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
The flood repair programme is made available to affected communities within 3 months of the event.	100%	100%	100%	100%
Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days.	100%	95%	95%	95%

What we will deliver content

LoS: Maintain channel capacity and stability, while balancing environmental outcomes and recognising mana whenua values in rivers.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of planned maintenance programme: Channel works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.

What we will deliver content

Emergency Management

What we do and why

This activity is responsible for the coordination of hazard reduction, readiness, response and recovery for emergency events. It is provided in partnership with councils, emergency response organisations and other stakeholders of the Otago region.

The work of the Otago CDEM Group is administered and coordinated by the Otago Regional Council, while governance and operations are overseen by the Coordinating Executive Group (CEG) and the Otago CDEM Joint Committee.

This Committee has the statutory responsibility for civil defence emergency management in Otago. It is a statutory committee of Council under the Civil Defence Emergency Management Act 2002 (the Act) and the Local Government Act. Ultimately it is responsible for:

- Integrating and coordinating civil defence emergency management planning and activities
- Ensuring the response to and management of the adverse effects of emergencies within Otago
- Overseeing the coordination of the response and recovery activities across a range of agencies

Key work for year 2

The table below outlines key aspects of Council's planned work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Implement the 'Group Plan' • Lifelines: defines regional critical infrastructure risk and identifies priorities for resilient infrastructure investment. • Warning system remains operational • Mana whenua EM Facilitator: marae and mana whenua networks that are resilient in the face of emergencies • Community Resilience: Clued Up Kids programme. • ORC ECC Training and Capability: ORC Staff are trained and capable.
Revised work [change]	None to report
Key Projects [one off]	Integrative projects with Hazards Activity: Flood Modelling, Tsunami modelling.

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Support the Otago CDEM Group in improving the resilience of Otago to Civil Defence emergencies.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Support is provided to Emergency Management Otago to fulfil Otago CDEM Group requirements as defined in the CDEM Act and CDEM.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.

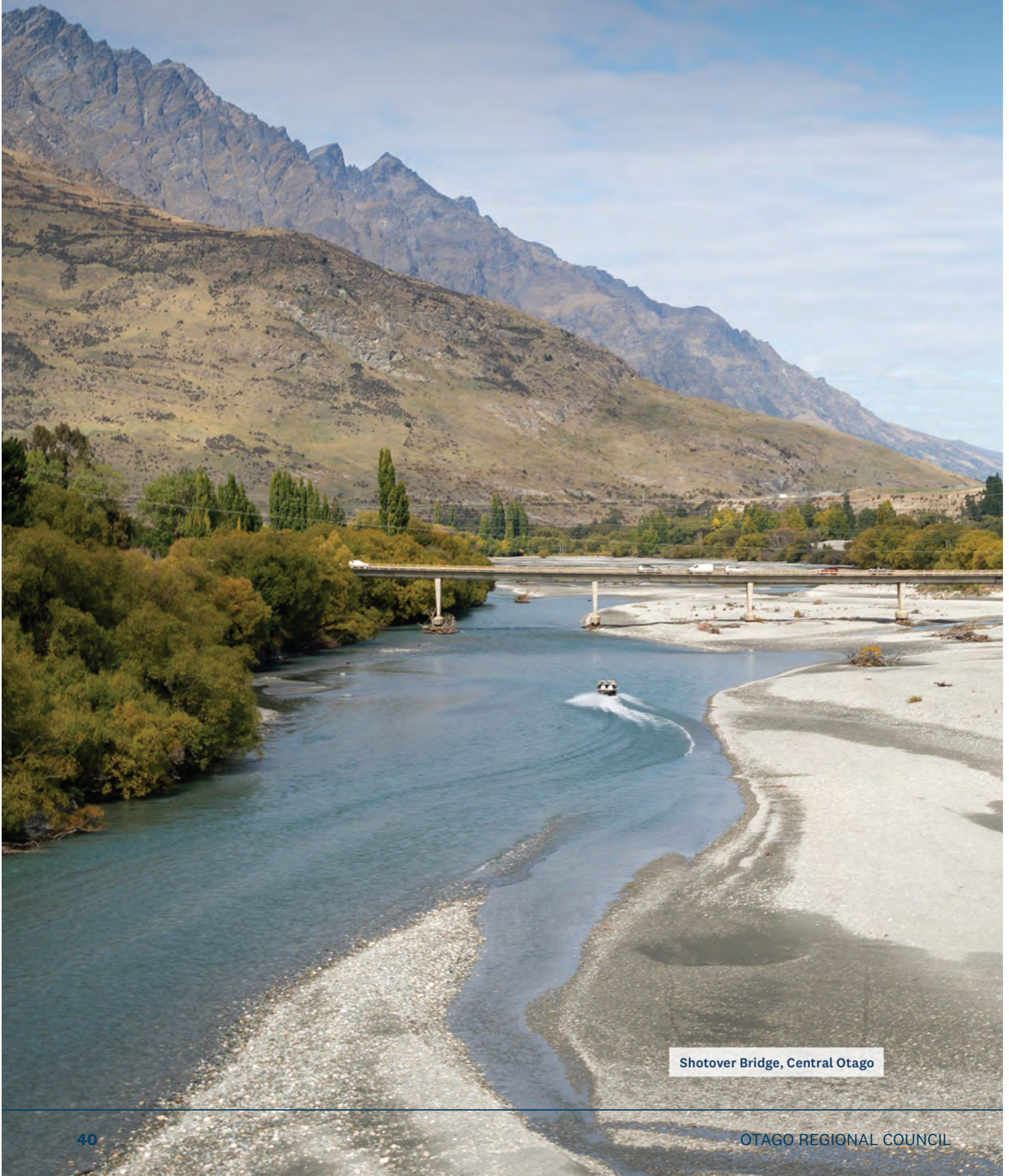
What we will deliver content

LoS: Provide resources to coordinate a region-wide response to a Civil Defence emergency

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation. Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation. Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation. Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation. Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.
Emergency Management Otago staff are available to respond 24/7 to a Civil Defence emergency.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.

What we will deliver content

Transport



Shotover Bridge, Central Otago

What we will deliver content

What Transport is

The Council is responsible for Otago's Regional Land Transport Plan (RLTP) and Regional Passenger Transport Plan (RPTP). The RLTP outlines proposed transport network improvements for the next 6 years and is the basis of funding applications to the National Land Transport Fund. This plan is developed under a legislative three-yearly cycle with the lead government agency, NZTA, and we collaborate with Southland Regional Council (Environment Southland). Under both plans, there are specific projects and services that the Council co-funds and facilitates.

Under the RPTP, the Council has a role to deliver Public Passenger Transport in the region. We provide public bus services in Dunedin and Queenstown through contracting to private operators. We provide the government funded region-wide 'Total Mobility Service' to assist eligible people who are unable to use public transport. Council also services and maintains three of Otago's nine stock truck effluent disposals (STEDs) under arrangement with Local District Councils.

The transport activity is made up of four key work programmes:

Regional Land Transport Plan	This programme delivers our two foundational transport plans.
Public Transport Dunedin	This programme delivers public passenger transport services (buses) within Dunedin.
Public Transport Queenstown	This programme delivers public passenger transport services (buses and ferries) within the Queenstown-Lakes District.
Regional Total Mobility Services	This programme provides the government funded region-wide 'Total Mobility Service' to assist eligible people who are unable to use public transport.

Group Revenue and Expenditure - Transport

2024/25 LTP \$000s	2025/26 LTP \$000s	2025/26 Annual Plan \$000s
41,950 Transport	45,995	
41,950 Expenditure	45,995	0
3,808 General Rates	4,495	
13,315 Targeted Rates	14,404	
129 Fees & Charges	130	
18,845 Grants	20,873	
7,472 Other Income	8,116	
(1,619) Reserves	(2,022)	
41,950 Revenue	45,995	0

What we will deliver content

Regional Land Transport Plan (work programme)

What we do and why

The LTP provides for a Regional Land Transport Programme that coordinates transport planning across the region. It enables a resilient, multi modal transport system for the safe efficient and effective movement of people and goods around the region. The Otago and Southland Regional councils share this planning function through the support of a Regional Transport Committee.

A new Regional Land Transport Plan must be developed every six years and the plan reviewed after three years of operation. The plan was reviewed for the period 2021-2031 and outlines proposed transport network improvement over six years. This informs the detailed funding applications from the National Land Transport Fund over the first three years

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> Transport Planning: — Support the Regional Transport Committee and Regional Transport Plans. Prepare bid, submit and report Council's transport budget in Transport Investment Online (TIO). Regional Public and Active Transport Connectivity Strategy. A staged approach to the development of regional public and active transport connectivity.
Revised work [change]	
Key Projects [one off]	

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Advocate for Otago's regional transport planning priorities and aspirations at a national level

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026- 2027	2027-34
The Regional Land Transport Plan (RLTP) is reviewed and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency (NZTA).	No target	RLTP implementation progress reported annually to Regional Transport Committee.	RLTP review completed and adopted by Council by 30 June 2027.	No target

Public Transport Dunedin and Queenstown (programmes)

What we do and why

The ORC contracts private operators to provide bus services in Dunedin, bus and water ferry services in Queenstown, and the 'Total Mobility Scheme' across the region.

Key work for year 2

The table below outlines key aspects of Council's work programme from 1 July 2025.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Public Transport Dunedin and Queenstown: manage and monitor private operator service delivery contracts.
Revised work [change]	<ul style="list-style-type: none"> • The planned Dunedin operational service improvements [i.e. the business case proposal as consulted during the LTP process] have been removed. This is due to a government decision, via Transport New Zealand not to co-fund the improvements. The Council considered implementing the improvements without the co-funding but decided it was unaffordable and/or would put additional pressure on ratepayers in a challenging economy. • The planned operational service improvements [i.e. the business case proposal as consulted during the LTP process] for Queenstown public transport as consulted will begin. The exception is the planned Ferry service improvement which has been removed from the LTP. The reasons are as per the Dunedin services - withdrawal of co-funding. <p>Public Transport Trials and Investigations:</p> <ul style="list-style-type: none"> • Oamaru – trial removed, and an investigation of an Oamaru to Dunedin service included. • Alexandra/Clyde/Cromwell to Queenstown – trial removed, and an investigation of options included. • Balclutha/Airport to Dunedin – trial removed, and an investigation of options included. • Wanaka – business case removed. • <i>The above changes are funded from year 1 rates plus \$25,000 of additional general rates in this Annual Plan for Central and Balclutha to take total to \$50k. These changes were approved at the 20-November 2024 Council meeting.</i>
Key Projects [one off]	None to report

What we will deliver content

Level of Service Statements, Measures and Targets

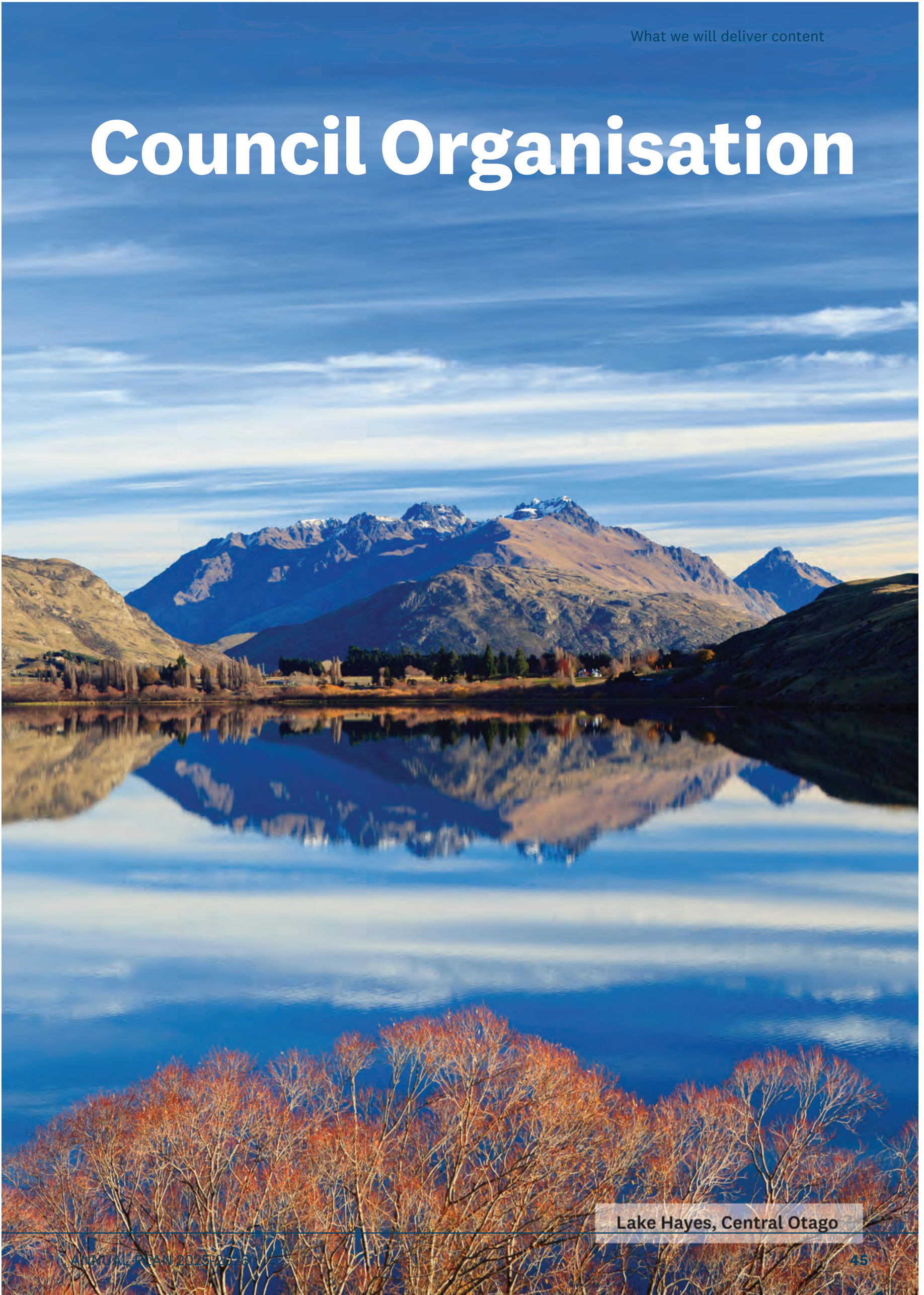
The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide efficient, reliable and accessible public transport services that meet community needs.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Annual public transport boardings in Queenstown.	Increase	Increase	Increase	Increase
Annual public transport boardings in Dunedin.	Increase	Increase	Increase	Increase
Overall passenger satisfaction with Whakatipu public transport system at annual survey.	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%
Overall passenger satisfaction with Dunedin Public Transport system at annual survey.	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%
Percentage of Whakatipu scheduled services delivered.	New measure	>99%	>99%	>99%
Percentage of Dunedin scheduled services delivered.	New measure	>99%	>99%	>99%
Percentage of Whakatipu operated services departing Terminus on time	New measure	>90%	>90%	>90%
Percentage of Dunedin operated services departing Terminus on time	New measure	>90%	>90%	>90%
Overall passenger satisfaction with Total Mobility system at annual survey.	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%

What we will deliver content

Council Organisation



Lake Hayes, Central Otago

What we will deliver content

What Council Organisation is:

The following activities are included in 'Council Organisation':

Internal Services

This activity includes programmes of work that provide business support to all other activities of council - enabling them to deliver their work more efficiently and effectively. The business support work relates to: information services and records management; financial management and reporting; operational buildings and accommodation; human resources and health and safety, and the vehicle fleet.

Port Otago

This activity relates to specific financial management matters between council and Port Otago - matters that ensure the investment returns or dividends received, and the transactions associated with the council debt facility are accounted for appropriately.

Group Revenue and Expenditure - Council Organisation

2024/25 LTP \$000s	2025/26 LTP \$000s	2025/26 Annual Plan \$000s
11,357 Internal	9,154	
11,357 Expenditure	9,154	0
(19,531) General Rates	(21,531)	
0 Targeted Rates	0	
0 Fees & Charges	0	
0 Grants	0	
31,237 Other Income	34,385	
(349) Reserves	(3,700)	
11,357 Revenue	9,154	0

Forecast Financial Information

Forecast Financial Information



ANNUAL PLAN 2025-2026

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Forecast Financial Information

Overview

Operational Expenditure (000's)

Group	Activity	2024/25 LTP (yr1)	2025/26 LTP (yr2)	2025/26 Annual Plan
Regional Leadership	Governance and Community Engagement	13,343	15,165	0
	Regional Planning	2,925	3,066	0
	Regulatory	12,568	13,846	0
	Sub total	28,836	32,077	0
Environment	Land & Water	20,140	21,875	0
	Biodiversity & Biosecurity	8,955	12,013	0
	Air	1,377	1,792	0
Sub total	30,472	35,680	0	
Climate Change and Resilience	Natural Hazards & Climate Change	3,524	3,454	0
	Flood Protection, Drainage & River Management	11,191	13,579	0
	Emergency Management	3,730	4,018	0
Sub total	18,445	21,052	0	
Transport	Transport	41,950	45,995	0
Council Organisation	Council Organisation	11,357	9,154	0
Total Expenditure		131,060	143,958	0

Forecast expenditure at the activity level totals \$x million compared to the \$144.0m as consulted and agreed with the community for the LTP yr2. The proposed total expenditure represents an (increase/decrease) of \$ x million compared to the year 2 Long-term Plan forecast.

Sources of funding (000's)

Funding Source	2024/25 LTP (yr1)	2025/26 LTP (yr2)	2025/26 Annual Plan
General Rates	29,046	32,143	0
Targeted Rates	35,846	41,680	0
Fees & Charges	4,364	4,729	0
Grants	21,991	23,814	0
Other Income	39,224	43,017	0
Reserves	588	(1,425)	0
Total Sources of Funding	131,060	143,958	0

The table above shows the forecast sources of funding applied to the cost of Council activity. The total rating revenue (general and targeted) is \$x million.

Planning Assumptions

The significant forecasting assumptions are scheduled in the Long-term Plan 2024-34 (LTP). The significant forecasting assumptions from the LTP and any material changes in this Annual Plan are discussed below. Actual results achieved are likely to vary from these assumptions and these variations may be material.

Sources of Funds for Future Replacement of Significant Assets

Sources of funds for the future replacement of significant assets are in accordance with Council's financing policy. For scheme-related assets, these are funded through scheme depreciation, reserves, targeted rates from defined scheme areas, grants where possible and, where necessary, borrowings. Council assets are funded from the asset replacement reserve and, where necessary, general reserves and borrowings. This assumption is assessed as having a low level of risk.

Growth Change Factors

Economic growth in Otago is dominated by tourism, primary production and education. Economic growth is not expected to impact directly on the level of work carried out by Council, given the nature of its activities.

Primary production growth is dependent on the availability of water. Council has included in this plan increased work on water management issues in this regard.

Population within certain areas of Otago is forecast to grow over the next 10 years, more significantly in the Queenstown Lakes and Central Otago districts.

Changes in population will impact on the level of certain activities carried out by Council, such as transport, demand on resource use, environmental incidents, civil defence and emergency management and natural hazards.

Council's work programmes have considered the projected growth in the region, with new initiatives and resources that reflect population growth. This assumption is assessed as having a medium level of risk.

NZ Transport Agency Subsidy Rates

The following rates of subsidy used are based on rates currently advised by NZTA:

- Transport planning and public passenger transport to receive X% subsidy
- Total Mobility to receive x% subsidy
- Total Mobility flat rate payments to receive x% subsidy

**** Needs reviewed****The risks of these assumptions are assessed as having a low to medium level of uncertainty. NZTA has given no indication that the rates may change during the period. If the subsidy for total mobility was to decrease, the impact would be directly on general rates. Any changes in subsidy for public passenger transport would impact directly on targeted rates, fares and/or the scope of services. **** Needs reviewed****

Useful Lives of Significant Assets

The useful lives of significant assets are as recorded in asset management plans or based upon current financial standards. Depreciation has been calculated in accordance with current accounting policy. This assumption is assessed as having a low level of risk.

Revaluation of Non-Current Assets

The non-current assets that are revalued annually are Council's investment properties and its shareholding in Port Otago Limited. With respect to the Port Otago Limited investment, the actual results are dependent on factors outside the control of Council and the management of Port Otago Limited. For the purposes of this Plan, an assumption has been made that the value of Council's investment in Port Otago Limited will grow in value by around x% for the Annual Plan year.

Investment properties are assumed to increase in value by x%. The risk of these assumptions is assessed as having a high level of uncertainty. However, the revaluation of non-current assets does not directly impact rates.

Appendix

Appendix

Strategic Directions

'Strategic Directions 2024-2034' will continue to inform our decision-making over this three year LTP planning review cycle and a summary of key elements are provided below.

The diagram outlines the focus areas and the outcomes we want to achieve for each focus area.



Our ambition is to make significant progress towards realising our vision over the next ten years by aligning our work programmes with six focus areas. We have set goals that link to the outcome for each focus area, which allows us to arrange and prioritise our work to ensure our aspirations are fulfilled.

The goals we have set for each focus area are as follows:

Partnership

- 1 Te ao Māori concepts of intergenerationally and deeply connected systems are incorporated throughout Council's work programmes.
- 2 Mātauraka Māori and the principle of te mana o te wai are incorporated into our environmental planning, management, and decision making.
- 3 We always go above and beyond our statutory responsibilities (as prescribed in local government and treaty settlement legislation) to support the intention of the Crown to uphold the principles of the Treaty of Waitangi.

Communities

- 1 Our communities trust us, and they are satisfied with us and the outcomes that we are delivering.
- 2 Our communities are supported and empowered to achieve better environmental outcomes.
- 3 The social, cultural, economic, and environmental wellbeing of Otago is consistently improving.

Environment

- 1 Ecosystems are healthy, our water and air are clean, and biodiversity loss is arrested across the region.
- 2 We predict and address emerging environmental issues before they arise.
- 3 Our regional plans are effective at ensuring our resources are managed sustainably within biophysical limits in a planned and considered way.

Resilience

- 1 Plans are in place to ensure that the region's most vulnerable communities (geographic and demographic) and ecosystems are resilient in the face of natural hazards.
- 2 Our infrastructure is designed and built to accommodate variability and uncertainty associated with changing weather patterns and sea level rise.
- 3 Our Regional Policy Statement and regional plans control development in areas that are vulnerable to natural hazards.

Climate

- 1 The carbon footprint of our organisation is reduced in line with our Climate Change Strategy, and we are supporting and collaborating with others to do the same.
- 2 Climate change mitigation and adaptation are key considerations in all our decisions.
- 3 Our agriculture and horticulture systems are more climate resilient in the face of changing weather patterns, water availability and consumer choice.

Transport

- 1 Congestion is reduced and connection is increased throughout the region.
- 2 Carbon emissions are reduced and air quality is improved across the region, supported by our efficient and affordable public transport services.
- 3 Active transport is the preferred mode for short journeys in urban areas.

Include the Goals [pg 21 LTP]. This page would look better as a graphic [Hillary may have advanced this]



Council Meeting - 19 February 2025

9.2. Order of Candidate Names on Voting Documents

Prepared for:	Council
Report No.	GOV2480
Activity:	Governance Report
Author:	Amanda Vercoe, General Manager Strategy and Customer
Endorsed by:	Amanda Vercoe, General Manager Strategy and Customer
Date:	19 February 2025

PURPOSE

- [1] The purpose of this report is to outline the three options available to order candidate names on voting documents for the 11 October 2025 election and any subsequent by-elections that may become necessary.

EXECUTIVE SUMMARY

- [2] Clause 31(1) of the Local Electoral Regulations under the Local Electoral Act 2001 (LEA 2001) allows Council to decide on the order of candidate names on voting documents for elections.
- [3] Three options are discussed – random order, pseudo-random order, and alphabetical order by surname. Staff recommend that Council approve the continued use of random order on voting documents for the 2025 triennial election.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the continued use of random order for candidate names on voting documents and any by-election voting documents for the 2025 triennial election.

BACKGROUND

- [4] The Local Electoral Act 2001 (the Act) provides for councils to make certain decisions on matters relating to election processes. As provided in Clause 31(1) of the Local Electoral Regulations set out under the Act, a decision on the order of candidate names on voting documents is one of the options open to it.
- [5] That clause allows Council to decide whether candidate names are to be arranged on the voting documents in alphabetical order by surname, pseudo-random order, or random order.
- [6] If no specific option is formally resolved by 30 June 2025, candidate names must be listed in alphabetical order by surname as per the LEA 2001.

DISCUSSION

- [7] Under random order, the names of the candidates are shown in a different order on each voting document, utilising software which permits the names of the candidates to be printed in a different order on each paper.
- [8] Under pseudo-random order, the candidate names for each issue are drawn at random then placed on all voting documents in the order in which they are drawn.
- [9] Under alphabetical order, the names of candidates appear in alphabetical order by surname on all voting documents.
- [10] The Otago Regional Council has adopted random order for its voting documents since the October 2013 election.

OPTIONS

- [11] It should be noted that regardless of which option is selected, the Candidate Information Booklet containing profile statements will list candidates in alphabetical order by surname.
- [12] For the 2022 elections, 73% of New Zealand territorial authorities and regional councils resolved to use random order, 24% resolved to use alphabetical order and 3% used pseudo-random. This was up from 56% random in 2019.

Option 1 - Random order (Preferred Option)

- [13] Under this arrangement, the names of the candidates are shown in a different order on every voting document, utilising software that facilitates this process.

Advantages

- No candidates are disadvantaged by the random name order effect.

Disadvantages

- In a long list of candidates, it may be more difficult for voters to locate the names of the candidates for whom they wish to vote.

Option 2 - Pseudo-random order

- [14] Under this arrangement, the order of candidates is drawn by lot, i.e., names drawn out of a hat, and then all voting documents are printed using that order of candidates.
- [15] The regulations provide that if a local authority has determined to use pseudo-random ordering on voting papers, the Electoral Officer must state in a public notice required to be given, the date, time, and place at which the names will be chosen. Any person is entitled to attend this drawing.
- [16] While this method provides an element of randomisation, the fact that candidate names would be ordered in the same order on all voting papers still leaves the opportunity of perceived advantage for those names appearing at the top of the list. Adoption of the fully randomised order would remove this perception.

Advantages

- Candidates who have names later in the alphabet may have an opportunity to draw a position higher in the list, but this may also result in a corresponding disadvantage for other candidates.

Disadvantages

- Candidates who draw a position at the top of the ballot are likely to have an advantage over those further down the list.
- It is more administratively complex due to additional steps in the process and more expensive with the required additional public notices than the other options.

Option 3 – Alphabetical Order of Surnames

[17] The names of candidates appear on all voting papers in alphabetical order by surname.

Advantages

- It may be easier for voters to locate the names of the candidates for whom they wish to vote.
- May alleviate any perception of bias by a local authority in choosing how names are ordered on voting papers.

Disadvantages

- Limited research conducted in New Zealand and other international elections has shown the name order effect provides advantages for some candidates and disadvantages for others.

Assessment of Preferred Option

[18] Having considered the three options, the following conclusions have been reached:

- (1) There is little cost difference between the name ordering options (required newspaper notices for pseudo-random).
- (2) Adoption of random ordering of candidate names generally removes any potential accusations of bias towards sitting councillors with surnames starting with letters in the first half of the alphabet.
- (3) One of the reasons given for potentially having alphabetical order of candidate names is that there is less confusion for electors in using that method given that the candidate profile booklet lists the candidate profiles in alphabetical order. Since 2013, the Otago Regional Council has chosen random order for listing candidate names on their voting documents with no reported problems.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[19] There are no Strategic Framework nor Policy considerations.

Financial Considerations

[20] There are no additional financial implications with this decision other than those related to additional costs for public notices and meetings if choosing pseudo-random order.

Significance and Engagement Considerations

[21] While not specifically a consideration of He Mahi Rau Rika, this decision does enable democratic local decision-making and action on behalf of the community.

Legislative and Risk Considerations

[22] This decision complies with actions allowed under Clause 31(1) of the Local Electoral Act Regulations 2001.

[23] There are no specific risk considerations.

Climate Change Considerations

[24] There are no climate change implications.

Communications Considerations

[25] No specific communications considerations arise from this decision.

NEXT STEPS

[26] Council's Electoral Officer will be advised of the Council resolution on this matter and will proceed with preparing 2025 voting documents accordingly.

ATTACHMENTS

Nil

9.3. Private Share of Public Transport Operating Costs

Prepared for: Council
Report No. GOV2508
Activity: Governance Report
Author: Robyn Hyde, Transport Planning Lead
Endorsed by: Anita Dawe, General Manager Regional Planning and Transport
Date: 19 February 2025

PURPOSE

- [1] This paper updates Council on changes to central government requirements for public transport cost recovery, recommends private share targets, and mechanisms for achieving them.

EXECUTIVE SUMMARY

- [2] The Government Policy Statement for Land Transport 2024 (GPS) sets an expectation for Public Transport Authorities (PTAs) to increase private share revenue to offset increasing public transport operating costs.
- [3] The New Zealand Transport Agency Waka Kotahi (NZTA) have set proposed private share targets for each region, as well as national targets.
- [4] Having reviewed the targets proposed by NZTA and the limited levers available to ORC to increase private share, staff are recommending lower targets for consideration.
- [5] NZTA have a preferred timeline to set targets, including for officer level agreement on private share targets and initiatives for achieving these targets by 31 January, and for final Council decisions on targets to be provided to NZTA by the end of March 2025. Staff are recommending an amended timeline to confirm targets, that respects our political processes and aligns with the timelines to adopt a new Regional Public Transport Plan (RPTP).
- [6] Staff consider the immediately available levers for increasing private share will need to predominantly come from adjusting concessions including removal of free fares for 5 – 12-year-olds. Further, and to be consulted on through the RPTP increasing the existing flat fare level initially from an adult fare of \$2 to \$2.50 (which is, in part, an inflation adjustment), and then possibly changing the fare structure to enable longer distance trips to have higher fares. Staff will also focus on levers to increase patronage.
- [7] The Transport team is also working on the review of the RPTP, and the draft has been updated to reflect the government's key focus on realizing greater value from the financial investment in public transport activities funded through the National Land Transport Programme (NLTP). The draft RPTP will be presented to PATC on 5 March 2025, and then Council on 19 March 2025.
-

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Notes** requirements to increase private share of public transport operating costs as set out in the Government Policy Statement for Land Transport 2024.
- 3) **Notes** the preferred timelines to set private share targets outlined by NZTA to include officer level agreement by 31 January 2025 and Council decision by end of March 2025.
- 4) **Notes** timeline for the Regional Public Transport Plan 2025.
- 5) **Approves** the amendment of child and youth concessions for inclusion in the draft RPTP as the first steps to increasing private share, as follows:
 - a) It is recommended that the 100% concession discount on child (5 -12 years) fares be removed, to be effective from 1 September 2025; and
 - b) A child/youth fare be applicable on both Queenstown and Dunedin networks for Bee Card users, to be effective from 1 September 2025, with the level of concession determined through the RPTP process.
- 6) **Approves** advising NZTA Waka Kotahi that fare changes, including changes to adult fares or the introduction of fare zones will be consulted on as part of the RPTP, and formal reporting of private share targets and projections will be provided to NZTA by 30 June 2025, after the RPTP process has concluded.

BACKGROUND

- [8] Value for money is a strategic priority guiding all transport investments under the Government Policy Statement on Land Transport 2024 (GPS). This means there is a key focus on realizing greater value from the financial investment in public transport activities funded through the NLTP.
- [9] Through the GPS, the government has set an expectation for Public Transport Authorities (PTAs) to increase private share revenue to offset increasing public operating expenditure. This in turn will reduce the burden on ratepayers and taxpayers.
- [10] Ministerial expectations for PTAs include:
- Actively work towards increasing public transport private share by 30 June 2027, including setting targets each year.
 - Operating within approved funding of public transport continuous programmes, reviewing services that are delivering very low farebox recovery and considering appropriate fares.
 - Transition to the National Ticketing Solution (NTS) in partnership with NZTA. This includes aligning concessionary fare structures with national policy to make the NTS cost effective and value for money for customers.
- [11] To meet these expectations PTAs are required to:

- Actively work towards increasing the private share of public transport expenditure on an annual basis (e.g. ensuring passenger fares and third-party revenue covers a greater portion of public transport expenditure).
- Actively engage with NZTA to agree and set private share targets for the next three¹ years.
- Actively work towards delivering and operating NTS, including meeting NZTA fare and pricing requirements set out in the NZTA Regional Public Transport Plan (RPTP) guidelines.
- Provide quarterly reporting to NZTA that includes:
 - i. private share of public transport operating expenditure.
 - ii. an explanation if there has been a decrease during the quarter; and
 - iii. Outlining initiatives taken during the quarter to increase private share.

[12] Meeting ministerial expectations and demonstrating value for money will be critical to maintain funding for existing services and access future funding to support public transport improvements.

Private share measure:

[13] Private share is a measure of cost recovery and represents the proportion of public transport operating expenditure funded from private revenue sources.

[14] Cost recovery has previously been referred to as farebox recovery. NZTA have recently changed their cost recovery policy framework including redefining farebox recovery to private share of operating expenditure.

[15] Private share is calculated as total private revenue divided by total operating expenditure.

- Revenue sources include:
 - Passenger fares
 - Private fare substitutes – third party revenue from private fare substitutes such as corporate or tertiary fare schemes
 - Commercial revenue - third party revenue from commercial sources such as advertising.
 - Enforcement fees - revenue generated from enforcement associated with the public transport system such as fines for unpaid fares.
- Operating expenditure includes all staff costs, and contract costs to deliver services.

[16] Measuring cost recovery is important to assess the distribution of operating costs between users and funders. Figure 1 below depicts the funding equation. Private share reflects the private benefits of users of public transport, while the public share reflects public transport's benefits to road users, the environment and wider community outcomes.

¹ Direction from NZTA was originally for the three years of the current LTP cycle however given there was no opportunity to reconsider Year 1 when the discussions commenced in November 2024, staff are actively working on targets for years 2 and 3 only.

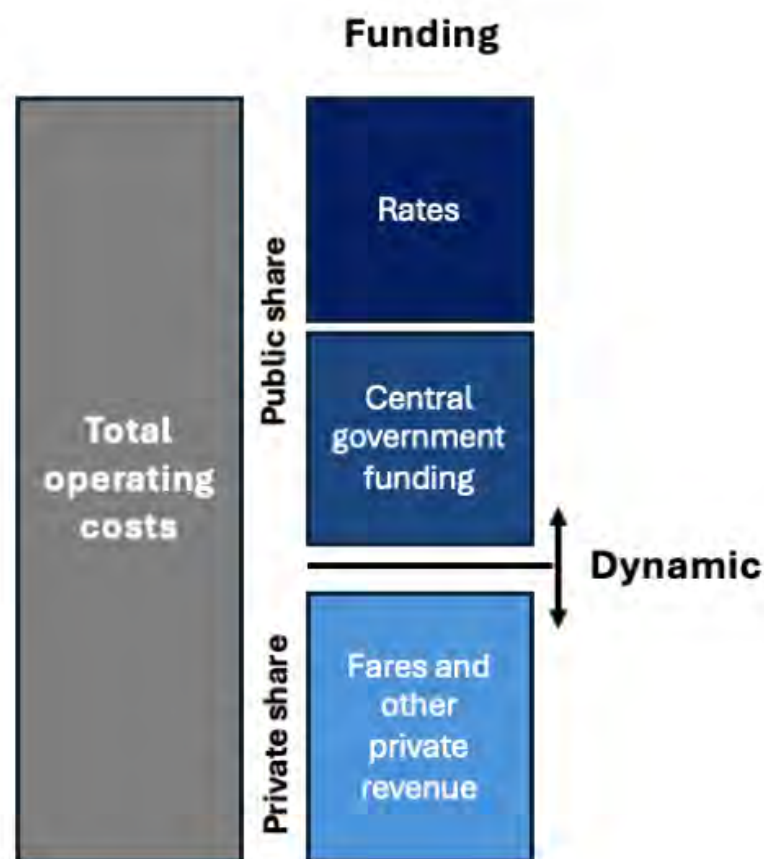


Figure 1 The funding equation

- [17] Broadly, private share can be increased by:
- Increasing ridership to collect more fare revenue,
 - Reducing operating costs by optimising or cutting services,
 - Increasing the average fare paid by increasing the base fare, changing, concessions or changing the fare structure,
 - Growing third-party revenue streams such as advertising.

Private share targets:

- [18] NZTA circulated to PTAs a discussion document ‘Increasing the private share of public transport operating expenditure’ on 18 November 2024, along with proposed regional private share targets. The discussion document outlines the context and information to support PTAs to actively engage, agree and set private share targets.
- [19] NZTA’s proposed targets for Otago are shown below in Figure 2, along with the national target ranges set by the NZTA Board. Staff consider the NZTA proposed targets to be unrealistic, based on the mechanisms available in Otago, and have the potential to have perverse public transport, environmental and social outcomes.

PTA region	Private share 2018/19 Actual	Private share 2023/24 Actual	Proposed private share 2024/25 Interim Target	Proposed private share 2025/26 Interim Target	Proposed private share 2026/27 Indicative Target
Otago	34.5%	18.7%	24%	30%	42%
National	33.0%	20.5%	24-26%	28-33%	35-40%

Figure 2 NZTA Waka Kotahi proposed private share targets

Timing

- [20] The 18 November 2024 discussion document from NZTA stated that regional private share targets for 2024/25 and 2025/2026, and indicative targets for 2026/27 were required by 19 December 2024. Longer term targets, including reviewing and confirming 2026/27 targets is required by 19 December 2025.
- [21] ORC, alongside other PTA's expressed concern to NZTA about the timing and urgency to respond to this request. The key factors being that local government processes needed to be followed, including undertaking further work to fully understand the impact of potential initiatives, timing with Otago's Regional Public Transport Plan (RPTP), and the time of the year that prevented engagement with Council until February. This feedback resulted in an adjusted timeline, for Councils to formally respond by 31 March 2025.
- [22] Because ORC is currently reviewing the Regional Public Transport Plan (RPTP), the draft has been amended to reflect the changes in the GPS including the introduction of policies to support an increase in private share. The draft RPTP will be presented to the Public and Active Transport Committee (PATC) on 5 March 2025 with a recommendation to Council for approval to consult on 19 March 2025. Staff recommend using the RPTP to get feedback on the implications of increased private share, including fare increases, potential introduction of zones for fares, and removal of the concessions.
- [23] NZTA have advised the consequence of not meeting any private share target would be:
- "We recognise that many factors affect private share, and it is possible that targets might not be met despite best efforts. As long as PTAs are actively working to increase private share each year, there are no specific implications if targets are not achieved. It is important that PTAs and NZTA focus on identifying and implementing appropriate measures to increase private share. We anticipate that the extent to which PTAs actively work to increase private share will be a factor considered when allocating funding in future NLTP periods."*

DISCUSSION

- [24] Levers available to increase private share in Otago are limited. From a revenue perspective, increasing passenger fare revenue is the only immediate lever available.
- [25] Fare revenue can be increased by increasing patronage, increasing the existing flat fare level, adjusting concessions, or changing the fare structure to enable longer distance trips to have higher fares (i.e. introducing zones). These options will be discussed further.
- [26] Commercial revenue opportunities in Otago include sponsorship of buses or the bus fleet. Bus advertising on the back of the bus is currently included as a benefit to operators through existing contracts, but the remainder of the bus real estate would be available to sell. Corporates may also consider paying to fund free travel days in return for promotion and exposure. These initiatives need further investigation, but if some large corporates could be attracted, this could increase private share.
- [27] Digital screens in the bus hubs in Queenstown and Dunedin, along with in vehicle screens are also potential advertising platforms.

- [28] Advertising on bus shelters in Dunedin requires a resource consent but could be an option available with appropriate consents. There may be some permitted signage on bus shelters in Queenstown at some stops, depending on their zoning. A full analysis of bus shelter location and zoning to understand the relevant rules in the Queenstown District Plans would be required to understand the magnitude of potential.
- [29] Larger PTAs already partner with media companies to manage their static and digital advertising spaces so there are examples in the country that could provide an indication of the potential value in advertising and sponsorship opportunities in Otago.
- [30] In terms of other revenue opportunities, ORC does not currently own any assets that generate commercial access fees, rental income or electricity grid sales.
- [31] The NZTA discussion document also notes investigating alternative funding sources. This includes private public partnerships, development and financial contribution, parking revenue and congestion charges. These may not directly relate to private share but could potentially reduce ratepayer and taxpayer funding requirements. This is an area that needs further exploration and ideally conversations at a national level by Ministry of Transport or NZTA in particular as many will require buy in from territorial authorities to implement.
- [32] Consideration would also need to be given to the staff resources needed to administer or grow any commercial or other revenue opportunities. The cost benefit analysis of that has not been undertaken however it will increase operational expenditure if it requires additional resources.
- [33] Increasing private share can also be increased by achieving greater cost efficiencies and savings to operational expenditure. The mechanisms we have available on the cost side include optimising existing services and networks, improving procurement practices and reducing service levels.

Fares:

- [34] The current \$2.00 Adult Bee Care flat fare was adopted by Council to incentivise and influence Public Transport mode share. Public Transport mode share enables emissions reductions, travel choice and wider economic benefits, which aligns with Council's strategic direction for transport.
- [35] Since the implementation of the \$2 flat fare (in Queenstown in November 2017, and Dunedin in September 2020) patronage across the two networks has trended steadily upwards, as shown below in Figure 3.

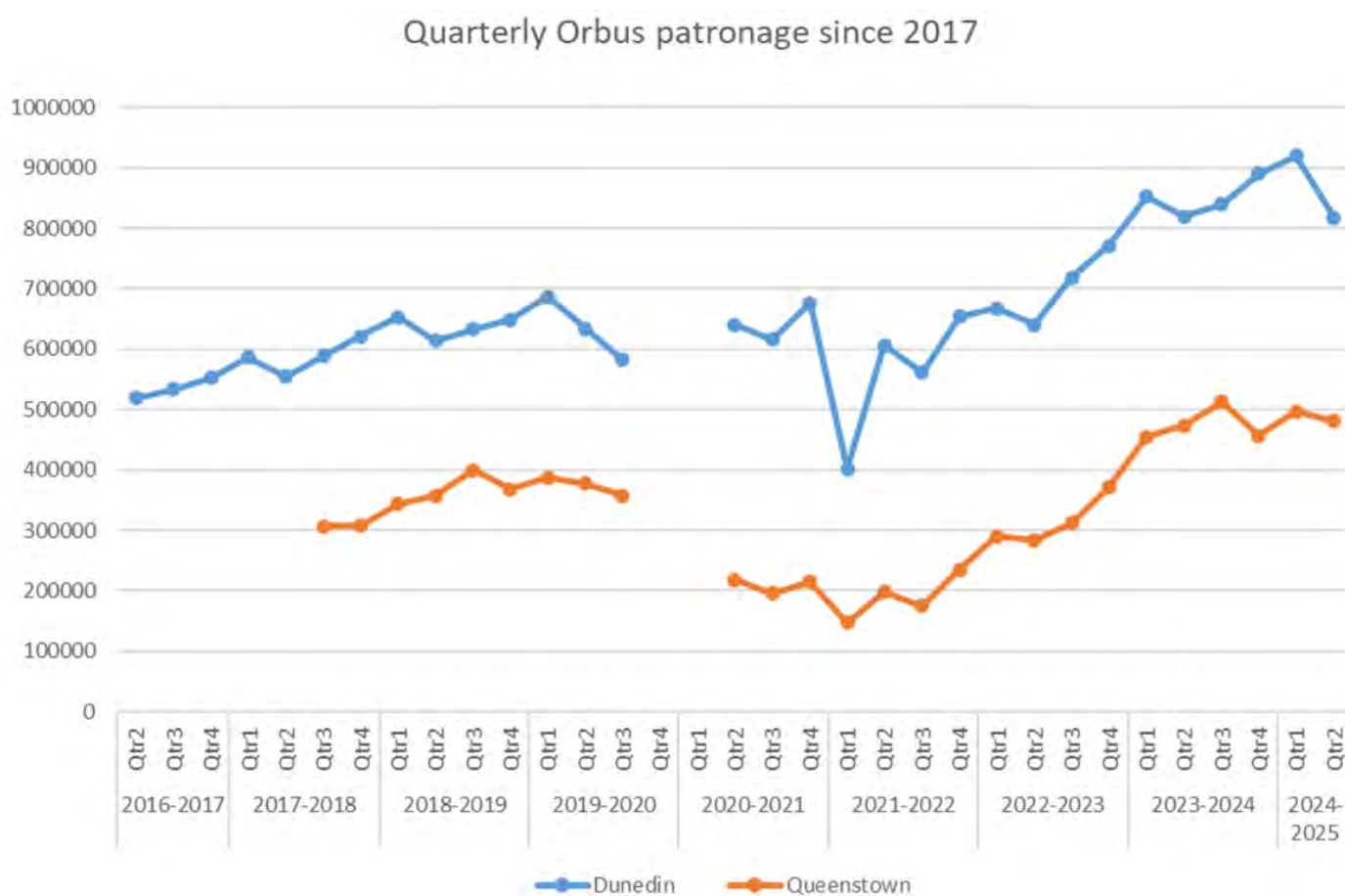


Figure 3 Quarterly Orbus patronage 2017 - 2024

- [36] Patronage growth is one lever that will assist with increasing the private share of operating expenditure. While an increase in fares will directly impact private revenue, the long run implications of this must be carefully evaluated against any short-term gains.
- [37] Staff have engaged Stantec to model the revenue (and patronage) impact of a number of Adult Bee card fare increase scenarios (25%, 50%, 75%, 100%). Modelling results show that a 25% increase from \$2 to \$2.50 for an adult using the Bee Card (not cash fare) performs most effectively as it retains patronage while increasing revenue over the longer term. Higher fare increases would diminish revenue (despite the Queenstown service increases) as shown in Figure 4 below and would undermine the private share direction being sought.
- [38] If Council decided to engage this fare lever and increase the adult Bee Card fare to \$2.50, this is forecast to induce a revenue increase of \$1,590,000 in 2025/26 (nominal), as shown below in Figure 4, noting the modelling assumed an implementation date of 1 July however if introduced as part of the RPTP decisions, it would not be implemented until September so the revenue increase would be slightly lower.
- [39] Stantec’s modelling reflects typical responses to fare changes over the longer term, and it takes account of inflation, population growth in each urban area, and the impact of proposed service improvements in Queenstown. The mid-range results from the modelling are shown in the charts.

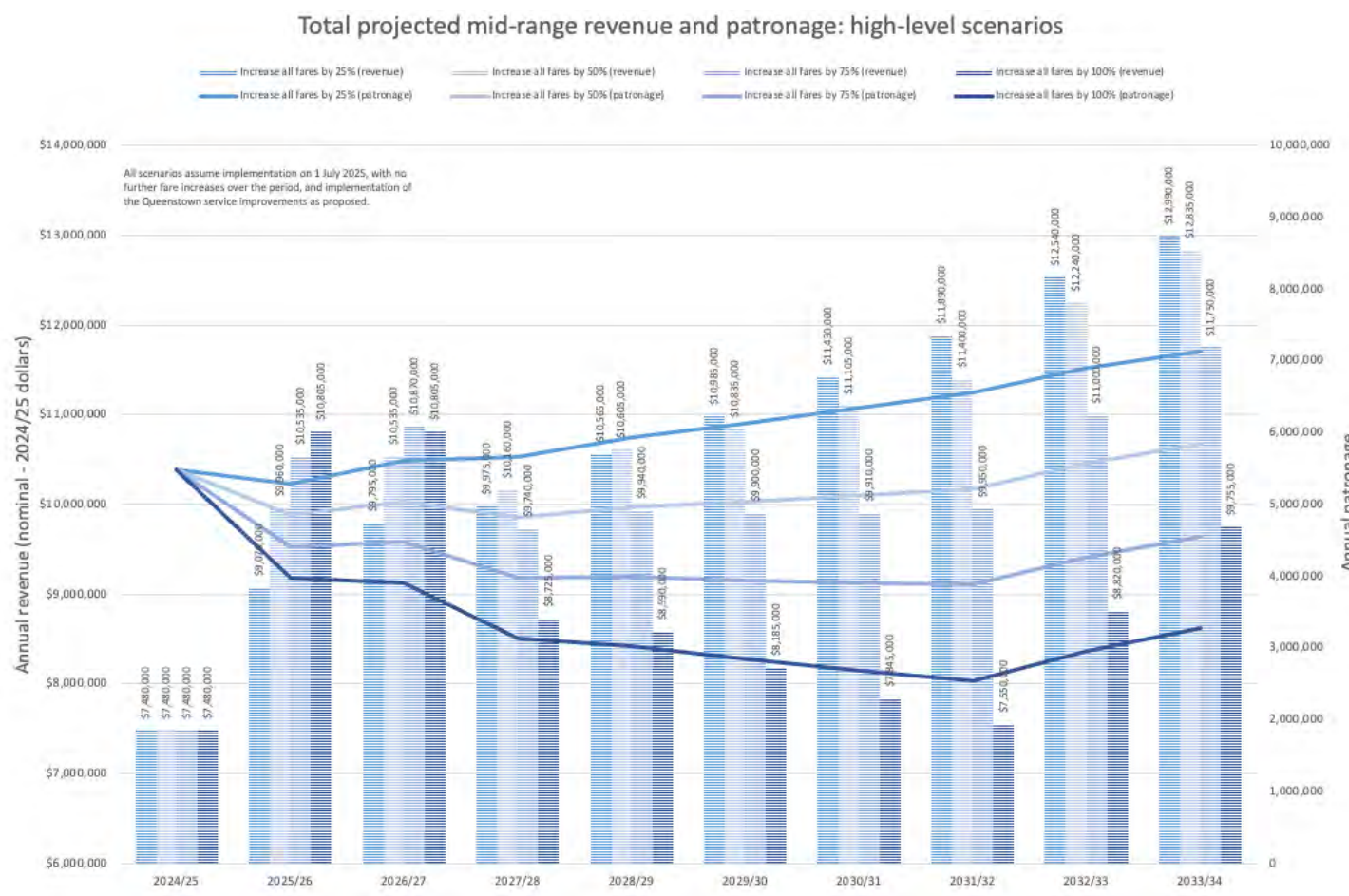


Figure 4 Impact on overall revenue of 25% increase in Adult Bee card fare (across both urban networks)

[40] Public transport provides choice and an alternative to using the private car. The relationship between bus fares and the cost of driving (petrol costs, parking costs) is therefore particularly important. Otago has one of the highest average fares compared to private car operating costs. The average private-share contribution in Otago is \$1.45 per trip (mostly coming from fares), compared to a private car running cost of \$1.25². This means increasing fares and remaining competitive with the cost of driving is a challenging exercise.

[41] Fare change initiatives being considered at this time do not include additional revenue from changes to cash fares. Adult cash fares make up approximately 6% of fare revenue and youth cash fares less than 1%. Changes to cash fares will be considered further following the RTPP consultation.

Fare concessions:

[42] NZTA fares and pricing guidance requires alignment with nationally defined fare concessions. The following aged based concessions **must** be adopted:

- Infant under 5 years free fares
- Child 5-12 years concession discount set by region
- Youth 12-18 years concession discount set by region

An under 25 concession may be provided, with the inclusion and concession discount set by the region.

² Note: Private car costs have been calculated using a simplified methodology which is simply the IRD 2023/24 per kilometre rate for running costs only (\$0.30 excl. GST) multiplied by the average public transport trip length in our region. This comparison excludes costs such as parking and congestion.

- [43] Further there is a requirement to provide the following crown fare concessions:
- SuperGold card free off-peak fares
 - Community Services card 50% discount

- [44] The following concession discounts are currently provided in Otago:

Concession	Concession discount
Infant (under 5 years)	100%
Child (age 5 to 12)	100%
Youth (age 13 to 18) Dunedin	40%
Youth (age 13 to 18) Queenstown	25%
Super Gold Card	100% in off-peak only

- [45] Other than for under 5-year-olds, free fares are likely no longer consistent with the direction in the GPS.
- [46] Removing the 100% concession discount and reinstating a child discount in line with the youth discount would therefore be a short term lever available to Council to increase private share. This initiative could be included in the draft RPTP and then implemented from 1 September 2025, subject to the RPTP decisions. This would actively demonstrate a move towards increasing private share and reducing the burden on ratepayers as shown in Figure 4 above.
- [47] There is an historic discrepancy between the youth discount in Dunedin (currently 40%) and in Queenstown (25%) and removing the 100% child concessions would also be an appropriate time to align the child/youth discount across the two networks.
- [48] The table below provides an illustration of the dollar values for child/youth fares with either a 40% discount or 25% discount on both the current Adult Bee card fare of \$2, and a \$2.50 fare.

Concession	Concession discount	Fare price if \$2.00 Base fare	Fare price if \$2.50 Base fare
Child (age 5 to 12)	25%	\$1.50	\$1.88
Youth (age 13 to 18) Dunedin and Queenstown	25%	\$1.50	\$1.88
Child (age 5 to 12)	40%	\$1.20	\$1.50
Youth (age 13 to 18) Dunedin and Queenstown	40%	\$1.20	\$1.50

- [49] Implementing a 25% child discount across the two networks would enable the alignment of child and youth fares, without reducing Queenstown’s current youth fare of \$1.50.
- [50] If Council wishes to include an Adult Bee Card fare of \$2.50 as part of RPTP consultation, applying a 40% concession would achieve the \$1.50 child/youth fare potentially already agreed.
- [51] Stantec have modelled the impact of fare levers. Three potential scenarios are:

1. Remove 100% concession discount for 5–12-year-olds and move to a 25% child/youth discount on both networks.
2. Increase the Adult Bee card fare to \$2.50. Retain all other concessions (including 100% concession discount for 5 – 12-year-olds)
3. Remove 100% concession discount for 5–12-year-olds on 1 July, and then also increase Adult Bee card fare to \$2.50 from 1 February 2026³. In this option child/youth fares are held at the 1 July 2025 level when the adult fare increases to \$2.50, which effectively increases the discount to 40% from 1 February 2026.

[52] These three potential scenarios are modelled effective from 1 July, however due to resolving the RPTP in June, the earliest implementation of any fares changes is likely to be September 2025.

[53] The revenue and patronage impact of each of these scenarios is shown in Attachment 1. Option 1 is likely to generate the lowest cumulative revenue of the three options over the ten-year period (\$102.2m) but has the highest cumulative patronage (67.4m). While option 3 brings the highest cumulative revenue over the ten-year period (\$107.6m vs \$106.7m for option 2), it unsurprisingly has the lowest cumulative patronage (56.7m vs 61.0m for option 2).

Zonal fare structure

[54] A change in fare structure is another mechanism available to Council to increase private share. Moving from a flat fare back to a zonal fare structure enables a higher fare to be charged for longer trips. An airport zone would also allow a higher fare to be charged for these specific markets.

[55] Proposed zone boundaries have been developed for Dunedin and Queenstown (as shown in Attachments 2 and 3). A three zone network is proposed for Dunedin, with the potential for a fourth zone to represent possible future services to Ōamaru and Balclutha. It is proposed that Queenstown would operate a two zone network, with a potential third zone to accommodate future services to Cromwell. Both networks would have an additional Airport Zone.

[56] Further work is underway to consider and model fare values for each of the zones.

Operational expenditure

[57] The other lever available to Council is to reduce public transport operating expenditure. The cost side initiatives available include improving procurement practices, optimising services and networks or cutting services.

[58] Opportunities to deliver more services for the same cost are continually being sought by transport staff. This includes making more efficient use of drivers, vehicles, and infrastructure by reducing excessively indirect routes and out-of-service running through

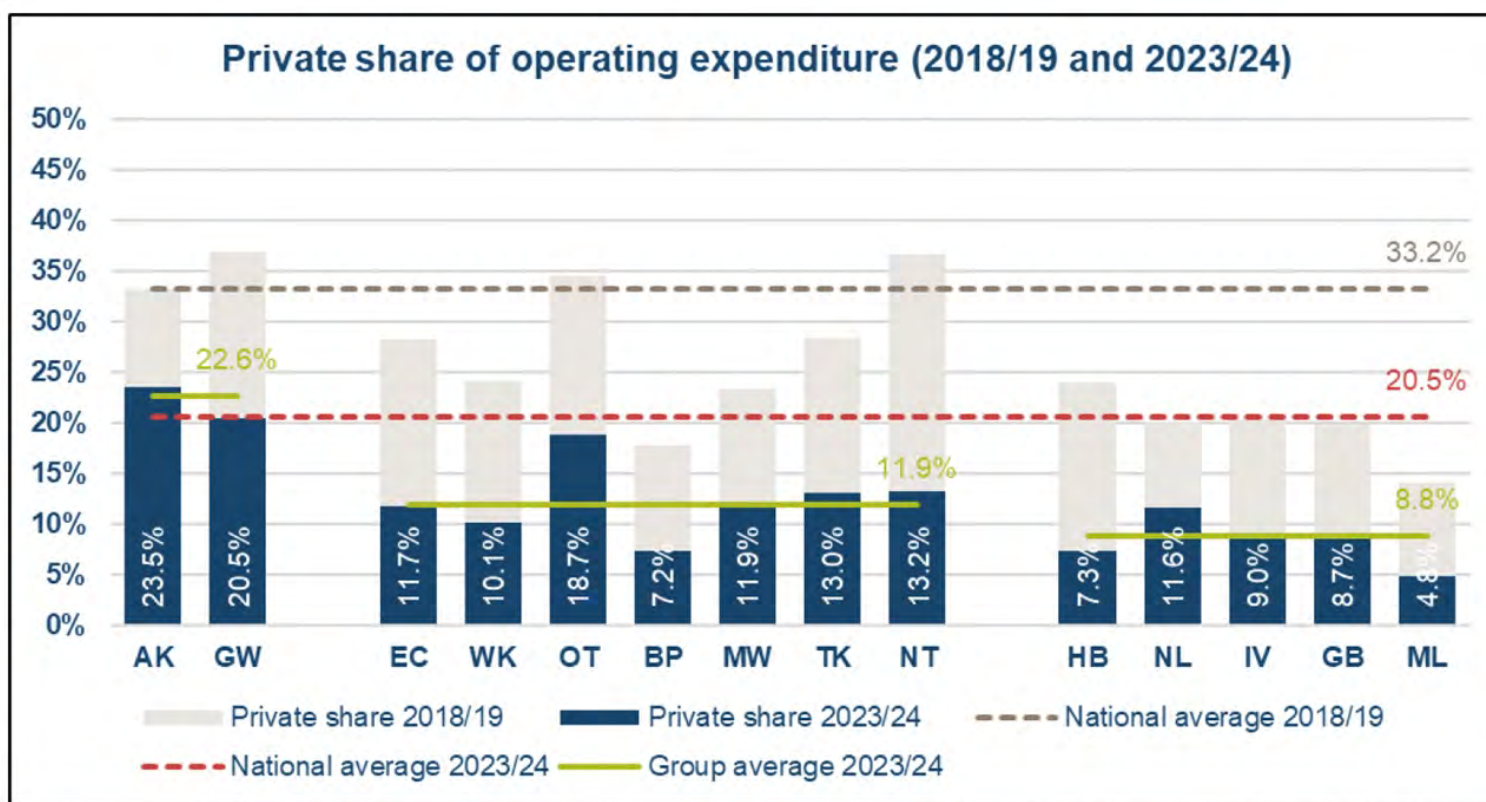
³ The actual implementation date would be designed to align with the transition to the National Ticketing System(NTS).

timetable and route design, availability of depots and driver break facilities that are close to routes.

- [59] Reducing services will compromise ORC’s strategic direction for Otago to have an integrated transport system that contributes to the accessibility the connectivity and wellbeing of our community. It would also significantly constrain transport choice for many.

Private share targets

- [60] In 2023/24 Otago achieved a private share of 18.7%, and compared to other similar size PTA’s is performing comparatively well (shown in Figure 5).



AK=Auckland, GW=Wellington, EC=Canterbury, WK=Waikato, OT=Otago, BP=Bay of Plenty, MW=Horizons, TK=Taranaki, NT=Nelson-Tasman, HB=Hawkes Bay, NL=Northland, IV=Invercargill, GB=Gisborne, ML=Marlborough

Figure 5 Private share by region (2018/19 and 2023/24)

- [61] To enable preliminary discussions and signal active intent to support an increase in private share, staff responded to NZTA on 9 December 2024 recommending private share targets of 20% for 2024/25, 25% for 2025/26 and 30% for 2026/27.
- [62] This recommendation was prefaced with the need for these targets to be socialised and endorsed or otherwise by Council. It also outlined that further fare analysis being undertaken alongside the RPTP was required to fully understand the impacts to the system and ability to meet private share targets through adjustments to fares.
- [63] The suggested targets are lower than those in the NZTA discussion document. They are however figures that demonstrate an intent to actively work towards increasing private share that staff consider are reasonable, ambitious and will not require significant reductions in services.
- [64] The table below shows the projected private share of operating costs for future years based on LTP approved activities, before any changes as outlined in this paper. These figures were provided to NZTA on 31 January 2025.

	2023/24	2024/25	2025/26	2026/27
	Actual	Budget	Budget	Budget
Fees and charges	\$6,453,376	\$6,969,146	\$6,834,148	\$8,721,124
Third-party revenue	\$955,056	\$471,899	\$476,311	\$308,678
Total gross operating expenditure	\$38,899,558	\$38,045,132	\$40,645,743	\$45,219,153
Passenger boardings	5,368,557	5,490,350	5,614,906	5,742,288
Current Public transport private share	19.05%	19.56%	17.99%	19.97%

[65] Targets suggested by NZTA are not considered reasonable due to the limited mechanisms available for increasing private share revenue in Otago. The following initiatives are not available:

- Advertising revenue – Council do not own any infrastructure, and the Dunedin District Plan restricts advertising on bus shelters.
- Commercial access fees/Commercial retail income/commercial rental income and electricity grid sales.
- Enforcement fee revenue – we do not have significant fare evasion. The cost to employ enforcement staff would be greater than the return from fare evasion.

[66] Relying on fares alone to achieve the suggested NZTA targets is not feasible, and in the long-term will compromise real revenue due to:

- Fare increases induce a patronage reduction effect. The magnitude of that response is proportionate to the level of the fare increase relative to other costs; but particularly the relative cost of operating a private car.
- It takes time or significant uplift in service level to regain the patronage lost from any fare increase. Therefore, the short-term revenue gain from increasing fares will be lost through patronage loss in future years.
- Fare increases impact those in our community that are already transport disadvantaged disproportionately.

[67] Increasing service and service quality drives patronage growth. We are fortunate that the funded Queenstown service improvements to commence in 2025 will counter some of the patronage loss we would otherwise experience from a fare increase alone.

Other Councils

[68] All PTA's are required to set targets for private share and are working to a variety of timelines that take into account Council meeting schedules, Annual Plan and other factors. The sector, via the Transport Special Interest Group (TSIG) have commissioned and are working at pace on piece of work to research private share case studies internationally. The purpose of this work is to support conversations at a sector level with ministers.

[69] Time is a key tool to develop ideas and put forward positive ways to respond to NZTA. In the interim regions' approaches with NZTA are:

- LTP and AP forecasts and consultations have already been completed so little opportunity to implement any changes quickly.
- Broad understanding of the impacts of increased fares on their communities
- Small inflation adjustments or adjustments to concession discounts being considered.
- Consideration of long-term view rather than letting short term thinking impact overall outcome.

OPTIONS

[70] The first option is for Council to note the proposed amendments to fares – removal of 100% child concession, introduction of a 25% child concession across both networks, and an increase in the Adult Bee Card fare from \$2 - \$2.50 – to be included in the draft RPTP consultation. This option would allow the community and particularly affected bus users, to provide feedback on the proposals in a genuine manner. This option would also mean that ORC would not formally advise NZTA of the proposed targets until after the RPTP process had concluded, which would likely be late June 2025.

[71] Given the directive of NZTA, and the time frames to work to, staff feel this is the most reasonable option to demonstrate our intent to increase private share, while bringing elected Councillors and our community onboard. It also improves the consistency of fare products across the two networks ahead of NTS. Further fare change options including increasing the Adult Bee Card fare and amending the fare structure to a zonal fare can also be included in consultation material. This is the recommended option.

[72] The second option would be for Council to choose to implement some of the proposed changes to fares, to be implemented ahead of the RPTP process. This would change the revenue profile sooner and potentially increase our private share of operating costs sooner. This option however means that consultation on the RPTP would be undermined, as decisions on fares would have already been made. This option is not preferred by staff.

[73] The third option would be a combination of amending some fares and /or concession discounts now, and including others in the RPTP. This option is not recommended as staff consider it would be confusing, would still undermine the consultation process for the RPTP, and may have significant impacts on bus patronage as it would introduce a level of uncertainty for passengers.

[74] The final option would be for Council to elect not to make changes designed to achieve the private share objectives of the Government. Because we are currently reviewing the RPTP, it is the optimal time to look at fares and concession discounts and consider changes in consultation with the community. However, this option is not recommended It would also be directly contrary to the direction in the GPS, as we are advised that it may impact ORC in the longer term when new funding is available under the NLTP.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[75] The draft Regional Public Transport Plan 2025 (RPTP) outlines Council's aspiration to deliver a system that is reliable, attractive, accessible and supports our region's carbon reduction goals. This plan focuses on driving increased ridership through providing public transport solutions that are easy to understand and meet communities' diverse needs. Further the draft plan reflects direction from the GPS to drive increased value for

our passengers, funders, and community. The draft plan signals our need to consider increasing fares, alternative private share funding sources and service optimisation.

Financial Considerations

- [76] With a complex interaction of factors influencing people's decision to use (and pay for) public transport, increasing private share over time to meet private share targets will require careful management. Adjusting anything too quickly or without careful consideration may undo recent ridership gains and negatively impact private share revenue.
- [77] Changing the ratio of fares, rates and government funding requires input from the community. Using the RPTP process to gather feedback from the community in how we respond to requirements to increase private share, and how they would like to see rates money spent will save on completing a separate fares and funding consultation.

Significance and Engagement Considerations

- [78] In accordance with Council's He Mahi Rau Rika; Significance, Engagement and Māori Participation policy, a change in fares would be deemed to be significant due to its "impact on community include costs [directly or] indirectly to the community or part of the community, whether through rates, fees or otherwise". The RPTP significance policy also deems a fare change to be significant.
- [79] The community's support for an increase in the \$2 flat fare or change in fare structure will be sought via RPTP consultation in late March and April.
- [80] The RPTP consultation also provides an opportunity for the community to provide feedback on policies set out in the RPTP, and how they will contribute to the achieving the Council's aspirations for public transport across the region.
- [81] RPTP engagement and consultation is required and to be undertaken in accordance with s125 LTMA (including s82, s83 and s87 of the LGA 2002).

Legislative and Risk Considerations

- [82] The RPTP is the core statutory instrument for public transport planning under the Land Transport Management Act 2003. Having recently approved the public transport service components of the mid-term review of the Regional Land Transport Plan, ORC is required to review its RPTP. A comprehensive review and redrafting of the RPTP is nearing completion and will be presented to the PATC on March 2025. This includes an extensive update in the value for money section to align with the GPS, and NZTA Waka Kotahi development guidelines for regional public transport plans.
- [83] While NZTA have recently stated that there will be no consequences to not meeting private share targets, the private share discussion document and ministerial expectations signaled through the GPS would suggest that demonstrating value for money will be critical to maintain funding for existing services and access future funding to support public transport improvements.
- [84] There are a number of risks particularly related to timing. The RPTP consultation and hearings will be completed and presented to Council in June 2025. NZTA deadlines to

agree private share targets at staff level are 31 January and Councillor agreement by 31 March 2025.

- [85] Modelling work to understand the impacts on revenue and patronage of various fare options is underway with Stantec. Early outputs of this work are included in this paper, but further time is required to complete this work.
- [86] The modelling work uses a number of assumptions across the two urban networks, as well as demand elasticities to determine a range of possible outcomes. In reality travel or growth patterns may differ, and modelling should only be used as a tool to aid decision making.

Climate Change Considerations

- [87] Public transport is a key element in reducing Otago's transport emissions. The relationship between bus fares and the cost of driving (petrol costs, parking costs) is also particularly important as discussed above. Maintaining and increasing PT mode share is important to achieving our emission reduction goals.
- [88] Choosing to use public transport is strongly correlated to the community's real and perceived perception of value for money for public transport. Increasing fares too quickly risks losing ridership which in turn compromises environmental outcomes.

Communications Considerations

- [89] Changes in the GPS and requirements for ORC to increase the private share of public transport operating costs will be communicated through the draft RPTP.
- [90] Consultation material supported with public drop-in sessions will be used to engage with the community and harness feedback on our approach to fares and increasing private share.
- [91] Private share and fares in particular are a topic likely to generate considerable interest with the public. It will be important to communicate what is a complex topic in a way that is easy to understand and does not lose sight of the community and societal benefits of public transport within the value for money analysis.

NEXT STEPS

- [92] The draft RPTP is presented to PATC in March with a recommendation for Council to approve the draft for public consultation commencing end of March 2025.
- [93] Council's approach to private share, private share targets, funding and fares is consulted on as part of the RPTP.
- [94] Staff advise NZTA of Council's preferred approach to setting and agreeing on private share targets.

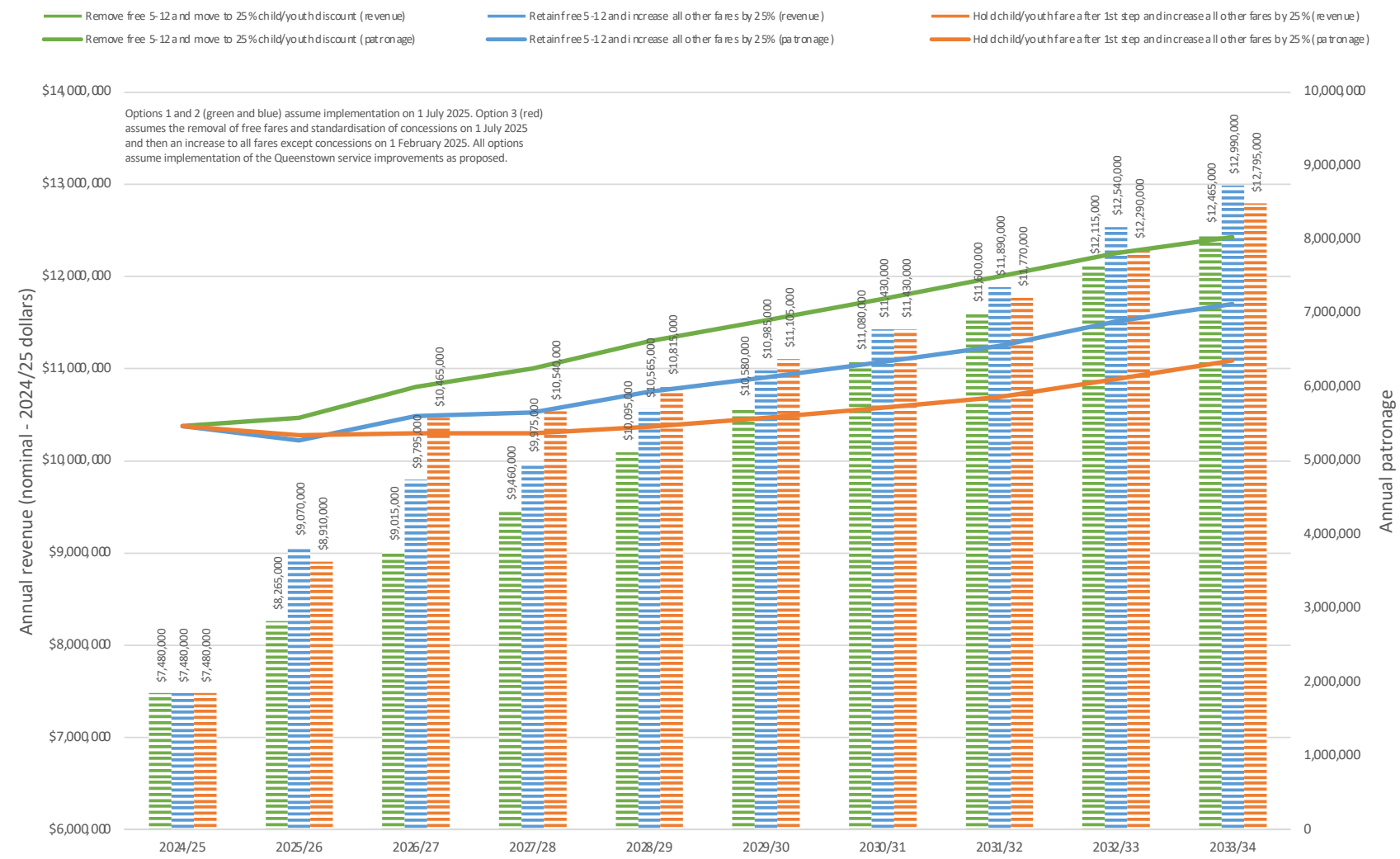
ATTACHMENTS

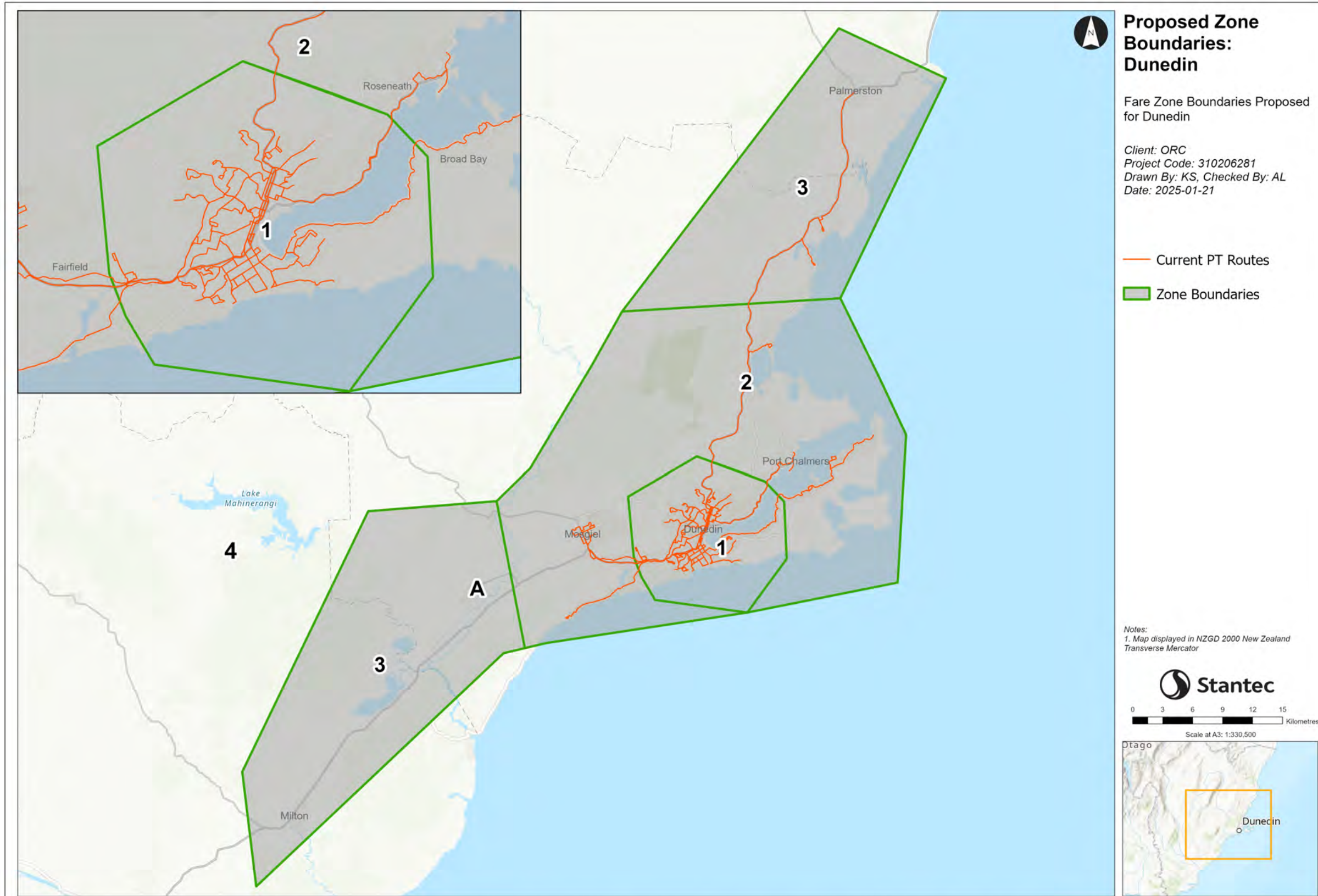
1. PT Fares Analysis Option comparisons [9.3.1 - 1 page]
2. Dunedin Bus Fare both areas v 3 [9.3.2 - 1 page]
3. QT Bus Fare v 6 [9.3.3 - 1 page]



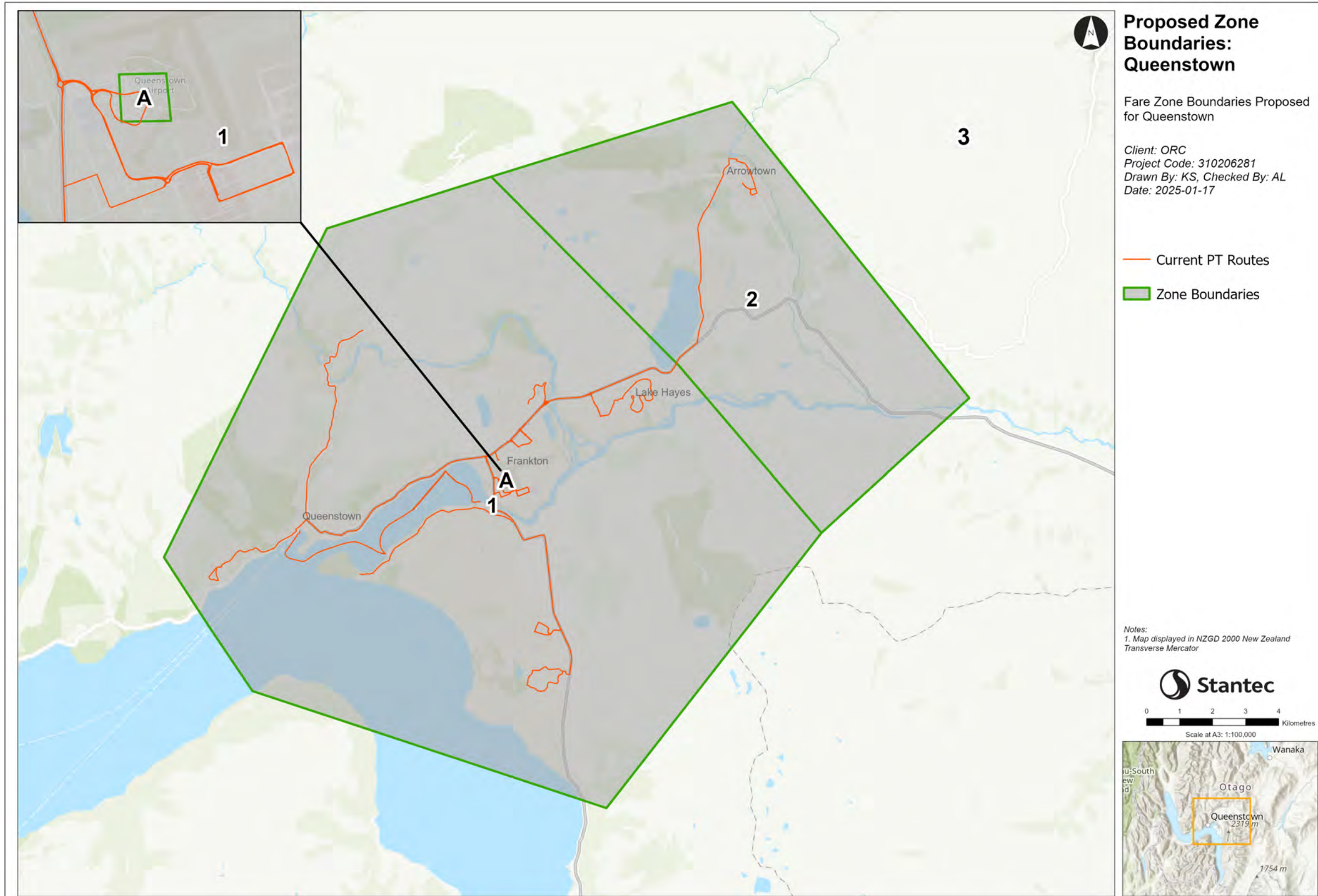
PT FARES ANALYSIS

Total projected mid-range revenue and patronage: option comparison





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9.4. Te Korowai Evaluation Report

Prepared for: Council
Report No. GOV2513
Activity: Governance Report
Author: Jasmin Lamorie, Project Lead Business Transformation
Endorsed by: Amanda Vercoe, General Manager Strategy and Customer
Date: 19 February 2025

PURPOSE

- [1] To provide Council with a summary of the Evaluation Report from Otago Regional Council's participation in LGNZ's Te Korowai programme.

EXECUTIVE SUMMARY

- [2] On 22 March 2023, Council approved participation in LGNZ's CouncilMARK™ initiative with the intention to take stock of the Council's performance across a range of areas, to identify where improvements can be made, and to create a benchmark from which change over time can be measured.
- [3] Local Government New Zealand's (LGNZ's) independently run CouncilMARK™ programme was revised and rebranded as Te Korowai and has a strengthened focus on continuous improvement.
- [4] Te Korowai's independent assessors have made an evaluation based on information supplied by ORC and through meetings with staff, Councillors, iwi partner representatives and stakeholders in September 2024.
- [5] In its report, the Te Korowai independent evaluation board presented key findings, and identified strengths alongside areas for improvement.
- [6] Overall, ORC's performance was evaluated as Mauri Tū – Active. The report describes Councils in the Mauri Tū category as being committed to change, actively implementing plans to achieve their goals, and demonstrating a high level of performance through proactive actions and effective governance. Specifically, the report identifies that for ORC there are some highlights and considerable work in progress in continuing to build the regional council as a mature institution, and in developing the planning and regulatory frameworks.

RECOMMENDATION

That the Council:

1. **Notes this report.**

2. **Notes** that the Chief Executive will oversee a programme of business transformation, that will include prioritised areas of improvement listed in Te Korowai Evaluation Report.
3. **Notes** that progress on implementation of actions to address the priority recommendations will be included in business transformation updates to Council quarterly.

BACKGROUND

- [7] At its meeting of 22 March 2023 Council approved participation in the national CouncilMARK™ programme.
- [8] Te Korowai (formerly CouncilMARK™) is one of three reviews undertaken to reflect on and strengthen Council's performance. An efficiency review was carried out in 2023, and recommendations are being implemented. Te Kura Taka Pini completed a Te Tiriti o Waitangi Audit in 2024 to ascertain whether Council is operating in a manner consistent with its commitment to partner with mana whenua and demonstrating and practicing a bi-cultural approach within the organisation.
- [9] Te Korowai programme was undertaken within the context of the Council transitioning from a planned period of significant growth and change, with substantial increases in operating expenditure and employee headcount over the past five years. This growth was in response to increased responsibilities passed down from central government, political will and raised community expectations with respect to ORC's core role of environmental management.
- [10] Te Korowai (formerly CouncilMARK) initiative consists of several elements including:
- Information gathering and completion of 62 Performance Assessment Framework questions;
 - Provision of supporting documentation and evidence;
 - An Integrity survey completed by Elected Members and ORC people leaders;
 - On-site interviews which involved 25 meetings over three days with more than 70 participants (staff, elected members, iwi partner representatives and stakeholders).
- [11] The overall aim of the process was to gain further understanding of Council's performance across a range of areas, to identify where improvements can be made and to create a benchmark from which change over time can be measured.
- [12] The evaluation of ORC performance was made by two independent assessors¹, and then reviewed by Te Korowai's independent evaluation board. A development consultant will support ORC to develop an action plan in response to the evaluation.
- [13] The review focused on four areas of performance: Governance, Leadership & Strategy; Financial Management & Performance Reporting; Service Delivery & Asset Management; Communication and Engagement.
- [14] Te Korowai applies a descriptive, action orientated four-point range of performance benchmarks:

¹ David Moore and Toni Kennerly

- Mauri moe - Inactive: At this stage, councils may not yet recognise the opportunities for improvement, reflecting an initial level of performance where growth and development have yet to begin.
- Mauri oho - Aware: Here, councils recognise the need for change and begin to engage actively. This phase marks a transition towards improvement and exploration of new opportunities, indicating a moderate level of performance.
- Mauri tū - Active: Councils in this state are committed to change and actively implementing plans to achieve their goals. They demonstrate a high level of performance through proactive actions and effective governance.
- Mauri ora - Thriving: The pinnacle of performance, councils in this phase are not only aware and active but also thriving. They continuously evolve, adapt, and excel in their operations and relationships, embodying vitality and resilience.

[15] This development scale has been applied to provide an overall grading for ORC and a development state grade has also been assigned to each of the key performance areas that were assessed.

DISCUSSION

[16] Overall, ORC's performance was evaluated as Mauri Tū - Active recognising that there are some highlights and considerable work in progress in continuing building the regional council as a mature institution, and in developing the planning and regulatory frameworks.

[17] Each of the four key performance areas covered in the report also received the development status of Mauri tū – Active. This grading reflects a consistent level of performance across each area: Governance, Leadership & Strategy; Financial Management & Performance Reporting; Service Delivery & Asset Management; and Communication and Engagement.

[18] The Evaluation Report (Attachment 1) is based on quantitative, published information and other evidence provided by ORC, as well as qualitative interviews with staff, elected members, iwi partner representatives and stakeholders. As such, the report naturally contains diverse views and potentially reflects subjective bias.

[19] The Report includes an overview section which lists challenges and opportunities, as well as key findings. There is a section for each of the four key performance areas which include lists of strengths, as well as areas of improvement. These have been compiled into a table (Attachment 2).

[20] The strengths listed the report cover a range of themes such as:

- Capacity and capability building
- Relationships and engagement
- Long-term plan
- Financial documents and strategy
- Vision and goals
- Governance
- Regulatory functions
- Communications and community awareness

[21] The recommendations listed as areas of improvement also cover a range of themes:

- Catchments and climate change
- Investments and financial transparency
- Governance and regional advocacy
- Strategic directions
- Regional planning and science
- Communication, consultation, and engagement
- Systems and capability

OPTIONS

[22] There are no options as this is a noting report.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[23] There are no strategic framework considerations.

[24] The action plan and implementation of the recommendations may result in future internal policy or procedural changes. Where required under delegations, these will be presented back to Council for future consideration and/or approval.

Financial Considerations

[25] The cost of participating in Te Korowai was \$35,000 (incl. GST), plus disbursements.

Significance and Engagement

[26] There are no significance and engagement considerations.

Legislative and Risk Considerations

[27] The evaluation report notes a number of areas of improvement, failure to address these sufficiently may add operational or reputational risk.

[28] Development of an action plan and implementation of recommendations may require reprioritisation of effort and, in some cases, additional resources which may impact on budget and work programmes or initiatives.

Climate Change Considerations

[29] There are no climate change considerations.

Communications Considerations

[30] The report will be made available to the public.

NEXT STEPS

[31] The independent assessors and report authors, David Moore and Toni Kennerly, will introduce the report to Councillors and the Executive Leadership Team on 19 February 2025.

- [32] Planning for a development workshop is underway. The Chief Executive will oversee prioritisation and development of an action plan, in conjunction with a development consultant. The action plan will be developed in alignment with ORC's broader Business Improvement Framework.
- [33] The action plan and regular progress updates will be provided to Council alongside business improvement reporting on initiatives, such as implementation of Efficiency Review recommendations.

ATTACHMENTS

1. Te Korowai Independent Evaluation Report on Otago Regional Council [9.4.1 - 38 pages]
2. Summary of Strengths and Areas of Improvement [9.4.2 - 4 pages]

OTAGO REGIONAL COUNCIL INDEPENDENT EVALUATION REPORT



Te Korowai
//
30 September 2024

An independent assessment report issued by the Independent Evaluation Panel for Te Korowai, local government's continuous improvement programme.

* Period of assessment: 3rd – 5th September 2024

ASSESSMENT SUMMARY

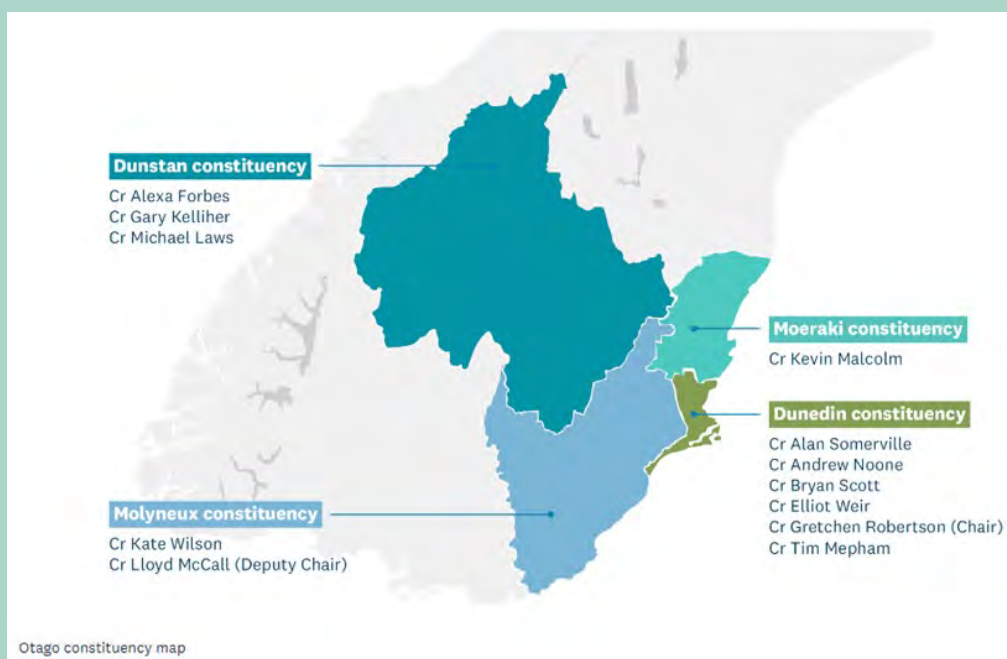
At a glance >

Otago is the second largest region in the country. Otago is home to some of the country's largest rivers and lakes. The Clutha River/Mata-Au, for example, is the country's biggest river by volume, and lakes Whakatipu, Wānaka and Hāwea are each over 310 m deep. Otago's indigenous species and water bodies are ngā Taoka to Kāi Tahu, and form a strong part of their cultural identity. Our communities also rely on these water bodies for their social, cultural, and economic wellbeing.

There are five territorial authorities in Otago: Dunedin City Council, Queenstown Lakes, Waitaki, Central Otago and Clutha district councils.

Otago Regional Council is responsible for sustainably managing the region's natural resources on behalf of our Otago community. The wellbeing of Otago's communities now and in the future is at the heart of our work. We strive to ensure communities can rely on the Council for knowledge about the region's environment and communities; to lead environmental management in Otago in partnership with mana whenua; to collaborate to create resilient and sustainable communities; and to advocate for Otago people on issues affecting the region.

Councillors and constituencies: Otago Regional Council has 12 elected members who represent the region's four constituencies - Dunedin, Moeraki, Dunstan and Molyneux.





Land area:

Otago is approximately

32,000 SQUARE KILOMETRES

in size and makes up 12% of New Zealand’s land mass.



Coastline, lakes and waterways:

The region has
480 KM
of coastline.

The Clutha River/
Mata-Au at
338KM
is the second longest
river in New Zealand
and has the highest
volume and largest
catchment (21,960
square kilometres).

Otago’s lakes constitute
about
23%
of New Zealand’s total lake
surface area and include
Wakatipu, Wānaka, Hāwea,
Dunstan, and Roxburgh.



Population:

Otago's total population was

254,600

in 2023 (nearly 5% of the national total).



Population growth:

Otago’s population was up by

2.7%

from a year earlier, while total population grew by 2.1% in New Zealand over the same period. Population growth in the Otago Region averaged 1.6%pa over the 5 years to 2023 compared with 1.3%pa in New Zealand. Dunedin is the largest city in Otago, however the fastest growing district is Queenstown Lakes.



Population density:

Although urbanised areas in Otago cover only about 1% of total land area, 87% of the regional population resides in urban settlements, with around half the population living in urban Dunedin. The average population densities are low with 36 people per km² in urban Dunedin and a population density of 8.16 people per square kilometre across the region.

Age:

The median age for Otago is

38.2

years, with the Māori median age being considerably younger at 23.0 years.

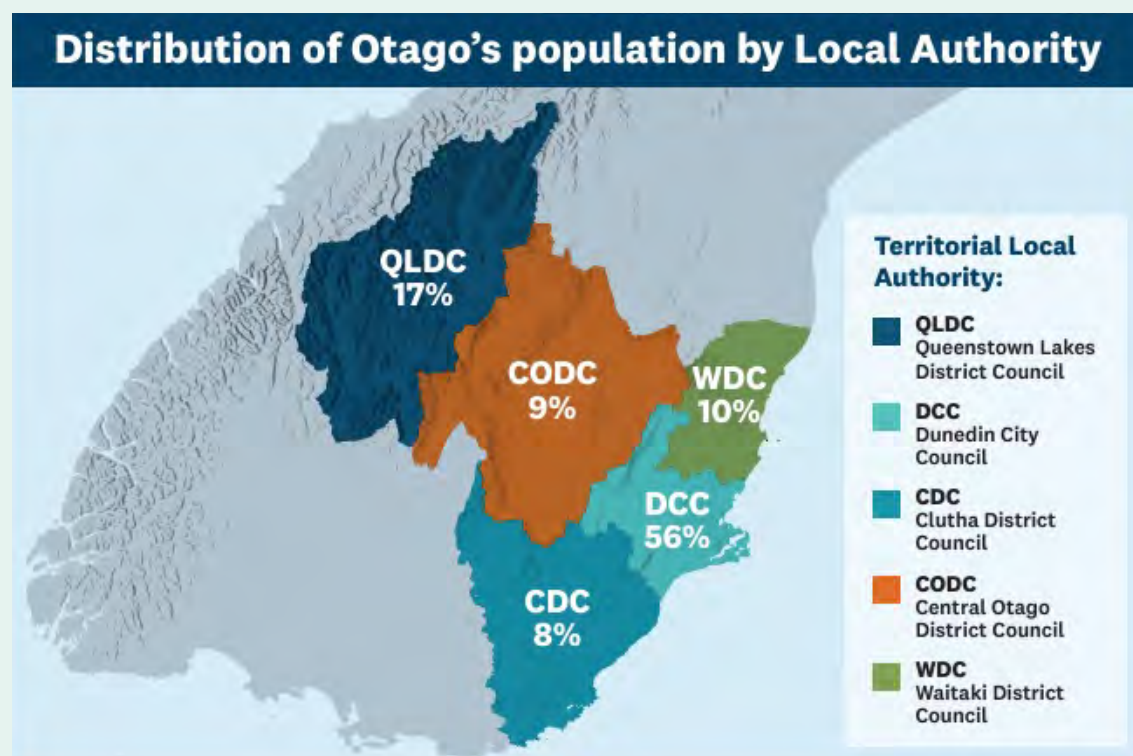
Ethnicity:

Otago region's Māori population was

23,710

in 2023, up 2.3% from a year earlier. Total Māori population grew by 1.5% in New Zealand over the same period.

	2006 (%)	2013 (%)	2018 (%)
EUROPEAN	79.6	89.1	86.9
MĀORI	6.6	7.5	8.7
PACIFIC PEOPLES	1.7	2.0	2.7
ASIAN	4.2	5.2	7.1
MIDDLE EASTERN/LATIN AMERICAN/AFRICAN	0.7	1.1	1.8
OTHER ETHNICITY	14.1	2.2	1.4





Economy:

Otago's economy is centred around agriculture, forestry, tourism, construction, mineral extraction, professional services and education. The GDP in Otago Region measured \$16,726.9m in the year to March 2023, up 3.1% from a year earlier, which is higher than the national average of 2.8%. Economic growth in Otago Region averaged 3.1%pa over the 10 years to 2023 similar to the national average of 3.0%pa. Otago Region accounted for 4.4% of national GDP in 2023.



Household income:

The average household income in Otago Region was

\$112,713

in 2024, which was lower than the New Zealand average of \$132,538. Per capita income in Otago was \$47,291 in 2024, which was also lower than the national average (\$50,854).



Private dwellings:

Otago has

86,838

occupied private dwellings and 14,256 unoccupied private dwellings.



Employment

in Otago measured

135,536

in the year to March 2023, up 2.7% from a year earlier. Employment growth was higher than average for New Zealand (2.4%). Employment growth for Otago averaged 2.2%pa over the 10 years to 2023 similar to the average employment growth of 2.3%pa for New Zealand.



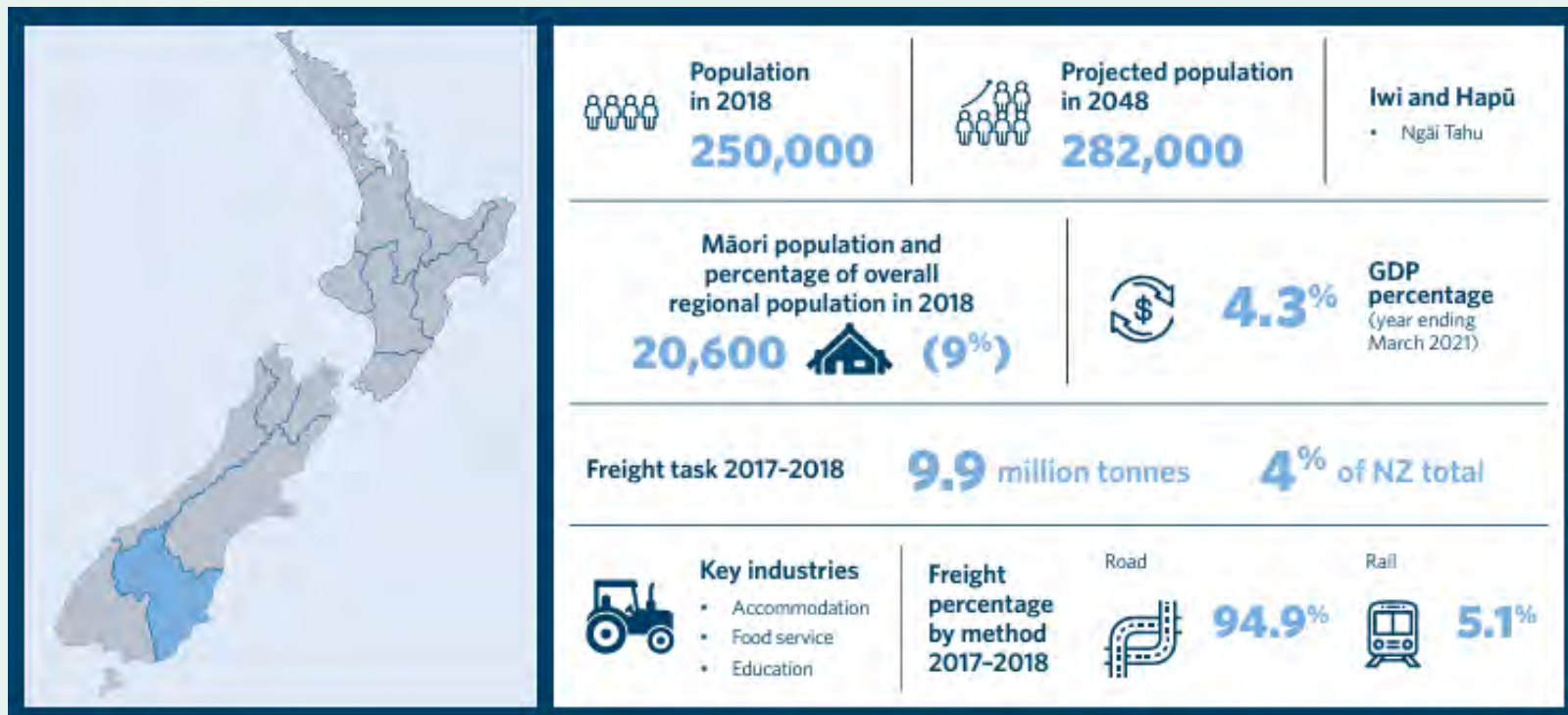
Roading:

Otago has over

9,207KM

of local roads and 1,301km of state highways.

Regional Summary from Waka Kotahi:



Sources of information:

- + <https://www.orc.govt.nz/media/rttlfnpjg/long-term-plan-2024-34-deloitte-25-july-rdc-1.pdf>
- + <https://www.orc.govt.nz/your-council/our-councillors/>
- + <https://www.orc.govt.nz/media/12559/orc-pre-election-report-2022.pdf>
- + <https://www.stats.govt.nz/tools/2018-census-place-summaries/otago-region>
- + <https://rep.infometrics.co.nz/otago-region/population/growth?compare=new-zealand> <https://rep.infometrics.co.nz/otago-region/economy/growth>
- + <https://rep.infometrics.co.nz/otago-region/living-standards/household-income?-compare=new-zealand>
- + <https://www.orc.govt.nz/media/10143/rntp-2021-2031-rtc-adopted-11-june-2021.pdf>
- + <https://www.nzta.govt.nz/assets/planning-and-investment/arataki/arataki-30-year-plan/docs/Final-Arataki.pdf>



Tēnā kōrua, Gretchen raua ko Richard

On behalf of Local Government New Zealand, congratulations on reaching this point in our local government continuous improvement programme, Te Korowai.

In Māori culture, the korowai refers to a traditional cloak that serves as a protective garment, shielding its wearer from external elements. The process of weaving a korowai involves the collaboration of multiple craftspeople, each contributing their skills and knowledge to create a unified piece. As a cloak is woven, it gradually takes shape and transforms from individual threads into a cohesive garment.

In the name Te Korowai, we seek to share core values of protection, strength, unity and growth. Te Korowai is our commitment to supporting and empowering councils on their journey towards excellence and continuous improvement.

Members of the Otago Regional Council have shown great strength and unity in their participation in this programme. We were thrilled to gain input from 70 kaimahi including 52 staff, 11 councillors and 7 ELT members along conversations with iwi and 28 stakeholders from various backgrounds who shared their views openly and constructively.

They provided a balanced and reasoned view of your performance. They are both motivated by the opportunities ahead and pragmatic about the challenges you face. They are also committed to supporting your strive for excellence.

Our sincere thanks to everyone involved.

HOW TE KOROWAI WORKS?

Te Korowai applies a descriptive, action orientated four-point range of performance benchmark as outlined below.

Mauri Moe (INACTIVE):

At this stage, councils may not yet recognise the opportunities for improvement, reflecting an initial level of performance where growth and development have yet to begin.

Mauri Oho (AWARE):

Here, councils recognise the need for change and begin to engage actively. This phase marks a transition towards improvement and exploration of new opportunities, indicating a moderate level of performance.

Mauri Tū (ACTIVE):

Councils in this state are committed to change and actively implementing plans to achieve their goals. They demonstrate a high level of performance through proactive actions and effective governance.

Mauri Ora (THRIVING):

The pinnacle of performance, councils in this phase are not only aware and active but also thriving. They continuously evolve, adapt, and excel in their operations and relationships, embodying vitality and resilience.

YOUR EVALUATION

Attached to this letter is your independent assessment report, including areas of strength and weakness, a statement of overall performance and a statement of performance across the four priority areas. When interpreting the data note that the four priority areas are not weighted equally, with financial management and service delivery considered to hold more bearing on overall performance than governance, leadership and strategy.

Overall, your performance has been evaluated as Mauri Tū recognising that there are some highlights and also considerable work in progress in continuing building the regional council as a mature institution, and in developing the planning and regulatory frameworks.

Across the four priority areas, your council has been evaluated as follows:

PRIORITY 1/

Governance, leadership and strategy

Your performance has been evaluated as Mauri Tū.

PRIORITY 2/

Financial decision making and transparency

Your performance has been evaluated as Mauri Tū.

PRIORITY 3/

Service delivery and asset management

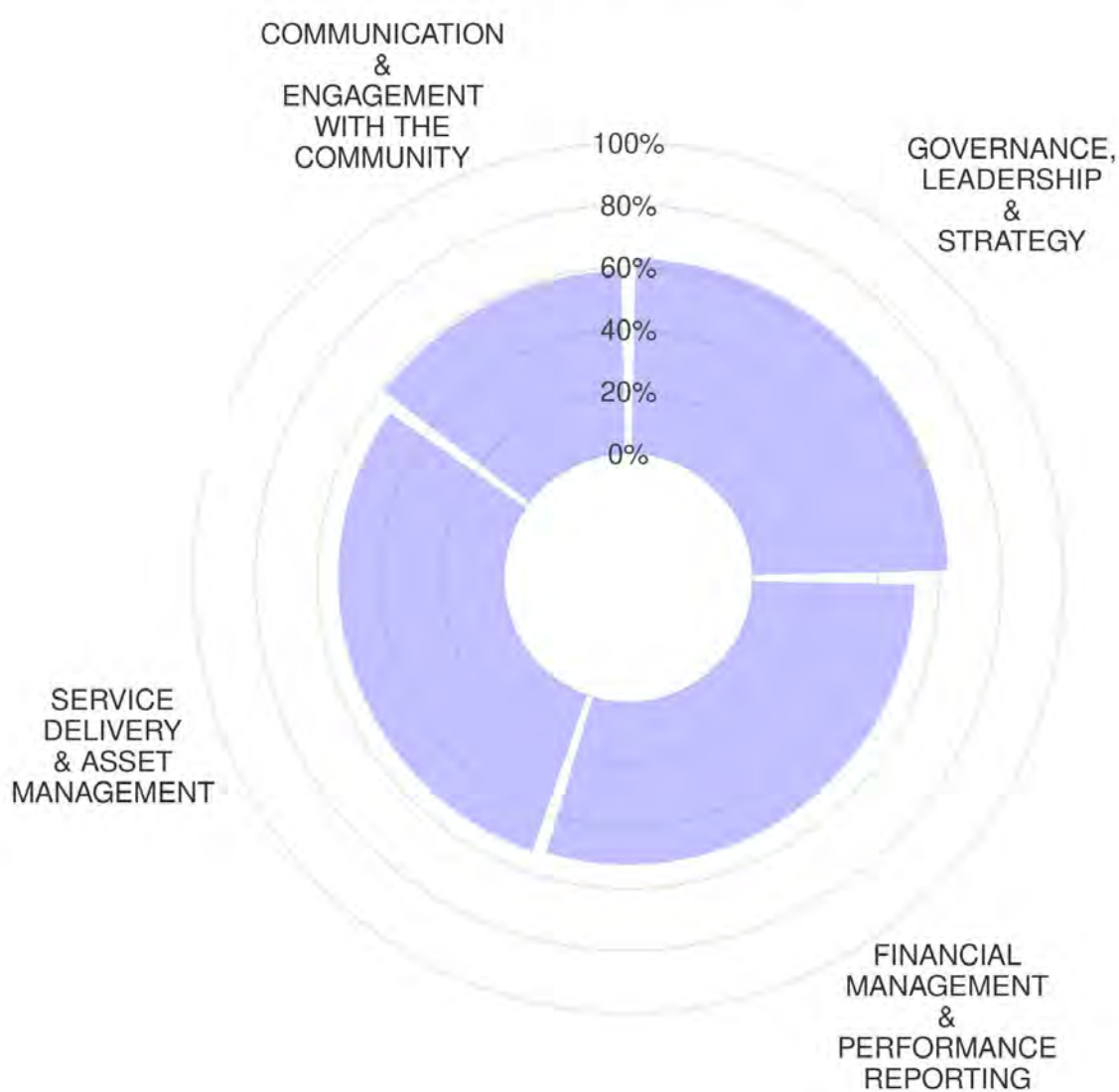
Your performance has been evaluated as Mauri Tū.

PRIORITY 4/

Communications and engagement

Your performance has been evaluated as Mauri Tū.

Performance Assessment Framework priorities *Otago Regional Council, Oct 2024*



MAKING SENSE OF IT ALL

When processing all this information, it is important to reflect on both the areas for improvement and the strengths in your council. Celebrate your strengths and continue to invest in them. It can take very little for things to change for the worse. For example, a community's view of council communication and asset management could change dramatically following a single, severe weather event.

Similarly, while it can be tempting to focus on where performance has slipped, there are many factors that can lead to this. A change in personnel, external change or a failure to address something that becomes more problematic as time passes.

Community priorities are also a factor in evaluation. A council may be high performing in terms of service delivery, but if they are not focused on the things the community has deemed most important, then the council's performance will be evaluated less positively.

Regardless of the outcome, Te Korowai is a programme to support ongoing performance improvement and the strive for excellence.

Te Korowai takes a holistic focus and is less about your 'starting point' and more about supporting you to continually move in a positive direction through self-reflection, planning and carefully targeted action.

NEXT STEPS:

Local Government New Zealand and one of our independent development consultants will be in touch to discuss this information in more detail.

We will work alongside you to plan for how you can celebrate, reinforce and protect your areas of strength and address your areas of weakness in a practical and realistic manner.

We look forward to continuing to work alongside you.

Ngā mihi,

Toby Stevenson Chair, Te Korowai



OVERVIEW

COUNCIL’S CURRENT CONTEXT

Otago Regional Council (ORC) is moving through a rapid period of change. The core capabilities of an environmental regulator are being greatly strengthened, more environmental monitoring is happening, and the council is instructing a range of material planning changes. In the lead was the Regional Policy Statement. Now the land and water plan has been consulted on, and at the time of the assessment was about to be considered for notification, and will, over time, lead to substantial improvement in environmental outcomes in a region where water rights have been over-allocated. ORC will now need to focus on the challenges of climate change, and of adaptation to or mitigation of those effects.

KEY CHALLENGES AND OPPORTUNITIES

KEY CHALLENGES AND OPPORTUNITIES:

- > **Implementation of the land and water plan:** Although a tough game, implementing a modern land and water plan will be a step change in sustainability for the region.
- > **Introducing catchment management:** Over time, progressing with catchment management will better integrate place-based planning across of a range of environmental outcomes including adaptation, mitigation, as well as biosecurity and biodiversity.
- > **Environmental management:** the investment in the science, hazard and environmental teams will over time give the council the evidence and ability to monitor environmental outcomes that it will need.
- > **Organisational culture:** Staff clearly want to move to a performance-based culture and there is strong alignment between what ratepayers want of the council, and what the staff of the council wish to deliver.
- > **Stakeholder engagement:** Opportunities for dialogue on land use, adaptation, and infrastructure investment.
- > **Regional Coordination:** There are strong relationships with other regional and territorial authorities, and with Iwi, led by the Chair and the CEO.

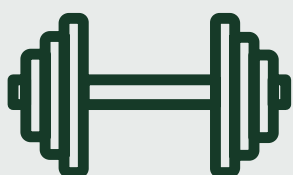
COMMONLY USED TERMS



Asset Management Plan (AMP)	A tactical plan for managing a council’s infrastructure and other assets to deliver an agreed standard of service.
Infrastructure	Stop water banks, pumping stations, water gates and science monitoring equipment including meters and telemetry.
Local Government Act 2002	The legislation that provides a framework and powers for councils to decide which activities they undertake and the manner in which they will undertake them.
Long Term Plan (LTP)	The document required under the Local Government Act that sets out a council’s priorities in the medium to long-term.
Resource Management Act 1991 (RMA):	The legislation that provides the framework in New Zealand for managing resource use and land and water planning. The purpose of this Act is to promote the sustainable management of natural and physical resources.

KEY FINDINGS

Otago Regional Council (ORC) has one of the largest geographies of any regional council. The council is in the middle of building the capacity and capability of a modern environmental regulator. To do this, it is investing in capability across the organisation from planning, to science, to environmental monitoring and to catchment management. ORC recognises water rights have been over allocated and that the step change to water and land management is significant for the region. It will take a new regulatory framework based on consenting, and could require a decade long transition. It is midway down the pathway of establishing its regulatory framework for land and water management while, at the same time, managing current consents. Its knowledge base has grown significantly and needs to grow further to address issues such as land and water management. In the background, there is an emerging question of mitigation of climate change effects that needs to be addressed catchment by catchment.



STRENGTHS/

- > A strong commitment to building science and environmental capability.
- > A very strong focus on functional relationships from the Chair and CEO, through the organisation, with communities, industry and other councils.
- > Quick turnaround times and reduced costs to users, in seeking consents for activities.
- > An LTP addressing a wide range of issues from public transport to the costs of reinvesting in existing flood protection assets.
- > A financial strategy greatly simplifying the rating regime and highlighting investment costs.
- > A commitment to building financial and enterprise systems as well as people capability.



AREAS OF IMPROVEMENT/

- > Provide a Statement of the Environment that is a stocktake of the environment in Otago.
- > Better co-ordination and explanation of the approach to land and water planning including detailing the implementation plan and desired end result.
- > Move beyond themes in Strategic Direction and activities in the Climate Change Strategy to detailed catchment-based discussions.
- > Start to develop mitigation options and costs to share with stakeholders in catchments.
- > Continue to develop management accounting systems so costs can be allocated to geographic areas such as catchments rather than just to activities.
- > Consider grouping and managing all investments together in an arm's length council owned investment vehicle.
- > Develop a systematic training programme for councillors beyond the induction phase and including training in the RMA.

Leading
Locally >

Governance Leadership & Strategy

Like other regional authorities, ORC faces multiple challenges as the conduit between central government and the primary sector when it comes to implementing environmental policy and regulations. To navigate this pathway, Council has grown its capacity and capability in recent years, with a focus on developing a clear direction for the region, strong stakeholder relationships, and proactive regulatory services.

At the governance level, opportunities exist to grow a mutually respectful and positive working culture between elected members in order to effectively achieve the vision and goals for the region.

SETTING THE DIRECTION FOR THE REGION

ORC's recently refreshed 'Strategic Directions' provide a clear vision, focus areas, and goals for the region that are reflected in more recent planning documents. How the vision will be achieved is less obvious. However, a Strategic Directions Implementation Plan is under development and should articulate success measures to ensure alignment between Council's vision, activities, and financial spend. The Strategic Directions are well articulated in the Long Term Plan, but opportunities exist to increase prominence through digital channels such as Council's website. It is also unclear how Council's mission statement relates to its Strategic Directions.

Aware of the need to achieve better alignment between strategic documents and operational plans and activities, Council is embarking on a programme of work to align ORC's work programmes with the goals set out in the Strategic Directions. This includes a gap analysis to determine what additional or different work ORC needs to undertake if the strategic goals are to be achieved within a 10-year timeframe. This is an important piece of work requiring support from across the organisation's governance, executive, and staff levels.

Elected members and mana whenua were involved in the development of the Strategic Directions, which was then consulted on as part of the Long Term Plan process. Territorial local authorities are not mentioned and may have welcomed the opportunity to participate more fully in advance of public consultation, given the interdependencies evident across local government in the region.

EFFECTIVELY MANAGING COUNCIL BUSINESS

ORC has the structures and documents in place to conduct the business of ORC efficiently and effectively. This includes standing orders that while succinct, are clear and updated on a regular basis. ORC's committee structure is logical, and each committee has terms of reference in place.

A commitment to collective responsibility was observed to varying degrees across the governance level, particularly between elected members. Notwithstanding, elected members and Council management appear to have a good working relationship with a common understanding of division of roles and responsibilities, and regular and genuine communication channels.

In terms of public perception, a 2023 community survey indicated a growing number of ratepayers thought ORC had a good reputation. 65 percent of participants in 2021 and 2022 somewhat or strongly agreed that ORC had a good reputation, increasing to 67 percent in 2023. Participants who were dissatisfied with ORC's reputation due to 'in-fighting between councillors/dysfunction' has decreased significantly over the past three years, from 17 percent dissatisfaction due to in-fighting in 2021, to 4 percent in 2023.

Notwithstanding, the working culture amongst elected members could benefit from further improvement. A more considerate and collaborative governance culture, providing opportunities for respectful dissent, would increase the ability of ORC to achieve its vision and goals for the region. While Code of Conduct complaints have been the exception rather than the rule, this avenue could be more regularly considered when behaviour does not meet minimum standards or contravenes ORC's stated values.

Over the last four years, ORC has proactively engaged with the Office of the Auditor General, applying for exemptions and/or declarations under the Local Authorities (Members' Interests) Act to enable certain elected members to take part in policy decisions, particularly regarding freshwater management. This displayed good use of process to retain integrity and prevent conflict of interest issues or complaints being raised.

DEVELOPING ELECTED MEMBER CAPABILITY

Council has an ‘upfront’ approach to developing elected member capability, providing pre-election candidate information and a post-election induction process. Apart from that, training appears to be undertaken on an ad-hoc basis with no formal self-review or professional development processes in place and no mentoring arrangements for newly elected members.

Although community dissatisfaction with in-fighting between councillors has decreased over the past three years, opportunities still exist to demonstrate continuous improvement in growing the capability of elected members. This can only benefit the functionality of the governance cohort and the quality of decision-making. While meeting attendance of elected members is monitored and reported, this is not a key indicator for governance performance.

ENSURING WELL-INFORMED COUNCIL DECISIONS

ORC has templates and processes in place to encourage high quality and timely advice and reports from staff to decision-makers. A feedback loop between elected members and management could further build capability into these processes; constructive feedback being integral to continuous improvement.

DRIVING CHIEF EXECUTIVE PERFORMANCE

The Chief Executive has a current performance plan and key performance indicators (KPIs) in place. Annual reviews are supported by an independent consultant, who gathers performance feedback from elected members, mana whenua, and key stakeholders.

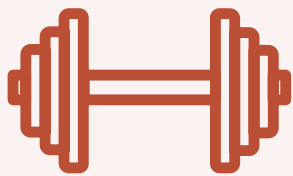
Council’s Strategic Directions could be better reflected in the Chief Executive’s performance plan, potentially as a structuring element, to complement the existing cursory acknowledgement of the need to align performance to strategic directions. Clearer articulation of KPIs may also be beneficial; for example, agreeing data sources to quantify KPIs regarding ensuring value for money for agreed service measures.

CREATING EFFECTIVE IWI PARTNERSHIPS

Council’s long-standing prioritisation of relationships with local iwi and rūnaka has resulted in genuine partnerships at the governance, management, and staff levels. The Mana-to-Mana governance forum represents a mutual desire by Kāi Tahu and ORC to work together to exercise effective and sustainable kaitiakitanga over the region; terms of reference are in place for this group and are regularly reviewed. In addition to Mana-to-Mana, regular quarterly executive meetings are held alongside regular meetings between Chief Executives. Council has a Significance, Engagement and Māori Participation Policy (He Mahi Rau Rika) that identifies how and when mana whenua partners are engaged or consulted.

A noho marae partnership hui was held at Ōtākou following the election of a new Council in October 2022, and Mana-to-Mana and other meetings take place at various marae across the region as needed.

As part of reviewing its partnership approach and effectiveness, Council engaged an independent consultancy last year to complete a Te Tiriti Audit to report on progress towards achieving meaningful engagement with mana whenua and progress towards becoming a bi-cultural organisation. The audit stated that “engagement has shown considerable mutual respect exists and there is a willingness to see the relationship continue to mature and advance”. On that basis, Council is well positioned to action the recommendations of this audit and genuinely advance its relationship with mana whenua.



STRENGTHS/

- > Council has a clearly articulated vision, focus areas and goals that will be supported by an implementation plan to articulate success measures and ensure alignment between Council's vision, activities, and financial spend.
- > Council was well prepared for the Long Term Plan process, with meaningful consultation proposals particularly around rate-setting and public transport.
- > Elected members and Council management have a common understanding of division of roles and responsibilities.
- > After some turbulent years, Council's reputation rating in its regular community survey is increasing; with a decrease in dissatisfaction due to in-fighting between councillors and dysfunction.
- > Strong relationships with local iwi and rūnaka underpin genuine partnerships at the governance, management, and staff levels.



AREAS OF IMPROVEMENT/

- > Understanding of any additional or different work ORC needs to undertake, or cease undertaking, to achieve its strategic goals could be improved; although it is understood that this work is underway.
- > Better integration and graphic summarisation of financial information in the Long Term Plan could assist ratepayer understanding of prioritisation and trade-offs.
- > A more considerate and collaborative governance culture, providing opportunities for respectful dissent, could increase ORC's ability to achieve its vision and goals for the region.
- > A dedicated professional development and self-review programme for elected members could be beneficial.
- > The Chief Executive's performance plan could include more quantifiable KPIs and be structured to more strongly reflect Council's strategic directions.

Investing
money well >

**Financial
decision-making
and
transparency**

ORC has experienced substantial growth in staff over the last three years and financial systems are running to keep up. There is a great deal more clarity in the rating structure following efforts in the LTP, and new financial management system, improved infrastructure financing strategies, and steep increases in rates. Those increases in rates are akin to those ratepayers are experiencing around New Zealand.

FINANCIAL PLANING AND REPORTING

ORC has undertaken considerable work on the financial strategy underpinning the LTP. There is a significant change signalled in the current LTP. Features of the financial strategy that are noteworthy include clear statements about level of service in public transportation and a move away from deficit funding to sustainable funding, clearer statements and consideration of funding support such as port company dividends, a revision and simplification of the rating system, a sharp increase in external borrowings to retain current levels of service in infrastructure from \$25m to \$105m, and alignment of lending to 30 years (the life of the infrastructure assets).

The rating review instructs several material changes, and is an improvement from the detailed and variable rates structures previously. There is a new catchment management rate to fund biodiversity, integrated catchment management and liaison group activity. Previously there was a confusing mix of general rates, general reserves, river and waterway management rates and a rural water quality rate. ORC has introduced a regional rate rather than a sub-regional rate, to reduce complexity, and also, in our view, to be fairer. Finally, there is a common approach to rating flood and drainage assets with a 20 percent loading on regional benefit for flood management and 10 percent for drainage, that regions benefit from flood protection, or suffer through flood damage. These changes to the rating system are well considered and greatly assist with clarity of rating and purpose of rating.

ORC worked hard to get this financial strategy in place at the same time as building a new strategic direction, and also working on a transformational regulatory changes.

EFFICIENCY AND VALUE FOR MONEY

An area ORC struggles with is identifying value for money of its services particularly in light of the very significant expenditure increases. Operating expenditure grew from \$57 million in 2018 to \$105m in 2023, growth of 84 percent. Staff numbers increased from 179 in 2019 to 346 at the end of June 2024, an increase of 93 percent.

To assist it, ORC commissioned an Efficiency Review in October 2023. The Efficiency Review identified the total operating expenditure per capita is broadly within that of other regional councils, albeit this is a weak measure of efficiency. The Efficiency Review identified to ORC the following:

“

Managers often struggle to understand their activity budgets and the allocation of overhead cost adjustment throughout the year was a common source of frustration. There is a lack of common understanding about how budgets are put together, budget responsibility, and how costs are recovered.

“

There are over 250 non-financial performance measures that require regular monitoring and reporting. In our view, this is too many measures to enable effective and meaningful reporting.

“

The benefits of using timesheets across the organisation are not well understood. If timesheets are to continue to be used, the data captured by them should be put to a meaningful use beyond allocation of cost or overhead.

“

Improving maturity in the translation of strategic and community objectives to work planning, and the processes that accompany that, will create opportunities to be more efficient in the future.

“

The lack of commonly adopted clear, consistent project and programme management discipline across the organisation creates a risk of inefficient delivery or project delays. ORC has a greater reliance on external contractors or consultants (as suggested by benchmarking) which means project management disciplines have an increased level of importance.”

INVESTING MONEY WELL

TE KOROWAI – OTAGO REGIONAL COUNCIL _____ 21

ORC has adopted the recommendations on the paper and is implementing changes.

A per capita spend is one measure of efficiency but does not say anything about what taxpayers get for the expenditure. The LTP becomes a better vehicle for expression of rating intentions and distribution of resources. For some councils, the LTP becomes a road map that they commit to ratepayers to implement.

We queried management on decision making criteria both in planning and expenditure. For expenditure, management thinks of the rate burden being a discussion with the various communities, as most of the rates are levied on those who most benefit (targetted rates). Therefore, ORC thinks about different jam jars rather than looking at value for money across the organisation.

Rates are forecast to increase by around 10 percent per annum over the period of the LTP, with no material increase in level of service (no increase in flood and drainage, and some increase in public transport and the new environment fund). This rate increase, and an extension of debt from 10 years to 30 years, is to replace existing assets such as flood stop banks and pumping stations.

For infrastructure, the LTP is less a road map for ORC's ratepayers and more a statement of issues to be explored. ORC identifies the next steps as continuing to inform decisions around value of infrastructure. For instance, a flood scheme could have a more explicit discussion around cost and value, possibly using a risk-based system, and cost benefit analysis.

ORC sees itself coming out of an expansionary phase and needing to have a more formalised prioritisation framework. We agree. Now the core capabilities of science, environmental monitoring and regulation are, or are being put in place, the council needs to consider introducing more formal decision criteria, and use cost benefit analysis more.

ORC sees its decisions on public transport not impacting on decisions on catchment management, for example. To some extent this is true; the pot of money for expansion of public transport in Queenstown is rated separately, to a different group of ratepayers than, say, a biodiversity project in the Catlins. However, overall, rating means a deadweight loss to the region a little like other taxation systems and overall rating burden is an issue for the region and its sparse population.

BUDGETING AND COST ALLOCATION

Budgeting is by functional groups and it would seem easy enough for budget holders to identify actual expenditure against expected.

The Efficiency Review comments cost categorisation could be improved by, for instance, adding all of the science costs up. However, over time, we would prefer to see costs allocated to catchments as much as possible. If that were done, it would be clear what the cost and burden of, for instance, Clutha might be versus the Catlins, or the Taieri. These costs could be identified as regulatory burden or environmental protection or climate change mitigation.

MANAGING INVESTMENTS

ORC has three sources of income used to subsidise rates. The first is the Port of Otago. The dividend for the Port is planned to increase from \$15m to \$20m. The Port has diversified income from port operations, from cruise ships to freight and to a property arm. The increase in dividend is sustainable.

One addition to the Ports property investment portfolio is ORC's new office. The port is building the office, is funding the cost of construction from lower cost local government debt (which ORC can access but the port company can't access directly), and ORC will lease the office from the port company. This pragmatic intertwining of ORC and the port company is fully disclosed, but the additional debt burden, or higher gearing of the port company could be better explained and may not be apparent to all ratepayers.

There is an investment fund of \$27m. The investment is managed as part of council operations. The Statement of Investment Policy and Objectives states the investment profile of the fund is long-term and therefore could be aggressive. However, the council is more conservative, and its risk appetite is moderate. Therefore, 50 percent of assets are defensive.

The accounts of ORC record the fund's fluctuations. In the positive market returns of the last decade, this might not be an issue but could attract more attention if there were a major market correction.

There is an alternative way of managing the investment fund. ORC could adopt an endowment fund management approach, with a more aggressive stance (and therefore a higher return) and dividend payments that are smoothed over several years. This approach would incur no additional expense, as there are already monitoring costs with existing fund management arrangements and could provide clearer oversight of the fund.

INVESTING MONEY WELL

TE KOROWAI – OTAGO REGIONAL COUNCIL _____ 22

A third source of income is land lease payments. For instance, the University of Otago's music department is on land leased from ORC.

There is no umbrella oversight of risk, return and exposure to these three assets and income streams together. Each is managed separately, in a different way. ORC could consider bringing the three separate assets together and manage them as one larger investment, in one investment company, or could analyse the risks together. If that were done, then it is possible risk exposure could be seen more clearly and there may be an opportunity to better diversify investments or to choose a higher preference on the managed funds.

Good management of these sources of income is more important for ORC. In the past, these sources have amounted to a considerable offset in rates. Now, with accelerating council spending, they are a relatively smaller but still important aspect of alleviating burden on the region's rate payers.

MANAGING AUDIT, RISK & CONTROL

The strategic risk register is very good and maps external and internal risks and the resulting risk presentation is easy to see and has good face validity. In the top right quadrant is environmental risk.

There is close attention to health and safety. Council workers inspect meters, man boats, drive considerable distances and deal with investigation and prosecution risks. The compliance team identifies properties of interest on an app and procedures are in place if any risk is identified. ORC identified training as imperative in managing risks. Health and safety reps use a tool that engages with the risk management system. An example of recognition and mitigation of risk is ORC work in the roadside corridor. ORC staff weren't using best practice, this was identified, and risk addressed by adopting best practice.

REPORTING PERFORMANCE

Reporting against performance is not very clear. The mix of internal financial management reporting, reporting on the 23/24 financial performance to council, and the previous annual report, left us asking questions as to why budgets were not met, why capital projects did not proceed, and what was core spending versus surge spending for the land and water plan. The 23/24 Annual Report will likely consolidate a view of performance but is not yet completed.

BEING CLEAR AND TRANSPARENT

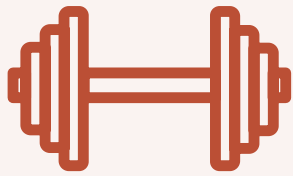
ORC appeared well prepared for the Long Term Plan process, with meaningful consultation proposals particularly around rate-setting and public transport. The Long Term Plan clearly sets out each consultation proposal and Council's final decision, providing transparency. Better integration of financial information in the Long Term Plan may benefit ratepayers, such as a visual summary of funding for each of the five portfolios included in the Long Term Plan. This would enable understanding of the proportionality of funding to planned work across Council and any trade-offs made.

SYSTEMS ENVIRONMENT

Staffing has grown but infrastructure to support staff is in catchup. Staff mentioned out of date servers and out of date software (such as the asset management software).

ORC is one of several councils adopting the IRIS Next Gen platform, the focus on standardisation of process across regional councils was highly attractive. We understand the Datascope financial system has been implemented and the Customer Relationship Management system is being worked through. A review of ORC's readiness to proceed indicated project governance, stakeholder and change management were issues needing to be addressed. ORC subsequently adopted the recommendations from the readiness review and feels it is implementation ready.

Overtime, IRIS NextGen platform will replace consenting, biosecurity, and other systems. ORC expects considerable savings in consenting costs, platform costs and licence costs, as well as efficiency gains through sector best practice.



STRENGTHS/

- > A financial strategy is in place.
- > The rates review simplifies the approach to rating.
- > The wider regional benefit of flood protection is recognised in the rating structure.
- > Debt will be matched to asset life, at 30 years.
- > There is a Statement of Investment Performance and Operations with explicit choices on risk preference.



AREAS OF IMPROVEMENT/

- > Integrate the overall risk profile of different investment income streams.
- > Make investment management and risk more transparent.
- > Adjust preference for risk and therefore earn better long-term investment returns.
- > Continue to develop the internal systems environment with full implementation of IRIS.

Delivering
what's
important >

Service Delivery and Asset Management

ORC has seen a very significant upgrade in its capacity and capability over the last three years. The science team has been built from an establishment of six in 2018 to 22 currently, and all other service delivery functions have been invested in, and built up.

Driving all of this change, is a requirement ORC moves fully into the role of an environmental regulator.

In the past, ORC has pursued environmental regulation less than other regional councils. Now, it is implementing planning and science functions rapidly, to catch up with other regional councils. The implementation of land and water planning will take some years and cannot be underestimated in terms of its possible impact on the Clutha and surrounding land use.

Current organisation by functional groups might be fit for purpose for this current phase of rapid growth but, in future, looking to tailor fresh water and land management, hazard management, adaptation and mitigation, as well as biodiversity and biosecurity goals by catchments may be beneficial.

There is considerable work to be undertaken on possible future capital programmes including whether or not current flood management assets are enhanced, retained or whether management becomes holistic.

SERVICE DELIVERY | LAND AND WATER PLANNING

ORC is mid-stream in renewing and refreshing its land and water plan. Staff and stakeholders are not fully aligned regarding the effects of the proposed changes, which could be very substantial and will bring ORC more into line with other regional councils. Currently, there are a great number of water rights that were issued under the Mining Act that were held as chattels by the recipients; and are now managed via consents. Most of these consents are held by farmers and other primary industry groups in the large Clutha catchment. Currently, those rights have been over-allocated. There were about 5,000 to 6,000 water rights, which is a very large number.

This is not an easy situation. The complex nature of water takes and use in Otago can make allocation and planning for allocation a complex situation for all parties. For instance, there might be several hundred takes out of the Clutha. A farmer might have one large take and then several small ones elsewhere. And irrigation scheme operators are more likely to have a shareholding structure than be able to provide the institutional structure for rationing. As an example, in one valley there are six big takes for six schemes, and permit holders can shift water between the schemes, and there are also other tributary takes. So water used on land could be coming from anywhere.

The importance of these rights to current holders cannot be underestimated. One councillor passed on an Otago resident saying to illustrate the point: “you can take my wife [/ husband], but you can’t take my water”. Although of its time, this saying gets the message across. The new land and water plan is highly contentious. It is also likely the most important set of decisions the council will take in a decade.

A senior staff member put this in context. “Where we have come from, is where councils were 10 years ago. And where we are going to, is middling compared to others.” The staff member further explained: “We are on our first-generation plan. Others are on their second or third.”

ORC is receiving feedback from stakeholders and tension around the plan with councillors was palpable. This contention plays out in deep-felt, vigorous discussions at council level.

There is a sense among several councillors that proposals in the plan (e.g., spray zones) may not have been developed with sufficient evidence, that science is not fully integrated and that councillors are not able to access the views of the science team. Drafts are provided without a full statement of change leaving one or two councillors concerned they might have missed something. Other councillors feel differently and note the workshops run by staff have been very useful.

We heard variable feedback from stakeholders where several were very positive about interactions, but one wasn’t. ORC recognises there were some areas of contention, such as a consent to dairy, that were not going to be acceptable. We were told ORC will await expiry of current permits and then will instruct a process of allocation at that time, rather than implementing piecemeal. However, in feedback, we have been told that is not correct. The planning process is indefinite about the transition process as well as the point of arrival causing confusion.

Underpinning the plan, we were assured the relevant economic and environmental analysis has been undertaken. We believe this to be the case. However, that economic and environmental analysis is not formally integrated into the council's decision making from what we observed. For instance, we could expect to see cost benefit analysis of different flow rates or river levels, and consequent economic effects. The council was more reliant on planners and other staff views and, from the papers presented to us, we are unclear on the likely implications and transition pathways for the land and water plan. We understand the analysis that has been commissioned will be pulled together in a Section 32 statement but the required economic analysis indicated to us for that statement is a descriptive regional economic study. In future, we would encourage a stronger discussion of economic, social, and environmental outcomes and trade-offs, although that might be happening in board workshops and just not be visible to us.

We understand the revised plan will set out transition periods and will also take on board the considerable feedback received. That plan will then be consulted on and likely, at some point, will move through the RMA process of challenge and decision-making by commissioners. The next step is for ORC to decide whether to notify the plan.

On freshwater quality, ORC identified to us the land and water plan is not going to take ORC all the way. There are freshwater visions in the regional policy statement, but they are aspirational, and the proposed provisions in the land and water plan will take the region part of the way. However, built into the plan is an assumption there are other activities outside the plan to improve water quality.

ORC recognises it needs more data and data on trends before it can move forward with further planning changes. Now, it can't tell how much change is needed. The impacts of new rules such as effluent are only starting to be seen.

These planning issues run across council boundaries. Other councils identified to us ORC is very conscious of and very good at managing cross boundary relationships. From one council: "ORC has been superb at the cross-boundary issues." These important boundary issues include the Waitaki on one side with ECAN and with Southland Regional Council on the other side. The CEO is particularly praised in these cross-boundary planning issues. "We feel Richard has been transformational." These cross-boundary management issues expand beyond planning to include other activities such as biosecurity and, also, relationships with Iwi. Stakeholders also indicated there had been good steps forward in resolving issues when properties span two boundaries.

REGULATION

The regulatory teams are consents, regulatory data and systems, and compliance which are spread over five sites. The teams undertake resource consent processing, compliance and consent monitoring and audits and investigate pollution.

ORC discharges its regulatory functions effectively, with most resource consents processed within statutory timeframes and clear processes in place to guide monitoring and enforcement activities. A Compliance Plan is in place and clearly prioritises Council's monitoring activities, while enforcement action is guided by an RMA Compliance and Enforcement Policy. Iwi are involved in consenting and compliance regulatory matters. Overall Council's regulatory activities appear well planned and executed, with dedicated staff demonstrating a genuine commitment to education, collaboration, and meaningful engagement.

The compliance team undertakes desk top monitoring and proactive auditing. There is a specialised data team attached to the compliance team, using the same system as the science monitoring team. However, consents could be 30 years old and consent conditions need to be examined consent by consent.

There is a high volume of work. ORC processed over 600 consents last year, with a focus of being as efficient as possible. There are 950 audits, risk assessments of 53 forestry activities, 408 dairy farms on a cycle of one, two or three years depending on risk, and 3,174 consents are checked (about half the total).

The strategic directions will be linked up more directly with the existing compliance plan and there might be a reorientation of monitoring activity. However, now, there is nothing glaringly wrong with the teams' priorities. Over time, a lot of rules will change for consent holders and the new plan will likely reflect more educational inputs. For example, there used to be a number of complaints about outdoor burn-offs, but through an education approach and work with the community there are far fewer complaints and it is now a less of a focus.

Monitoring and regulatory interventions are proportional to risk. An example of a proportional response is the response to placement of whitebait structures. There is typically minimal impact on the environment from the stands being in place, but a high health and safety risk. So, the issue was addressed by publicity such as through media releases. On the other hand, if raw sewerage were to be discharged then ORC would be in attendance very quickly. The team is providing feedback into the land and water plan to ensure ORC has the tools it needs as well as being practical to implement.

DELIVERING WHAT'S IMPORTANT

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Regulatory teams have a strong educational and awareness-raising focus, building enduring relationships with ratepayers and consent holders through workshops on topics such as dairy effluent and intensive winter grazing, and consultant forums. There is a primary industry group meeting quarterly. The group works through issues like winter grazing, a recent change to the nitrogen rule, for example. The regulatory group needs to react to the changing regulatory issues and focuses on implementation in an Otago context. It does that well and won an award for its implementation of winter grazing changes. There were numerous workshops, planners were in attendance and helped farmers fill out the application forms. Forms were easy to use, images could be printed during the workshop, and ORC guaranteed a five day turn around and \$1,600 price.

There was strong uptake and relationships were built, which will assist with likely further legislative changes. There are similar workshops for effluent management.

Problematic consent holder situations (breaches of consent conditions) are managed by investigations. Enforcement actions are delegated to the staff level (councillors are not involved). There is an enforcement decision group, then the prosecution decision group. Formal prosecution is very low with around three cases out of 100 but is pursued where appropriate. The aim of these groups is to ensure there is consistency of applications across Otago, however, stakeholders report some variability of activity. The cases are increasingly complex – for example, four experts are needed to prove a wetland is a wetland.

There is a 24X7 pollution line manned by volunteers on on-call rosters, one of the few in the country.

The consenting team has been heavily involved in the land and water implementation team. A consent planner leads the implementation team and there are teams for each chapter or topic area. The topics are prioritised around extent of change in the rules, degree of public of interest, number of consents to renew, and impact on the team. Next year, there are 181 consents coming up, then 416, then higher and drops off.

CATCHMENT MANAGEMENT

The approach to catchment management is emerging and evolving. Catchment advisors are now part of an environmental implementation group. Catchment advisors are generally technical people. Previously they had farming backgrounds, and now are more diverse, with ecology backgrounds, and more biodiversity skill sets.

The role of catchment advisors is facilitative, and relationship focused. The advisors work with communities on what is important to them. Traditionally this role has been focused on water quality but is broadening as catchment management develops – to include biodiversity and biosecurity. It is seen as a difficult role, as it sits between community needs and ORC direction.

ORC expects the functional teams to lead on engagements and is trying to bring in an evaluative approach, of what went well, what could do well.

ORC also invests in catchment communities, which are fully independent of ORC. Effectively ORC outsources some of the tasks of establishing community catchment groups, at a cost of \$450,000. For example, the Otago Catchment Community Inc was incorporated has a strategic plan and sought and received funding from the Ministry for Primary Industries and ORC.

Over time, once the land and water plan is implemented, we recommend considering making catchment management the primary axis of organisation for ORC, rather than the functional groups being the main axis of engagement and consultation. Currently, catchments are used for engagement and consultation, or for planning and delivery too, including land and water environmental management and infrastructure investment. As ORC pushes further into issues of climate change resilience, adaptation, and mitigation of effects, then the dramatic differences between the geographies it works with, come to the fore. Clutha because of its size would likely have to be broken up into a few sub-catchments possibly aligning to its four rohe.

SCIENCE AND MONITORING

The resourcing and scope of the science team has changed, and staffing has increased considerably. A review of science and monitoring had serious ramifications for resourcing, and then a big shift in mindset and direction in how you monitor and display information with the National Policy Statement for freshwater ... “so a massive change in how we operate and think”. The collection of information and advice for the land and water plan has been hectic, and the science group is now starting to think five to 50 years out.

Environmental monitoring is critical for a regional council covering a very large region, and monitoring covers water quality, quantity, flow, air quality and biodiversity. ORC is working with NIWA to expand data. There are rainfall gauges and ground water monitoring – “getting larger by the day”. Five years ago, efforts were sporadic, but there has been an injection of energy and investment and the monitoring team is rolling out bores in key aquifers. Currently there arent reliable aquifer models.

DELIVERING WHAT'S IMPORTANT

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There are 16 rivers many of which are tributaries to the Clutha, many with high extraction rates. The team is working through land and water plan process, to set new flow regimes. The changes might be significant and there is one example of a river sitting about 50 percent of what would be expected for two or three months of the year, because of takes. We were told others were at 25 percent.

Water accounting was required under the NPS and ORC has just set up systems that capture take data and is able to put together a multi year picture. ORC is also building in nutrient accounting – although that data is not as granular.

There currently isn't a farm plan system and there are examples around the country that could be copied.

There are two different datasets. Consent holder data works to its own standard. There is a project around citizen science, to look at ORC data versus consent data. Consent standard is a fit for purpose standard depending on purpose. Over-time, we recommend merging both ORC and private efforts so there is one better, consistent database.

CLIMATE CHANGE STRATEGY

ORC is focussed on managing risk, responding, and empowering community resilience. A climate action plan has been developed over the last year by ORC meaning it has a better handle on climate readiness. There is clear stakeholder demand for this work and there are signed agreements between councils.

ORC has four goals in the mitigation space (e.g. reducing emissions) and seven in adaptation (building resilience). ORC has few regulatory teeth and many of the goals in the climate change strategy are about facilitating others to do things. There is a technical group providing advice to other councils (ORC is a technical advisor to Dunedin City), undertaking hazard risk assessment (how many buildings and what property would be affected by a flood), and developing scenarios of maximum credible events. Previously, the work was reactive, but now floodplains are being proactively mapped, and since 2011, there has been a natural hazard database. There is a dedicated team on natural hazards of ten staff.

Its three functions are about informing what flooding might look like, sharing that information and, in the future, providing advice on whether adaptation is through engineering or holistic. The team is also in charge of flood warning.

This technical group acts like an internal consulting group and is high value addition to the council's activities, operating in an area ORC is asked to do more of by stakeholders.

BIOSECURITY AND BIODIVERSITY

Biosecurity, biodiversity and integrated catchment management are managed through the Environmental Implementation team. The first catchment plan is the Catlins, due to be completed in November. The ORC team supports the community with information and administrative support to design the catchment action plans. These involve a community group 15 to 25 people. The working group includes the district council, community members and local runaka. LINZ, the Department of Conservation and Fish and Game are invited. The working group develops the plan most of which will be pest related in the Catlins. Although community driven, the plan relates back to ORC's strategic priorities.

There is one staff member focused on biodiversity in the Environmental Implementation team, although there are four or five in the Science team. There is an internal working group for biodiversity and the biodiversity strategy is being renewed. ORC will look to incorporate it with the biosecurity strategy in one document. Environmental groups are funded by ORC at around \$4.5m and ORC recognises it needs to look at value for money and criteria for funding.

There is national funding for wilding conifers, high country erosion and wallaby containment. Rabbit prone areas are mapped.

HARBOUR MASTER

A capable harbour master and team oversee maritime activity and navigational safety on lakes, rivers, and the harbour, with regulatory responsibilities under the Maritime Transport Act. The harbour master function has been built up to a team of three, appropriate for a coastline that has seen recent fatalities and is responsible for the Port of Otago. The harbour master has a strong relationship with the Port of Otago and works closely with the harbour's pilotage teams. The team works closely with other harbour masters and Maritime NZ. The harbour master's boat is used as a regional asset, for example, to assist the science team.

The Taieri mouth is the main bar, and the harbour master has worked to improve safety, with signage, CCTV, and drones to show where the moving bar currently is. There were recent fatalities in Catlins.

There is preparation for an oil spill response, including the training of 20 staff. There are two or three exercises a year.

EMERGENCY MANAGEMENT

ORC employs all the emergency response staff, so there is alignment with the teams that need to come together such as the hazards monitoring team. There are staff embedded at each location across the region, with each council. There is a defined training capability group, to ensure there is sufficient capacity in a response of two shifts, for five days, until help arrives. This is challenging as staff may move on and more need to be trained. Team alignment is improving.

Community resilience is described as “a moveable feast” based on community appetite for engagement, any of the response structures, and how they fit with the local councils. ORC has developed a framework for community led and council led responses. It is becoming more common that a community will come to ORC for assistance in building its resilience.

One issue is a response centre for Otago as the new building won't be rated IL4 (built to a structural standard allowing the activity to continue to operate in the event of a civil emergency such as an earthquake). Therefore the response centre will need to be somewhere else.

PUBLIC TRANSPORT AND ROADING NETWORKS

Council's management of the public transport network brings it into close contact with urban ratepayers, providing daily touch points for those using the region's buses and ferries. Investment in public transport featured strongly in this year's Long-Term Plan, including improvements to Dunedin and Queenstown bus services, and investigating regional transport options in Upper Clutha and from Ōamaru to Dunedin. Council has a good understanding of network demand and accessibility, although challenges around trade-offs between increasing farebox recovery and incentivising modal shift (particularly in Queenstown) remain.

Mode change in Queenstown is critical with the city facing grid lock if mode shift of 40 percent is not achieved. There is strong growth in patronage, but the network is constrained.

The roading network is large, population sparse and interconnected with neighbouring regions. There are significant resilience issues and Queenstown is recognised as having a significant risk profile.

ORC is particularly effective at working with district councils and neighbouring regions, having a joint Regional Land Transport Committee with Southland. This brings regional and district councils together, enabling the pooling of resourcing and speedy resolution of any cross-boundary issues. This joint approach is also useful for advocating effectively to central government in relation to transport funding, presenting a united front for the lower South Island. ECAN was going to join with this initiative but currently there is no expectation that it will. ORC and Southland now produce a joint RLTP. “We have to work hard for transport funding. So, if you can provide a joined-up view of a regional picture, so better than each going for one piece of the pie.”

The Interislander is a critical point of discussion in the South Island regional transport chairs as it is a critical element of the South Island freight supply chain.

Staffing is efficient with three transport planners for the region.

INVESTMENT PLANNING FOR INFRASTRUCTURE

The engineering department looks after ORC's infrastructure. The department manages flood protection, drain management and river management, flood banks and pumpstations, culverts and flood gates, drains, training lines (rock buttresses) and trees that are planted and used for erosion purposes.

The LTP sets out infrastructure investment intentions and, from those intentions, rating consequences for the various areas. As discussed, there is a material and ongoing increase in rates to pay for the existing level of service.

What is less clear is the planned spending on infrastructure is a statement of intent, for further discussion and close consideration of options, rather than a firm direction. This important difference could be made clearer as rating outcomes might be higher or lower than stated, depending on the options considered and then implemented.

There will be considerable work in reviewing options for infrastructure investment particularly as it is a nested discussion in a wider discussion of adaptation. ORC points to a good example of a process of engagement of adaptation, being South Dunedin. The process of consideration has been long and intensive and the costs of adaptation are likely to be very high. The question is who bears the cost of adaptation?

DELIVERING WHAT'S IMPORTANT

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The intensity of discussion may be less for ORC than other regional councils as:

- > Resilience will be focused on urban areas, subdivided areas, and the Taieri plains (which are wet).
- > Other than protection for Dunedin city, there are fewer pump stations and flood stop banks than for some other region, and drainage schemes are rural, so a more concentrated group of stakeholders.
- > Resilience issues in Clutha may lessen with increased rainfall, as the area is dry.

There are, however, considerable coastal areas some of which are subject to erosion.

Levels of service are, we were told, regarded as quite old, expressed as a capacity measure of millimetres per day per catchment area. The council is "moving into an era of hydraulic modelling". ORC could move to a resilience type measure and define the flood carrying capacity for each stream, which in turn can be converted back to a return period. However, the engineers note statistics are not proving that stable, making any decision with current information difficult.

The department is bringing active repair programmes in, and building the level of detail, and being transparent about that, including from natural hazards. There is a reasonable upgrade of Leith.

There has been a considerable improvement in the asset management register partly prompted by learning from Cyclone Gabrielle about the need for a full understanding of asset readiness. We note, in passing, the asset management register is regarded as old software and will be replaced in due course.

DELIVERY ON CAPITAL SPENDING

ORC's capital programme is quite small, ranging from \$19 million to \$8 million in years 1 and 10 of the Long Term Plan. The council took advantage of shovel ready money to address a few issues such as the Lower Taieri contour work. Although budgeted at \$2m, the cost was much less after ground works turned out favourably and soil was reused rather than removed. In other areas, works proceeded where it could be debt funded from reserves. Part of this work was repair damage from two previous flood events.

In the accounts presented to us, there were a series of small, \$500,000 projects that appear not to have proceeded, possibly being displaced by the Lower Taieri contour work. However, they just have been holding figures in a budget, then to be managed by the engineering department.

The long-term programme has significantly ramped up. If this were spent, ORC's delivery capability would need to grow and re-organise for that additional work.

RELIABILITY ENGINEERING AND CONDITION-BASED ASSET MANAGEMENT (FLOOD PROTECTION)

Condition management has sharpened up as one of the lessons on Cyclone Gabrielle was the condition of flood protection assets may not have been as good as was thought. There is close scrutiny of dams due to the consequences of any dam breaching.

PEOPLE, CAPABILITY & CULTURE

The human resources team is new, being appointed progressively over the last two years. A people strategy will target areas like diversity and inclusion. One of the focus areas is around learning. ORC wants to be a learning organisation, and just recruiting a learning and capability partner. Staff turnover has been around 10 percent down from 20 percent.

There are positive aspects to the culture of ORC identified to us by staff. They have a strong belief about the skills and attitude of each other. They are much better resourced, after being very lean. There are more people from different teams around the table, willing to co-operate. There is a strong focus on continuous improvement. Staff are keen on family-oriented flexibility and appreciative of the wellness activities such as the pilot for regular skin checks.

Our observation is there has been considerable investment over time, in areas critical to the performance of the council, such as in science, science monitoring and environmental implementation.

Staff also identified a range of issues around decision making and performance management. In decision making, delegations seem to be held tight, at high levels of the organisation. And there is a general feeling there are too many cooks in the kitchen when it comes to taking decisions. A specific example is the lack of delegation to seniors for decisions that they would be able to make in other councils. In performance management, staff reported to us that it feels more like a tick box exercise. Performance management is one of the lower scores in the engagement survey. The HR team agrees performance management, whether formal or informal, is an area for improvement.

A rapid growth in staff has not helped with a proliferation of processes and systems. For instance, staff identified to us the possibility of standardising on some tools such as one engagement tool, rather than each team choosing their own. Staff identified there is no standard change process or project management approach, and such standardisation could be useful in identifying the burden of change ahead of them. Staff feel drained by the rate of change and are concerned that ORC won't slow its pace, given the national changes to the RMA and critical aspects of environmental regulation, such as freshwater regulations.

A new ORC office is being constructed by the Port of Otago's property development arm. The move to a new building and a single site in Dunedin will greatly help with staff culture and connection. Now, in contrast, staff feel dislocated; "I go to the Philip Laing building and I am a stranger in a strange land". The CEO is fully aware of the opportunity to bring people together with the move to the new office.

Staff need a stronger sense of direction. The Strategic Direction pamphlet is seen as something worked up with councillors and not fully implemented through the organisation. The strategy team are focussed on the implementation of Strategic Directions and the People and Corporate Directorate are leading the values roll out. Staff identified to us the need to better communicate the story of what ORC and its staff do. We understand there are plans to roll out Strategic Directions but that may be a document aligning councillors and council, rather than one that provides leadership and direction to ORC and its operating groups. We did not come away with a view about the means of giving a sense of direction, just that neither the LTP process or the Strategic Directions have given staff a sense of direction of ORC to date.

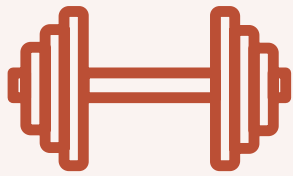
We wondered whether a gathering of tier 3 managers could help but, apparently, there already is such a gathering.

Engagement scores are lower than a prior survey (although difficult to compare as different questions were asked) and eight percent lower than comparator organisations. The engagement survey is to be run annually now rather than waiting another three years.

BUILDING AND PLANNING FOR THE FUTURE

The staff forum highlighted several things to do. This list broadly aligns with the discussion above:

- > New building to bring everyone (in Dunedin) to one location.
- > Being authentic to biculturalism in the organisation.
- > Slow down the rate of change; we need a year of bedding in. And there is a lot being pushed down nationally.
- > A consistent project management approach. ORC could even have a change pipeline.
- > Staff culture has become disconnected with the growth, organic staff culture has slipped, Covid did not help, get back to a better place.
- > Continue to build ORC's profile with the community, engaging with the community more and more.
- > Improve collaboration between the different teams, which would improve our understanding of their struggles.



STRENGTHS/

- > Well organised regulatory functions and dedicated staff represent Council well in the community and business sectors.
- > Inter- and intra-regional collaboration between neighbouring regional and district councils secures efficiency gains for public transport advocacy, investment and planning.
- > Strong, collaborative leadership by the CEO and the chair, across the region.
- > A well organised resource consenting team with a strong emphasis on reducing industry costs of compliance.
- > A substantial effort in environmental monitoring.
- > Strong relationships with Ngāi Tahu.
- > A small but capable harbour management function.
- > The HR team has a coherent direction for moving forward.



AREAS OF IMPROVEMENT/

- > Develop a State of the Environment document, so the challenges of environmental limits are better expressed, in one place.
- > Be clearer with the direction, desired end point, transition path and implementation plan for land and water regulations.
- > Better manage conversations around trade-offs in implementation of those regulations.
- > Bring the science function to the fore in planning debates.
- > Develop catchment strategy and tactics, better integrating adaptation with council activities including asset management and planning.
- > In HR management, introduce online systems and improve management of under-performance.

Listening
and
responding >

**Communicating
and Engaging
with the public
and businesses**

Council has a renewed focus on relationship building, underpinned by broad range of outreach initiatives covering a geographically large and diverse region.

Multiple touch points with the community and stakeholder groups require a strategic and coordinated approach to ensure ‘one car up the driveway’.

Both a Communications and Marketing Strategy, and an Engagement Framework, are currently being developed and should assist Council to clarify responsibilities and conduct its statutory and non-statutory communication, engagement, and consultation efforts more effectively across the organisation.

A community survey issued in December 2023 noted that awareness of Council and its functions has remained consistent for the past three years, with 75% of respondents correctly naming ORC as the organisation responsible for managing the region’s natural resources. This reflects well on Council’s communication and engagement work, although opportunities exist to increase awareness of Council and its role for residents under the age of 40.

COMMUNICATIONS POLICIES

Council has a number of communications and marketing plans for specific engagements, such as the Long Term Plan, or geographic areas within the region. However, the documentation of an overall strategic approach to communications has been lacking. This is currently being addressed through the development of key strategic documents. These should coordinate key messages and approaches to ratepayers as an organisation, rather than as individual teams.

The Code of Conduct allows elected members to express their views publicly, with the caveat that they must identify whether it is a Council view or a personal view. Little in the way of formal media training is provided; apart from a workshop held last year, only the Chair has had media training.

PARTNERING WITH STAKEHOLDERS

Stakeholders overall reported a general increase in collaboration and partnership by Council over the past few years. The relationship focus of ORC’s Catchment Advisors received positive feedback for connecting Council and the community. Council’s Integrated Catchment Management programme was also well received, proactively funding ‘Catchment Communities’ and enabling communities to develop Catchment Action Plans to manage natural resources within their area.

Council has achieved a level of success partnering with iwi groups, who generally found Council willing to partner, open and receptive. ORC was considered to have embraced co-design, with recent projects budgeting for iwi participation.

ENGAGEMENT ON PLAN CHANGES AND OTHER CONSULTATIONS

As for most councils, statutory consultation has proved challenging in recent years, particularly given changes in central government policy direction and the need to address sensitive resource allocation issues.

Council is well organised in its approach to consultation, the development of the Land and Water Regional Plan, for example, included an implementation group with a communications sub-group. Council’s approach to engaging on the Long Term Plan is also well considered.

Some stakeholders felt that Council could better document all consultation responses and not just those favourable to Council’s preferred approach. There was also the feeling that Council should be wary of ‘consultation fatigue’ and ensure that engagement and consultation is targeted, effective, and respectful of participants’ time.

EXTERNAL COMMUNICATION

A regular community survey identifies where ratepayers source their information about ORC. The majority source their information from the ORC website, a growing trend over the past three years. Council has upgraded its website this year, responding to community demand. The survey also indicated surprisingly few people source their information about ORC from social media, increasing from 1% of respondents in 2022, to 2% in 2023. This information can target communication efforts, however, not to the detriment of reaching younger demographics.

LISTENING AND RESPONDING

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Satisfaction with information received from ORC has increased since 2021, with 39 percent of respondents to the community survey indicating satisfaction, 38 percent providing a neutral rating, and 17 percent indicating dissatisfaction. Opportunities exist to understand and address dissatisfaction with information provided by Council to ensure continuous improvement.

ORC could make good use of a media plan and media protocol.

INTERNAL COMMUNICATION

Council has staff located in various offices and depots across a large region, which when combined with a rapid increase in organisation size, makes internal communication challenging. Nevertheless, Council has one staff member dedicated to internal communications, utilising multiple channels such as email, intranet (Tiaki), posters, and kanohi ki te kanohi visits. Some team members felt that additional information on what other teams are doing would be useful to their day to day operations, avoiding duplication and building organisational understanding and culture.

ENGAGING DIGITALLY

Council reported that social media follower numbers have increased over time, with positive feedback from elected members and the public regarding digital content. The new Council website was co-designed with mana whenua and features a whakataukī gifted by local iwi. Council has actively recruited for specific digital skills over recent years to enhance digital engagement, including web editing and video training. ORC is aware of ratepayer preferences in terms of communication and engagement channels and is well positioned to engage digitally.

BUILDING GOOD RELATIONSHIPS**Māori/ Iwi**

ORC has an enviably good relationship with local iwi and rūnaka, built over a number of years. A strong sense of mutual respect and collaboration is evident between iwi, elected members, and staff at all levels. Rūnaka partners noted the commitment by Council to increase cultural capability across the organisation, and good communication channels, as key building blocks for continuing to grow and mature their relationship. There is still, however, the inevitable problem of different parts of ORC reaching out to iwi without first checking what is going on internally.

Business

In terms of relationships with business, Council engages primarily with farmers and growers. This engagement takes a variety of forms including Regulatory and Primary Industry stakeholder meetings, through Catchment Advisors, and on specific topics such as the development of Council's Strategic Climate Action Plan. Business stakeholders acknowledged Council's recent efforts to 'step up and engage', including providing flexibility for business groups to engage on the Land and Water Plan and climate adaptation work outside formal processes.

Strengthening relationships between Council and the primary sector is fundamental to the successful navigation of freshwater planning, natural hazards management, and climate change adaptation challenges likely to be faced in the future. Council is well positioned to build on existing relationships to meet these challenges.

Central government

Council engages indirectly with central government through membership of various local government sector bodies and meets regularly with officials at LINZ and MPI. A government policy and legislation monitor tracks information from central government and provides a data source for staff prior to engagement with officials. ORC contributes to central government consultations; however, opportunities exist for Council to advocate for the needs of the region more directly with Ministers and officials.

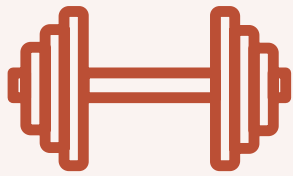
District councils

The district councils, and city council, within the Otago region span a large geographic area with main urban centres in Dunedin and Queenstown. Relationships with district councils appear to be good, with high levels of collaboration particularly noted in regional transport planning. ORC is conscious of, and responds to, cross boundary issues well. Acknowledgement of district and city council partners is largely absent from key ORC strategic documents.

Community/stakeholders

Stakeholders noted the increase in community engagement efforts by Council over the past few years. Proactive approaches, such as workshops to help farmers complete intensive winter grazing consent applications and management plans, were well received by the rural sector, increasing compliance and building enduring relationships.

Council's Catchment Advisors appear to play a key, and at times uncomfortable, role as a conduit between Council and rural communities; providing information and genuinely connecting with rural ratepayers, particularly in the regulatory space. These relationships can only benefit Council in the future, particularly as the organisation looks to coordinate its outreach more effectively.



STRENGTHS/

- > Strong and mutually respectful relationships with local iwi and rūnaka.
- > Proactive approaches to community engagement, such as workshops to help farmers complete intensive winter grazing consent applications and management plans.
- > Commitment to strengthening relationships with rural ratepayers through the Catchment Advisors role, funding and support of catchment groups, and targeted engagement initiatives.
- > Good awareness of Council and its functions by the public.
- > Sound knowledge of how ratepayers prefer to receive information with outreach targeted accordingly.



AREAS OF IMPROVEMENT/

- > Ongoing commitment to coordinating engagement and consultation efforts across Council, ensuring 'one car up the driveway'.
- > Documenting consultation and engagement findings impartially and in a balanced way.
- > Increasing awareness across the organisation of the purpose and activities of teams and business groups.
- > Advocating for the needs of the region more actively with central government.
- > 'Closing the loop' to communicate engagement and consultation outcomes and how stakeholder input was considered.
- > Have an agreed communication plan and include councillors in development of that plan to get better alignment of messaging.



Strengths

Theme	Strength	Section
Capacity and capability building	A strong commitment to building science and environmental capability.	Key findings
	A commitment to building financial and enterprise systems as well as people capability.	Key findings
	A substantial effort in environmental monitoring.	Service Delivery and Asset Management
	The HR team has a coherent direction for moving forward.	Service Delivery and Asset Management
Relationships and engagement	A very strong focus on functional relationships from the Chair and CEO, through the organisation, with communities, industry, and other councils.	Key findings
	Strong relationships with local iwi and rūnaka underpin genuine partnerships at the governance, management, and staff levels.	Governance, Leadership and Strategy
	Strong relationships with Ngāi Tahu.	Service Delivery and Asset Management
	Strong and mutually respectful relationships with local iwi and rūnaka.	Communicating and Engaging with the public and businesses
	Inter- and intra-regional collaboration between neighbouring regional and district councils secures efficiency gains for public transport advocacy, investment, and planning.	Service Delivery and Asset Management
	Strong, collaborative leadership by the CEO and the chair, across the region.	Service Delivery and Asset Management
	Proactive approaches to community engagement, such as workshops to help farmers complete intensive winter grazing consent applications and management plans.	Communicating and Engaging with the public and businesses
Financial documents and strategy	Commitment to strengthening relationships with rural ratepayers through the Catchment Advisors role, funding and support of catchment groups, and targeted engagement initiatives.	Communicating and Engaging with the public and businesses
	A financial strategy greatly simplifying the rating regime and highlighting investment costs.	Key findings
	A financial strategy is in place.	Financial decision-making and transparency
	The rates review simplifies the approach to rating.	Financial decision-making and transparency
	The wider regional benefit of flood protection is recognised in the rating structure.	Financial decision-making and transparency
	Debt will be matched to asset life, at 30 years.	Financial decision-making and transparency
There is a statement of Investment Performance and Operations with explicit choices on risk preference.	Financial decision-making and transparency	

Long-term plan	An LTP addressing a wide range of issues from public transport to the costs of reinvesting in existing flood protection assets.	Key findings
	Council was well prepared for the Long-Term Plan process, with meaningful consultation proposals particularly around rate-setting and public transport.	Governance, Leadership and Strategy
Vision and goals	Council has a clearly articulated vision, focus areas and goals that will be supported by an implementation plan to articulate success measures and ensure alignment between Council's vision, activities, and financial spend.	Governance, Leadership and Strategy
Governance	Elected members and Council management have a common understanding of division of roles and responsibilities.	Governance, Leadership and Strategy
	After some turbulent years, Council's reputation rating in its regular community survey is increasing; with a decrease in dissatisfaction due to in-fighting between councillors and dysfunction.	Governance, Leadership and Strategy
Regulatory functions	Quick turnaround times and reduced costs to users, in seeking consents for activities.	Key findings
	Well organised regulatory functions and dedicated staff represent Council well in the community and business sectors.	Service Delivery and Asset Management
	A well organised resource consenting team with a strong emphasis on reducing industry costs of compliance.	Service Delivery and Asset Management
	A small but capable harbour management function.	Service Delivery and Asset Management
Communications and community awareness	Good awareness of Council and its functions by the public.	Communicating and Engaging with the Public and Businesses
	Sound knowledge of how ratepayers prefer to receive information with outreach targeted accordingly.	Communicating and Engaging with the Public and Businesses

Areas of Improvement

Theme	Recommendation	Section
Catchments and climate change	Move beyond themes in Strategic Direction and activities in the Climate Change Strategy to detailed catchment-based discussions.	Key findings
	Start to develop mitigation options and costs to share with stakeholders in catchments.	Key findings
	Develop catchment strategy and tactics, better integrating adaptation with council activities including asset management and planning.	Service Delivery and Asset Management
	Continue to develop management accounting systems so costs can be allocated to geographic areas such as catchments rather than just to activities.	Key findings

Investments and financial transparency	Consider grouping and managing all investments together in an arm's length council owned investment vehicle.	Key findings
	Integrate the overall risk profile of different investment income streams.	Financial decision-making and transparency
	Make investment management and risk more transparent.	Financial decision-making and transparency
	Adjust preference for risk and therefore earn better long-term investment returns.	Financial decision-making and transparency
	Better integration and graphic summarisation of financial information in the Long-Term Plan could assist ratepayer understanding of prioritisation and trade-offs.	Governance, Leadership and Strategy
Governance and regional advocacy	Develop a systematic training programme for councillors beyond the induction phase and including training in the RMA.	Key findings
	A more considerate and collaborative governance culture, providing opportunities for respectful dissent, could increase ORC's ability to achieve its vision and goals for the region.	Governance, Leadership and Strategy
	A dedicated professional development and self-review programme for elected members could be beneficial.	Governance, Leadership and Strategy
	Advocating for the needs of the region more actively with central government.	Communicating and Engaging with the Public and Businesses
Strategic directions	Understanding of any additional or different work ORC needs to undertake, or cease undertaking, to achieve its strategic goals could be improved; although it is understood that this work is underway.	Governance, Leadership and Strategy
	The Chief Executive's performance plan could include more quantifiable KPIs and be structured to more strongly reflect Council's strategic directions.	Governance, Leadership and Strategy
Regional planning and science	Better co-ordination and explanation of the approach to land and water planning including detailing the implementation plan and desired end result.	Key findings
	Be clearer with the direction, desired end point, transition path and implementation plan for land and water regulations.	Service Delivery and Asset Management
	Better manage conversations around trade-offs in implementation of those regulations.	Service Delivery and Asset Management
	Bring the science function to the fore in planning debates.	Service Delivery and Asset Management
	Provide a Statement of the Environment that is a stocktake of the environment in Otago.	Key findings
	Develop a State of the Environment document, so the challenges of environmental limits are better expressed, in one place.	Service Delivery and Asset Management
Systems and capability	Continue to develop the internal systems environment with full implementation of IRIS.	Financial decision-making and transparency
	In HR management, introduce online systems and improve management of under- performance.	Service Delivery and Asset Management

Communication, consultation, and engagement	Ongoing commitment to coordinating engagement and consultation efforts across Council, ensuring 'one car up the driveway'.	Communicating and Engaging with the Public and Businesses
	Documenting consultation and engagement findings impartially and in a balanced way.	Communicating and Engaging with the Public and Businesses
	'Closing the loop' to communicate engagement and consultation outcomes and how stakeholder input was considered.	Communicating and Engaging with the Public and Businesses
	Have an agreed communication plan and include councillors in development of that plan to get better alignment of messaging.	Communicating and Engaging with the Public and Businesses
	Increasing awareness across the organisation of the purpose and activities of teams and business groups.	Communicating and Engaging with the Public and Businesses

9.5. New Fast Track Act Requirements

Prepared for: Council

Report No. GOV2509

Activity: Governance Report

Author: Alexandra King, Manager Consents

Endorsed by: Joanna Gilroy, General Manager Environmental Delivery

Date: 19 February 2025

PURPOSE

- [1] To provide Council with an overview of the new Fast-Track Approvals Act 2024, the proposed process for involvement and provide recommendations on delegations to staff under the Act.

EXECUTIVE SUMMARY

- [2] In December 2024, the new Fast Track Approvals Act (FTA) became law and applications can be lodged from 7 February 2025. This Act 'replaces' the COVID-19 Recovery (Fast Track Consenting) Act 2019 and includes listed projects and a pathway for projects to apply to be processed under the Act. There are 15 listed projects in Otago and a number that will apply to use this process. The new Act covers the processing of a range of 'permissions' from a number of agencies, including consents required from Regional Councils. Council will be the Compliance Authority for any regional consents issued.
- [3] The Ministry for the Environment (MfE) and Environmental Protection Authority (EPA) will administer the process, with involvement from the Minister for Infrastructure. Under the Act there is limited opportunity for Local Authority involvement in short timeframes and limited public participation.
- [4] Taking lessons from operating under the 2019 Fast Track Act, a process for providing input into the 2024 Act has been developed. It is also recommended that delegations are provided to staff to ensure that Council will meet its obligations under the Act and can participate in the limited process provided under the Act.

RECOMMENDATION

That the Council:

- 1) **Notes** this report and the new legislative requirements under the Fast Track Approvals Act 2024;
- 2) **Endorses** the proposed process (option 1) for responding to applications under the Fast Track Approvals Act (option one); and
- 3) **Nominates** (insert two Councillors) as the representatives to sit on the Fast Track working group and provide governance input into ORC's fast track responses. (Delete if option 1 is not selected)

- 4) **Approves** new delegations under the Fast Track Approvals Act 2024 as outlined in this report.
- 5) **Approves** the amendment of the Delegations Manual to reflect changes outlined in this report.

BACKGROUND

- [5] The Fast Track Approvals Act 2024 (FTA) represents one of the Government's keynote legislative changes of 2024. It is a “one stop shop” approvals process across a range of regulatory bodies, including Regional Councils to deliver infrastructure and development projects with “significant regional or national benefits”.
- [6] The Act came into force on 24 December 2024 and replaces the previous Fast Track consenting regime introduced in 2019. Although, the legislation is very similar to the previous Act there are some changes to how and when Applicants engage with Councils; timelines and level of participation from Council.
- [7] Projects can go through the Fast Track process via two pathways, they are “listed” in the Act or they can apply to be “referred” by the Minister for Infrastructure. 149 projects have been listed nationally. Applicants for those projects can lodge their application with the EPA from 7 February 2025. There are 15 listed projects in the Otago region. These projects include housing land development (9), renewable energy (3), aquaculture (1) and mining (2). These projects are shown in Appendix 1. Projects that have not been listed, can apply to be referred through the Fast Track process from 7 February 2025 if they meet the criteria in the Act, including if they have significant regional or national benefit.
- [8] For both pathways under the Act, the Applicant writes an assessment of environmental effects; policy assessment against relevant plans and rule assessment. Most of the work on the application is undertaken by the Applicant, EPA, MFE and the Expert Panel. Council’s role in the process is limited and heavily prescribed in the Act. Council then becomes the compliance authority for any approved consents.
- [9] As set out in the Act, none of the applications will be publicly notified and there will be no right to lodge a submission. This is different to the process available under the Resource Management Act. Council, along with other affected persons (as determined by the panel under section 53 of the Act or a Minister), iwi, relevant ministers and government departments will be invited to ‘comment’ on the application. Based on previous experience with the old legislation this will be templated request for comments and/or specific questions. However, there is currently no clarity on what format the comments will be required in.
- [10] The Act prescribes and sets limited ability for public participation in the process. There is no option for public notification, or submissions and only those that the expert hearing panel determines in section 53 about being affected can participate. There is no specific test when determining affected parties (unlike the Resource Management Act). There is the ability to appeal decisions, but this is limited in scope as discussed below.
- [11] Once decisions have been made, appeals are limited to points of law only. An appeal can only be made by the applicant, relevant Councils, Attorney-General, persons with an

interest greater than the public generally, and those who provided written comments via invitation.

DISCUSSION

The process for the Applicant

- [12] For listed applications, before they lodge them with EPA, the Applicant must have completed consultation as required in the Act. This includes:
- a. Pre-consultation with relevant agencies, which includes Regional Councils;
 - b. Notifying Councils of an intention to lodge a substantive application; and
 - c. Further steps if the application is regarding aquaculture.
- [13] Before lodging referral applications where they want to use the fast track pathway, the Applicant must consult with relevant iwi authorities, treaty settlement entities, hapu and the relevant administering agency responsible for the following Acts:
- a. the Conservation Act 1987
 - b. the Crown Minerals Act 1991
 - c. the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012
 - d. the Heritage New Zealand Pouhere Taonga Act 2014
 - e. the National Parks Act 1980
 - f. the Reserves Act 1977
 - g. the Resource Management Act 1991 (this includes Regional Councils) and
 - h. the Wildlife Act 1953
- [14] Once a referred or listed project is formally lodged with the EPA, the EPA will seek comments from Councils, various Ministers and those listed in para [13]. The panel will also include any other parties the Minister consider relevant.
- [15] The panel will seek comments from the relevant authorities with a 20-working day timeframe to respond. Given the scale and scope of a number of these applications and the level of information involved this is a short timeframe. The panel may hold a hearing and/or request further information. The panel will invite comments on draft conditions and make a decision on whether the project can go ahead.

Fast Track steps for Council under the Act

- [16] The Act sets out where Council will be involved in the process. These steps are similar to the current Fast Track Act which staff have been operating under. The steps are set out below:
- a. **Pre-Application Consultation:** The Applicant must consult with Council before applying, although the Act does not specify the consultation details or level of information required to be supplied to Council. The level of detail supplied in this step is dependent on the Applicant. Any communication with Council, or comments on the application could be used to satisfy consultation requirements.

- b. **Minister’s Decision:** After an Applicant has completed their pre-consultation and has applied to use the fast track pathway, the Minister of Infrastructure will seek written comments from Councils to help inform their decision on if the project can proceed through the process or not. A timeframe of 20 working days is provided for this to happen. Comments received after this period will not be considered (except at Ministerial discretion). The Minister then makes a decision on if the application can use the pathway or not. Further information on what format the input from Councils will take is pending from the relevant Ministry, but in the past this has been a template that is sent to fill out.
- c. **Further Consultation:** Once approved by the Minister to use the process, Applicants must consult Council before submitting the substantive application to the EPA. This is where we anticipate detail on the application will be supplied. During this time Councils must notify applicants of any competing resource consents and inform the holders of these consents. This is a new requirement under the Act.
- d. **Expert Panel Involvement:** After the application is lodged, the EPA will ask Council to nominate a person to the expert consenting panel who will process the application.
- e. **Comment on application:** Council will be asked to comment on the application with a timeframe of 20 working days, with no extension. In the past these comments have been requested in a specified format. The panel may hold a hearing and/or request further information from councils. If Council does not participate at this stage, it will not be given the chance to review or comment on consent conditions.
- f. **Draft Conditions:** The panel will invite comments on draft conditions, and Council must respond within the set timeframe, this could be a very short timeframe. The panel may also request further information from councils, which must be provided within 10 working days.

[17] The Act allows Council to recover “actual and reasonable” costs from the Applicant for the above work. This will either be through our Schedule of Fees and Charges for pre-application work, or following the lodgement of an application, the EPA will recover costs on our behalf.

Internal process for responding to Fast Track applications

[18] The internal process for involvement in the Fast Track process is outlined below. This will be set up around the key stages of Council involvement as set out by the Act and will be facilitated by the Consents Team. An internal existing Fast Track team that provides input into the consent process will be maintained. A representative from each of the following teams is on this group:

- a. Consents
- b. Compliance
- c. Natural Hazards
- d. Science
- e. Transport

- f. Engineering
- g. Policy

- [19] Under the process for the new Act, the Consents Team will engage with prospective applicants in the first instance. This is because they will be engaging with Council largely because consents are required under our Regional Plans. It is proposed that the team also answers any enquiries from the public about FTA processes. This is in line with the current approach to providing operational advice and information to the public and applicants on the consenting process.
- [20] To support the initial consultation, Applicants will be encouraged to engage in our pre-application service, where a dedicated planner will be assigned to the project. This allows staff to recover costs associated with providing advice and consistency of service. Any pre-application advice will be based on Application documents, current planning framework and best available technical information. A pre-application request form for Fast Track projects has been developed and is available on the website. A specific page on the website has been developed for Fast Track processes and will have user friendly materials and content for customers.
- [21] It is a risk that if an applicant is not directed to the pre-application process, informal discussions or even brief email correspondence between that applicant and any Council staff member(s) may be used as evidence by the applicant that this consultation requirement has been met. This could result in incomplete advice and inadequate cost recovery.

Ministers Decision and Further Consultation

- [22] When a request for Council comment is received from the Minister, Panel, or EPA, they must be submitted on time and be of high quality, as they will likely be shared publicly on the EPA website. There will also be significant public interest.
- [23] For requests requiring a response within 20 working days, the process is as follows:
- a. **Request received** and planner assigned (Day 1-2)
 - b. **Planner reviews** the application, identifies technical expertise needed (Day 1-2)
 - c. **Planner sends requests** to experts (Day 1-2)
 - d. **Planner and experts** prepare response (Days 2-12)
 - e. **Planner compiles** expert response into comments (Days 13-16)
 - f. **Comments reviewed**, signed off, and submitted (Days 17-20)
- [24] Under the previous legislation the Manager Consents signed off internal comments and draft conditions on applications that went to the EPA. Given the range of projects and cross Council importance of the applications it is recommended that internal sign-off for comments sits with a GM. This is included in the proposed delegations.

Nominations to Expert Consenting Panel

- [25] This process is currently in place and it is proposed that this process continues. This is as follows:

- a. The Consents Team consult with the relevant Territorial Authority when recommending a nominee. This is because the projects largely relate to TA matters.
- b. A recommendation is made to the Co-Chairs of the Regional Leadership Committee and General Manager to sign off on the proposed nominee before the nomination is made. This will be based on a recommendation from the Manager Consents. Councillors can be nominated as hearing panel members.

Role of Te Tiriti Partners

[26] There is provision with the Act for the involvement of partners in the process. This is:

- a. The Applicant must consult with relevant iwi authorities, treaty settlement entities and hapu responsible for the administering the Acts in paragraph [13];
- b. Once in the process the EPA will seek comment from those they consider relevant; and
- c. Council also must consult with iwi if there is information held in confidence that needs to be released.

Role of the public and stakeholders

[27] There is limited ability for the public and stakeholders to be involved in the processing of these applications. This is similar to the previous Fast Track legislation and to an extent, the process under the Resource Management Act.

[28] There is a high level of interest in a number of these projects from the community and desire to understand Council's position on the proposals. Whilst this level of interest is recognised, there is no legal ability for Council to provide further opportunities beyond the specified steps in the Act for public participation and Council is not provided with the ability under the Act to make decisions about public involvement. As with all consent processes, Council's regulatory position and comments will be based on the direction provided in the relevant Regional Policy Statements and Regional Plans.

[29] The following process is proposed for managing these enquiries and requests for meetings:

- a. All fast-track enquiries, including meeting requests are forwarded to consent.enquiries@orc.govt.nz.
- b. The Consents team will respond to the enquirer and liaise with the fast-track internal working group and/or relevant teams and General Managers as needed.
- c. Council will commit to keep the enquirer informed of progress and share comments where requested.

[30] It is proposed that updates are provided through to the Regional Leadership Committee on a quarterly basis. This is in line with the current approach to reporting and processing of the applications. In addition to this it is proposed that updates are provided to interested Councillors and Co-Chairs of the Regional Leadership Committee.

PROPOSED DELEGATIONS

- [31] The proposed amendments to the Delegations Manual are outlined as below. All the proposed delegations are in line with the current level of delegation provided to staff by the existing delegations and will enable the timely and efficient involvement of Council in the Fast Track process.

Table 1: Proposed delegation change under the Fast Track Approvals Act 2024

Section	Function	Delegated to
17	Respond to request for comments on applications for referral	General Manager Environmental Delivery or another General Manager Planning and Transport
30	Notify Consent Holder/applicant of existing consents	Manager Consents
50	Provide a nomination for a panel member	Two of the three of the Co-chairs of the Regional Leadership Committee and General Manager Environmental Delivery
53	Respond to request for comments on substantive application	General Manager Environmental Delivery or another General Manager Planning and Transport
67	Respond to Panel request for further information	Manager Consents
70	Respond to request for comment on conditions	General Manager Environmental Delivery or another General Manager Planning and Transport

OPTIONS

- [32] Whilst the legislation and some of the projects may be of high interest to the public, the process for Council involvement is specified in the Act and is operational representing a consenting process. There are options for managing Council's involvement in the Fast Track process, which are discussed below.

Option 1 – (recommended approach) with Governance involvement

- [33] Option one, which is the recommended approach is:
- a. Process as outlined in paragraphs [18-24] is implemented internally.
 - b. Regular updates provided to the Regional Leadership Committee on the processing of applications under the Act.
 - c. Monthly updates to the Co-Chairs of the Regional Leadership Committee and any interested Councillors.
 - d. Nomination of two Councillors with resource management experience to provide a Governance lens to any comments provided under section 17 and 53 of the Act (where Council is asked if the application should be referred and comments on the application) as part of the internal fast track working group. It is important to note the tight timeframes and the need to fully review all necessary applications and documents.
 - e. Delegations provided to staff as outlined in paragraph [31].

- [34] This option allows for the timely and effective participation of Council in the regulatory process and to provide a high level of service and information. It also provides the ability for Governance to provide input. Due to the high number of applications that may use this process, short timeframes, the need to read all the application documents and technical information and attend internal meetings every week it is recognised that this option will add additional workload onto Councillors and potentially limit the ability to support communities concerned about the projects.

Option 2 – no direct Governance involvement

- [35] Option two is similar to option one, but it does not have a specified role for Governance. This option is:
- a. Process as outlined in paragraphs [18-34] is implemented internally.
 - b. Regular updates provided to the Regional Leadership Committee on the processing of applications under the Act.
 - c. Monthly updates to the Co-Chairs of the Regional Leadership Committee and any interested Councillors.
 - d. Delegations provided to staff as outlined in paragraph [31].

- [36] This option is largely the same as option 1, but does not propose any formal role in the process for Governance. It has the same overall benefits as option 1, but it would enable separation between the operational legislative process and Governance. This would enable Councillors to support communities and projects as they see fit in terms of advocacy. It would also be consistent with Council's current approach to these types of applications.

Option 3 – combination of option 1 and 2 as directed

- [37] Council may choose to provide direction on an additional option, which is a combination of options 1 and 2.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [38] This proposal fits within the Council's Strategic Directions.
- [39] It has direct application to the 'Environment' focus area and our role of implementing legislation that focusses on managing the effects of using freshwater, land, air and coastal water.

Financial Considerations

- [40] Nil at this stage, but we are awaiting further guidance from the EPA on what is cost-recoverable from the Applicant and how this occurs. There may be a need to consider additional resourcing within the Consents Team to support this work, but staff will monitor the workload before this is considered further and consider all options before making any decision on additional resourcing. As the work is anticipated to be fully cost recoverable, if needed this position would largely be fully funded.

Significance and Engagement Considerations

- [41] Aukaha, Te Ao Marama and other interested parties are aware of our proposed approach and staff will continue to meet with them operationally on the processing of the applications. We have also discussed our approach with Consent Managers at other Regional Councils and it is consistent, although others are considering dedicated teams to respond.
- [42] Internally, representatives from Science, Engineering, Natural Hazards, Compliance, Transport and Policy have been consulted in the development of the internal process proposed.

Legislative and Risk Considerations

- [43] Council must implement the new FTA and meet our obligations, including responding within prescribed timeframes. This requires the Consents Team to have capacity as well as internal technical teams (or external providers).
- [44] If Council does not provide accurate or thorough advice to the Fast Track panels, there is a risk that a proposal is granted with inappropriate or insufficient conditions. There is also a reputational risk if Council do not adequately discharge our duty of providing correct planning and technical advice. Responses also need to be based off existing planning documents and known information and there is a risk to Council if information is not provided on this basis.
- [45] In terms of legal risk, there is a possibility that the community or an environmental group challenges Council if it does not discharge its duty under the Act. However, there is a limited role for Council in the process and limited ability for appeals under the Act.

Climate Change Considerations

- [46] No impact. Some of the projects may have climate change implications, but this cannot be anticipated.

Communications Considerations

- [47] Communication with the public will be on an as-required basis when we receive direct enquiries relating to specific applications. Any communications on specific projects will be the role of the project itself, or the EPA.
- [48] Direct communication with parties who have a project listed in the Act, who have not contacted Council is underway to ensure Council is across their project.
- [49] Media releases will be utilised as needed to inform people about Council's process, but not positions on applications.
- [50] A dedicated webpage is set up to explain Council's role in the process and how to engage with us. This webpage will have updates made to it post this Council meeting.

ATTACHMENTS

Attachment 1: Listed projects in Otago

Project Name	Sector	Project Description
Cardrona Valley Ski Gondola and Ski Area Development	Housing and Land Development	The project is to establish on-mountain visitor accommodation, guest facilities and workers accommodation, and to establish and operate a high-speed electric passenger lift system to provide an access link from the Cardrona Valley to the Cardrona and Soho ski areas.
Coronet Village	Housing and Land Development	The project will develop a new alpine village immediately below Coronet Peak, with a new gondola providing access up to the existing Coronet Peak Ski Area, new ski area development, and supporting infrastructure. The project will comprise: a new transport hub improving access to Coronet Peak, a mountain bike facility, a restaurant at the summit of Coronet Peak, a facility for Te Tapu o Tane, a boarding high school, a primary school, a comprehensive subdivision up to 780 residential units, public roading and public wastewater infrastructure.
Kaihiku Wind Farm	Renewable Energy	The Kaihiku Wind Farm project is to construct and operate a wind farm that covers the ridgelines and hilltops of over a project area of 2000-hectares across ten properties halfway between Balclutha and Clinton in the Kaihiku Range, and to connect and supply electricity to the national grid.
Bendigo-Ophir Project	Gold Mining and Quarrying	The Bendigo-Ophir Gold project is to establish and operate an open pit and underground gold mine on Bendigo and Ardgour Stations in Central Otago. The project completion and remediation are expected in 2065.
Mt Iron Junction Housing Scheme	Housing and Land Development	The Mt Iron Junction Housing Scheme project is a housing project in Wanaka proposing to establish 263 high density units.
Remarkables Ski Area Upgrade and Doolans Expansion	Housing and Land Development	The project is to upgrade the Remarkables existing infrastructure and expand the existing Remarkables Ski Area into the adjacent Doolans Basin in Otago.
Macraes Phase Four	Mining and Quarrying	The Macraes Phase Four (MP4) project is for the staged expansion of the existing and future open pits and underground mining operations over parts of the 13,500hectare total site area at Golden Point Road, Macraes Flat, East Otago.

Homestead Bay	Housing and Land Development	The Homestead Bay project is a residential development of 2800 residential units, subdivision, and development at the southern end of Queenstown.
Project East	Aquaculture and farming	The Project East project is to establish and operate two open ocean salmon farming areas, with each farming area being approximately 20 hectares.
Summerset Retirement Village - Mosgiel	Housing and Land Development	The Summerset Villages - Mosgiel project is to construct and operate a comprehensive care retirement village, with 260 units on a 17-hectare project area of land.
Mahinerangi Wind Farm	Renewable Energy	The Mahinerangi Wind Farm project proposes to expand its current operation by constructing additional wind turbines, to connect and supply electricity to the national grid.
The Hills Resort Development	Housing and Land Development	The project is to construct and operate a golf resort, a 18-hole championship course, and construction of resort facilities, including visitor accommodation, staff accommodation and residential activities.
Flint's Park Urban Intensification	Housing and Land Development	The project includes the construction of 501 residential dwellings in a residential neighbourhood, around the existing heritage building that will contain a Neighbourhood Mixed-Use Centre and an automated cable way to access residential development of the lower slopes of Slope Hill.
Silver Creek	Housing and Land Development	The Silver Creek project is to provide for residential development and subdivision enabling approximately 1,050 dwelling units across a 32 hectare of urban land zoned for development.
Gibbston Village	Housing and Land Development	The Gibbston Village project is a residential and commercial development project, including 900 dwelling units, a 2.4-hectare commercial area for day-to-day amenities, provision for a 3 hectare primary school for about 350 students and associated infrastructure.

9.6. Port Otago Letter of Expectation

Prepared for: Council
Report No. CS2508
Activity: Governance Report
Author: Nick Donnelly, General Manager Finance
Endorsed by: Richard Saunders, Chief Executive
Date: 19 February 2025

PURPOSE

- [1] To consider and approve a Letter of Expectation to Port Otago Limited (Port Otago) regarding Otago Regional Council's (Council) expectations for inclusion in Port Otago's Statement of Corporate Intent for the years ended 30 June 2026 to 30 June 2028.

EXECUTIVE SUMMARY

- [2] Port Otago is required to complete a Statement of Corporate Intent (SCI) under the Port Companies Act 1988. The SCI is required to be delivered to Port Otago's shareholders and to be made available to the public.
- [3] Council is the sole shareholder in Port Otago Limited.
- [4] Council is providing a Letter of Expectation (LOE) to outline Council's priorities and expectations to assist Port Otago in the development of its draft SCI.
- [5] A draft LOE is attached to this report for the consideration and approval of Council. Also attached are last year's LOE and the Port's SCI for 2025-2027.
- [6] The draft LOE has the key points highlighted in yellow. Council can provide feedback and amend these points and add any other points it wishes to include in the letter.
- [7] The draft LOE also notes the donation to the Rescue Helicopter Trust. This was included in the 2025-2027 LOE but the details of that transfer are still being worked through. The transfer is now noted to commence in the 2025-26 year and Council will provide the funding as a donation this year.

RECOMMENDATION

That the Council:

1. **Notes** this report and the draft Letter of Expectation 2026-2028.
2. **Provides** feedback and amendments to the draft Letter of Expectation 2026-2028.
3. **Approves** the Port Otago Letter of Expectations 2026-2028, subject to any amendments approved in (2) above, and the sending of that letter to Port Otago Limited.
4. **Approves** the payment of a donation of \$350,000 to the Otago Southland Rescue Helicopter Trust to be funded from General Reserves.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [8] The LOE is intended to ensure Port Otago's SCI aligns with Council's strategic directions and prioritises Council's focus areas.

Financial Considerations

- [9] Financial considerations are included in the LOE to ensure the SCI aligns with the assumptions included in the Long-Term Plan 2024-34 and Annual Plan 2025-26.
- [10] The donation to the Rescue Helicopter Trust was not included in the 2024-25 financial year as it was assumed to transfer to Port Otago. Funding for this would come from General Reserves. This will be offset by higher than expected returns from the managed fund which is \$975,000 ahead of budget at December 2024.

Significance and Engagement Considerations

- [11] There are no significance and engagement considerations.

Legislative and Risk Considerations

- [12] There are no legislative or risk considerations.

Climate Change Considerations

- [13] Climate change has been considered in the draft LOE and in the Port's SCI.

Communications Considerations

- [14] There are no communications considerations.

NEXT STEPS

- [15] The LOE will be finalised, signed by the Chairperson of Council and forwarded to Port Otago Limited.
- [16] Port will develop a draft SCI by June 2025 and submit to Council July for their consideration and feedback.

ATTACHMENTS

1. Port Otago Letter of Expectations 2026 2028 DRAFT [9.6.1 - 2 pages]



19 February 2025

Tim Gibson
Chair
Port Otago Limited

By Email: tim@tuhana.co.nz

Dear Tim

Letter of Expectations – Port Otago Limited

This Letter of Expectations (LOE) sets out the Otago Regional Council's (Council) priorities and expectations to inform the development of Port Otago Limited's (Port Otago) draft Statement of Corporate Intent (SCI) for the years ended 30 June 2026 to 30 June 2028.

Context

Port Otago Limited is a port company as defined in the Port Companies Act 1988. The principal objective of every port company is to operate as a successful business.

Port Otago is defined as a strategic asset for Council which recognises the significant benefit the Port brings Council and the entire Otago region. Council is the sole shareholder of Port Otago and dividends derived from this shareholding are used annually to offset Council's general rate requirement ensuring all ratepayers enjoy a direct benefit from ownership of the Port.

Over the years Port Otago has continued to make a vital contribution to the Otago community through its dividend which helps fund Council's services to the Otago environment and people, and also through its direct investment in the regional economy.

Council thanks Port Otago for its contribution and its ongoing commitment to regular collaboration and information sharing with Council staff and elected members.

As part of developing its Long-Term Plan 2024-34, Council updated its strategic directions and identified its priorities for the next three years. That includes Council wanting to place emphasis on working with its partners, stakeholders and communities to identify opportunities to collaborate and deliver on the key focus areas identified in its strategic directions.

As sole shareholder, Council sees Port Otago's SCI as a key mechanism to ensure both entities are aligned in their strategic objectives. Council would like to acknowledge the significant changes the Port Otago's Board has made to the SCI over recent years especially the increased focus on materiality and sustainability. This has included Port Otago establishing a Sustainability Committee which Council is very supportive of.

Council, through this letter of expectation, largely affirms the direction Port Otago has outlined in its existing (2025 to 2027) SCI and wishes to take the opportunity to highlight the key areas Council would like Port Otago to focus on in development of the 2026-2028 SCI.

Financial



Council endorses Port Otago intention to pay dividends within the range of 50-70% of the group's normalised operating surplus after tax and to maintain an equity ratio of 70-85%.

In preparing its draft Long-Term Plan 2024-34, Council has included that it expects to receive dividends over of the 2026-2028 SCI period of \$20 million per annum.

Council also assumed that the \$350,000 donation it has historically made to the Otago Rescue Helicopter Trust will come from Port Otago in 2024/25 and subsequent years. We acknowledge putting this in place for the 2024/25 year has not been achievable and envisage an agreement will in place and commence in the 2025/26 year.

Decarbonisation

Council acknowledges the significant focus Port Otago has on reducing its carbon emissions and progress it has made to date. Council endorses this remaining a priority for Port Otago and would like to see Port Otago complete the development of the decarbonisation roadmap it has commenced with an expectation that can be reported back to Council and the wider community.

Environment

Port Otago operates a diverse range of business activities and Council wants to ensure Port Otago's commitment to ongoing environmental stewardship and the environmental impact of their business is adequately considered in the SCI. Council notes this is an area already covered in Port Otago's current SCI and integrated annual report and endorses the continued focus on understanding and mitigating the wider environmental impact of all Port Otago's activities.

In closing, Council looks forward to working with Port Otago to reflect the expectations in this letter in developing Port Otago's SCI for the 2026-2028 years.

Yours sincerely

Councillor Gretchen Robertson
Chairperson, Otago Regional Council

**10.1. Recommendations of the Audit and Risk Subcommittee
Resolution**

That the Council adopts the recommendations of the 5 December 2024 Audit and Risk Subcommittee.

Report	Resolution	Res#	Mover/ Seconder
CS2448 Legislative Compliance	<i>Recommends to Council that staff are requested to change from six monthly ComplyWith surveys to surveying legislative compliance once a year (in October/November), and in between annual surveys complete a legislative compliance audit of two directorates (in April/May) until all five directorates have been audited, with a review of survey frequency to follow; in mid-2027.</i>	AR24-139	Cr Wilson Moved, Cr Forbes Seconded

**10.2. Recommendations of the Environmental Science and Policy Committee
Resolution**

That the Council adopts the recommendations of the 4 December 2024 Environmental Science and Policy Committee.

Report	Resolution	Res#	Mover/ Seconder
GOV2443 Regional Pest Management Review Options	Recommends that the Council approves the recommendation of Option 3A to undertake a full review of the Regional Pest Management Plan (RPMP) and provides staff direction as to the year this would be started.	ESP24-112	Cr Malcolm Moved, Cr Noone Seconded

**10.3. Recommendations of the Regional Leadership Committee
Resolution**

That the Council adopts the recommendations of the 21 November 2024 Regional Leadership Committee.

Report	Resolution	Res#	Mover/ Seconder
Draft Annual ORC Compliance Report 2023/24	3 <i>Recommends to Council that they approve the ORC Annual Compliance Monitoring Report 2023/24, subject to the changes offered above in b) being made.</i>	RLC24-111	Cr Mepham Moved, Cr Noone Seconded

That the public be excluded from the following items under LGOIMA 48(1)(a):

1. Confidential Minutes of Council 4 December 2025
- 3.1 Business Case for Queenstown Depot for Electric Buses

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under [section 48\(1\)](#) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1. Confidential Minutes of Council 4 December 2024	To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a) To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
3.1 Business Case for Queenstown Depot for Electric Buses	To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii) To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.