

Finance Committee Agenda - 24 August 2023



Meeting conducted in the Council Chamber at Lvl 2, Philip Laing House
144 Rattray St, Dunedin

Members of the public may view via livestream at: [Otago Regional Council YouTube Channel](#)

Members:

Cr Kevin Malcolm, Co-Chair	Cr Andrew Noone
Cr Tim Mepham, Co-Chair	Cr Gretchen Robertson
Cr Alexa Forbes	Cr Bryan Scott
Cr Gary Kelliher	Cr Alan Somerville
Cr Michael Laws	Cr Elliot Weir
Cr Lloyd McCall	Cr Kate Wilson

Senior Officer: Richard Saunders Chief Executive

Meeting Support: Trudi McLaren, Governance Support Officer

24 August 2023 09:00 AM

Agenda Topic	Page
1. WELCOME	
2. APOLOGIES	
3. PUBLIC FORUM	
Requests to speak should be made to the Governance Team on 0800 474 082 or governance@orc.govt.nz at least 24 hours prior to the meeting; however, this requirement may be waived by the Chairperson.	
4. CONFIRMATION OF AGENDA	
Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.	
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. Councillor Register of Interests is published to the ORC website.	
6. CONFIRMATION OF MINUTES	3
6.1 Minutes of 25 May 2023 Meeting	3
7. ACTIONS	
There are no current open actions for this Committee.	

8.	MATTERS FOR CONSIDERATION	6
8.1	Quarterly Report - 30 June 2023	6
	To present the Council's Activity and Financial Performance Reports for the 12-month period ended 30 June 2023.	
8.1.1	Statement of Comprehensive Revenue and Expenses	8
8.1.2	Statement of Financial Position	11
8.1.3	Activity Financial Summary June 2023	13
8.1.4	Treasury Report June 2023	19
8.1.5	2023012 Activities Report June 2023	20
8.1.6	Activity Performance Report Quarter 4 2022 2023	22
9.	CLOSURE	



Finance Committee MINUTES

Minutes of an ordinary meeting of the Finance Committee held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Thursday 25 May 2023, commencing at 9:02 AM.

PRESENT

Cr Tim Mepham *(Deputy Chairperson)*
Cr Gary Kelliher
Cr Michael Laws (online)
Cr Lloyd McCall
Cr Andrew Noone
Cr Gretchen Robertson
Cr Bryan Scott
Cr Alan Somerville
Cr Elliot Weir
Cr Kate Wilson

1. WELCOME

Co-Chairperson Tim Mepham gave a karakia to open the meeting and welcomed Councillors, members of the public, and staff to the meeting at 9:02 am. Staff present included, Nick Donnelly (GM Corporate Services), Anita Dawe (online) (GM Policy and Science), Gavin Palmer (GM Operations), Joanne Gilroy (Acting General Manager Regulatory) Liz Spector and Kylie Darragh (Governance Support)

2. APOLOGIES

Resolution: Cr Noone Moved, Cr Wilson Seconded:

That the apologies for Cr Forbes and Cr Malcolm and apologies for lateness for Cr Laws and Cr Weir be accepted.

MOTION CARRIED

3. PUBLIC FORUM

No requests to address the Committee under Public Forum were received.

4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS

No updates to the Councillor Register of Interests were advised.

6. CONFIRMATION OF MINUTES

Co-Chair Mepham noted a typographical error in the minutes under report 7.2 Rates Strike, Collection – 31 March. He stated the word "mailed" should be changed to "emailed".

Resolution: Cr Noone Moved, Cr Wilson Seconded

That the minutes of the meeting held on 23 February 2023 be received and confirmed as a true and accurate record, noting a change from "mailed" to "emailed" in item 7.2 Rates Strike, Collection – 31 October 2022.

MOTION CARRIED

Cr Laws joined the meeting at 9:12 a.m.

Cr Weir joined the meeting at 9:24 a.m.

7. MATTERS FOR CONSIDERATION

7.1. Quarterly Financial Report – 31 March 2023

This report presented the Council's Activity and Financial Performance Reports for the nine-month period ended 31 March 2023. Sarah Munro (Finance Manager - Reporting) Mike Roesler (Manager Corporate Planning) and Nick Donnelly (General Manager Corporate Services) were present to speak to the report and respond to questions.

After an opportunity for discussion and questions Cr McCall moved:

Resolution FIN23-104: Cr McCall Moved, Cr Somerville Seconded

That the Finance Committee:

- 1) **Notes** this report and the Activity and Financial Performance Reports for the period 1 July 2022 to 31 March 2023 (quarter 3 of the 2022-23 financial year).

MOTION CARRIED

7.2. Long-term Plan 2024 - 34 Overview of Approach and Timeline

This report was provided to formalise information provided to Councillors about the Long-term Plan 2024-2034 approach at the 11 May 2023 Workshop. Mike Roesler (Corporate Planning Manager) and Nick Donnelly (General Manager, Corporate Services) were present to speak to the report and respond to questions.

Resolution FIN23-105: Cr Robertson Moved, Cr Weir Seconded

That the Finance Committee:

- 1) **Notes** the approach and timelines for the Long-term Plan 2024-2034 as previously presented in Council workshop and attached to the report.
- 2) **Notes** that Councillors and staff have begun implementing this approach.

MOTION CARRIED

8. CLOSURE

There was no further business and Co-Chairperson Mepham declared the meeting closed with a karakia at 10:19 am.

Co-Chairperson

Date

8.1. Quarterly Report - 30 June 2023

Prepared for:	Finance Committee
Report No.	CS2324
Activity:	Governance Report Sarah Munro, Finance Manager – Reporting
Author:	Mike Roesler, Manager Corporate Planning
Endorsed by:	Nick Donnelly, General Manager Corporate Services
Date:	24 August 2023

PURPOSE

- [1] To present the Council's Activity and Financial Performance Reports for the 12-month period ended 30 June 2023. This includes the preliminary financial and non-financial results for the 2022-23 financial year.

RECOMMENDATION

That the Finance Committee:

- 1) **Notes** this report and the Activity and Financial Performance Reports for the period 1 July 2022 to 30 June 2023 (quarter 4 of the 2022-23 financial year).

BACKGROUND

- [2] This report includes financial and non-financial performance information relating to the major aspects of service delivery as outlined in the Annual Plan 2022-23. Progress over the 2022-23 financial year will be reported to the Finance Committee on a quarterly basis.
- [3] The financial result shown in the attachments is the preliminary year end results for Council. There are some financial adjustments that are yet to be completed being the valuation of Port Otago Limited and Council's investment property.
- [4] The activity and finance reports are also yet to be audited and any adjustments that result from this process and the valuation adjustments noted above will be included in the final results be presented to Council when the Annual Report is considered for adoption on 25 October 2023.
- [5] The following Activity and Finance Reports are attached:
- Statement of Comprehensive Revenue and Expenses
 - Statement of Financial Position
 - Activity Financial Summary
 - Includes variance analysis and forecast
 - Activity Performance Report
 - High-level overview of service performance against Annual Plan measures and targets by activity
 - High-level overview of financial performance by activity
 - Report is exceptions based and commentary provides explanations where performance is not on track
 - Detailed Activity Financial Report
 - Treasury Report
-

CONSIDERATIONS

Strategic Framework and Policy Considerations

[6] None noted

Financial Considerations

[7] None noted

Significance and Engagement Considerations

[8] None noted

Legislative and Risk Considerations

[9] None noted

Climate Change Considerations

[10] None noted

Communications Considerations

[11] None noted

NEXT STEPS

[12] The final audited Annual Report will be presented to Council for adoption on 25 October 2023.

ATTACHMENTS

1. Statement of Comprehensive revenue and expenses (2) [**8.1.1** - 3 pages]
2. Statement of Financial Position [**8.1.2** - 2 pages]
3. Activity Financial Summary June 2023 [**8.1.3** - 6 pages]
4. Treasury Report June 2023 [**8.1.4** - 1 page]
5. 2023012 - Activities Report June 2023 [**8.1.5** - 2 pages]
6. Activity Performance Report Quarter 4 2022 2023 [**8.1.6** - 14 pages]

Statement of Comprehensive Revenue and Expense for the period ended 30 June 2023

This unaudited Statement of Comprehensive Revenue and Expense Report does not include adjustment for the change in the valuation of investment property or Port Otago Limited.

	Notes	Actual 2023 12 month period	Annual Plan 2023 12 month period	Variance 12 month period
REVENUE				
Rates revenue		47,342	47,228	114
Subsidies and grant revenue	1	26,187	22,102	4,085
Other income	2	12,578	15,989	(3,419)
Dividends		14,469	14,000	469
Interest and investment income	3	5,008	750	4,258
TOTAL REVENUE		105,583	100,069	5,514
EXPENDITURE				
Employee benefits expense	4	(28,397)	(32,692)	4,295
Depreciation and amortisation		(4,140)	(4,356)	216
Finance costs	3	(5,203)	(250)	(4,953)
Other expenses	5	(71,987)	(60,022)	(6,965)
TOTAL OPERATING EXPENDITURE		(110,727)	(103,320)	(7,407)
OPERATING SURPLUS/(DEFICIT)		(5,144)	(3,251)	(1,893)
Other gains/(losses)		1,510	1,064	446
Revaluation gain/(loss)—shares of subsidiary		-	24,531	(24,531)
Income tax benefit/(expense)		2	-	(2)
SURPLUS/(DEFICIT)		(3,632)	22,343	(25,976)

Notes

- Subsidies and grant revenue has increased \$4,085,000 above budget. The majority of this increased revenue has been caused by:
 - A \$3,092,000 increase in grant funding from NZTA for the 50% subsidy of bus fare revenue. This increase in grant funding is a difference in the allocation of the revenue compared to budget with it being received as subsidies and grant revenue from NZTA instead of bus fare revenue which is other income.

NZTA is not funding any of the fare difference between budgeted fares and the \$2 flat fares.

- NZTA 50% subsidy grant funding was also received for total mobility fares with an increase in grant funding of \$542,000 being received from the NZTA instead of being paid as fare revenue.
 - NZTA also funded the Community Connect Programme implementation which was \$581,000 unbudgeted grant funding.
2. Other Income is \$3,419,000 below budget due to the following:
- Public transport revenue for Dunedin was \$1,264,000 below budgeted revenue of \$3,360,000 for the Dunedin network. Dunedin network reduced fare revenue was caused by:
 - Continuation of \$2 flat fares.
 - Central government's 50% fare revenue initiative (which was applied to the already reduced \$2 flat fares). The effect of the 50% fare reduction has been funded through grant revenue from NZTA but only from the \$2 level and not from the originally budgeted fare level.
 - Public transport revenue for the Whakatipu network was \$575,000 below budgeted revenue of \$3,016,000. The Whakatipu network reduced fare revenue was caused by the following:
 - The Queenstown ferry service was \$812,000 below budget. This was budgeted to be an operational route in the 2022/2023 financial year with Council receiving gross fare revenue, however this is still in trial phase with revenue being received under the contract by the operator and Council providing a net cost subsidy.
 - Continuation of \$2 flat fares.
 - Central government's 50% fare revenue initiative (which was applied to the already reduced \$2 flat fares). The effect of the 50% fare reduction has been funded through grant revenue from NZTA but only from the \$2 level and not from the originally budgeted fare level.
 - Consent processing is \$905,000 below the \$3,887,000 budgeted revenue.
 - Compliance monitoring and contaminated sites was \$613,000 below budgeted revenue of \$1,780,000.
 - Land and water science monitoring was \$353,000 below budget due to the national LAWA project being budgeted to be undertaken by ORC on behalf of the regional sector but this activity has been transferred to RSHL. This does not have a profit and loss impact due to expenditure also being transferred to RSHL.
 - The remaining \$291,000 variance from budget for other income was caused by small variances over multiple programmes.
3. Interest and investment income is \$4,258,000 greater than budget due to the budget showing a net position of the Port Otago loan interest. Port Otago loan interest is required

to be shown as interest income and expense for Council in the Statement of Comprehensive Revenue and Expense. This has resulted in a \$4,621,000 income and expense being recorded in interest and investment income and finance costs.

The remaining variance in interest and investment income of \$382,000 is managed fund bond interest.

4. Employee benefits expenses is \$4,295,000 below budget due to vacancies in budgeted positions in the Annual Plan. The following tables shows Annual Plan budget FTEs compared to actual FTEs for the Q1 (30 September 2022), Q2 (31 December 2022), Q3 (31 March 2023), Q4 (30 June 2023) and the prior year FTEs (30 June 2022).

Directorate	22/23 Annual plan FTE Budget	Q1 2023 September 2022 FTEs	Q2 2023 December 2022 FTEs	Q3 2023 March 2023 FTEs	Q4 2023 June 2023 FTEs	Variance from budget	Prior year end 30 June 2022 FTEs
Chief Executive	2.1	1	1	1	2	(0)	1
Corporate Services	55.3	41.1	44.3	49.6	47.6	(8)	46.3
Operations	91.7	71.4	80.6	82.4	87.1	(5)	79.5
Governance, Culture & Customer	20.5	19.8	13.7	18.4	19.8	(1)	18.9
Strategy, Policy and Science	73.4	54	59.1	56.9	57.7	(16)	57.6
Regulatory & Communications	91	81.6	90.5	82.5	77	(14)	76.6
	334	254	289	291	291	(43)	279.8

5. Other expense is \$6,965,000 above budget. The major cause of this variance is the following:
 - \$3,765,000 increased expenditure on external resources due to staff vacancies and specialist work required on the RPS project.
 - Additional expenditure of \$673,000 spent on biosecurity wilding pine removal due to increased grant funding from central government.
 - \$1,800,000 increased expenditure on bus contractors due to increases in bus driver wages.
 - \$606,000 increased legal expenses due to increase compliance court cases and RPS legal advice.

Statement of Financial Position as at 30 June 2023

This unaudited Statement of Financial Position does not include adjustment for the change in the valuation of investment property or Port Otago Limited.

	Notes	Actual 2023 12 month period	Actual 2022 12 month period	Variance	Annual plan 2023 12 month period
CURRENT ASSETS					
Cash and cash equivalents	1	14,830	13,243	1,587	2,049
Trade receivables	2	14,802	11,140	3,662	9,304
Other financial assets	3	25,262	23,434	1,828	36,796
Assets held for sale	4	3,350	-	3,350	-
Other current assets		1,435	883	552	698
TOTAL CURRENT ASSETS		59,678	48,700	10,978	48,847
NON- CURRENT ASSETS					
Property, plant and equipment	5	93,994	97,032	(3,038)	106,065
Investment property	7	16,799	16,795	4	16,810
Shares in subsidiary	7	700,290	700,290	-	657,795
Deferred tax asset		-	98	(98)	98
Related party loan- Port Otago Ltd	6	125,088	99,960	25,128	-
Intangible asset		820	1,450	(630)	3,982
TOTAL NON-CURRENT ASSETS		936,991	915,625	21,366	784,750
TOTAL ASSETS		966,669	964,325	32,344	833,597
CURRENT LIABILITIES					
Trade and other payables		(19,203)	(18,196)	(565)	(18,614)
Borrowings	6	(60,966)	(67,956)	6,547	-
Provision		-	-	-	-
Employee entitlement		(2,716)	(2,408)	(308)	(2,343)
TOTAL CURRENT LIABILITIES		(82,886)	(88,560)	5,674	(20,957)
NON CURRENT LIABILITIES					
Borrowings	6	(88,850)	(47,200)	(41,650)	-
Other financial instruments		-	-	-	(25,000)
TOTAL NON CURRENT LIABILITIES		(88,850)	(47,200)	(41,650)	(25,000)
NET ASSETS		824,933	828,565	38,018	787,640
EQUITY					
Reserves		725,116	723,546	1,570	666,120
Public Equity		99,817	105,019	(5,202)	121,520
TOTAL EQUITY AND RESERVES		824,933	828,565	(3,632)	787,640

Notes

1. Cash and cash equivalents increased by \$1,587,000 from the 30 June 2022 position of \$13,243,000. This increase was caused by Council borrowing funds from the LGFA to maintain sufficient working capital to fund operating activities from year end through to the rates being received in October 2023.
2. Trade Receivables has increased by \$3,662,000 from the 30 June 2022 position of \$11,140,000. The majority of this increase has been caused by increased interim billing for quarter 4 which has resulted in consents and compliance work being billed in stages as work is completed instead of at the job completion. There is no impact on revenue which is accrued as work is performed.
3. Other financial assets increased \$1,828,000 from the 30 June 2022 position of \$23,434,000 due to the increase in market value on the investments held in the JB Were long term managed fund.
4. Assets held for sale has increased from a nil balance in 30 June 2022 to \$3,350,000. This balance is the current value of Birch/Kitchener Street. Due to this property being intended to be sold in the next 12 months at year end, this has been reclassified as assets held of sale from property plant and equipment.
5. Property plant and equipment decreased by \$3,038,000 from the 30 June 2022 position of \$97,032,000. This decrease is caused by:
 - Additions of \$4,298,000, the majority of additions were plant and vehicles \$1,987,000 and WIP \$2,047,000
 - Less: Disposals of \$681,000, the majority being plant and vehicles \$386,000 and Kuriwao endowment land \$295,000
 - Less: Transfer of Birch/Kitchener land to assets held for sale \$3,350,000
 - Less: Net depreciation of \$3,305,000
6. At 30 June 2023 Council holds \$24,728,000 loans and borrower note funding (a security required for lending) from the LGFA for Council cashflow requirements.

Funding was also drawn down and on-lent to Port Otago Limited during 2021/2022 financial period. Council approved the lending of LGFA funds to Port Otago in March 2022. \$125,088,000 of loans and LGFA borrower note funding (a security required for lending) was on-lent to Port Otago Limited at 30 June 2023.
7. Investment property and shares in subsidiary (Port Otago Limited) are revaluation at year end but were not revalued at the time of the preparation of this Statement of Financial Position.

Activity Financial Report- June 2023

YEAR TO DATE ACTUAL VS BUDGET

	Revenue			Expenses			Surplus/(Deficit)		
	Actual 2023	AP 2023	Variance	Actual 2023	AP 2023	Variance	Actual 2023	AP 2023	Variance
	Year to Date \$'000	Year to Date \$'000	\$'000	Year to Date \$'000	Year to Date \$'000	\$'000	Year to Date \$'000	Year to Date \$'000	\$'000
Governance and Community	7,380	7,473	(93)	7,676	7,775	(100)	(296)	(302)	7
Regional Planning	2,309	2,293	16	3,647	2,293	1,354	(1,338)	-	(1,338)
Regulatory	11,572	13,101	(1,529)	13,915	13,477	438	(2,343)	(375)	(1,968)
REGIONAL LEADERSHIP	21,261	22,867	(1,606)	25,238	23,545	1,693	(3,977)	(678)	(3,299)
Land and Water	15,967	16,575	(608)	18,379	18,937	(557)	(2,412)	(2,362)	(50)
Biodiversity & Biosecurity	10,651	10,465	186	11,345	11,460	(115)	(694)	(995)	301
Air	722	720	2	687	810	(123)	34	(90)	124
ENVIRONMENT	27,340	27,760	(420)	30,412	31,206	(795)	(3,072)	(3,447)	375
Natural Hazards & Climate	3,320	3,253	67	1,916	3,413	(1,497)	1,404	(160)	1,564
Flood & Drainage	8,677	8,441	236	8,785	9,517	(732)	(108)	(1,076)	968
River Management	2,35	1,971	64	2,502	3,023	(522)	(466)	(1,053)	586
Emergency Management	3,375	3,336	39	3,211	3,336	(125)	164	-	164
SAFETY & RESILIENCE	17,407	17000	407	16,414	19,289	(2,875)	993	(2,289)	3,281
Transport Planning	363	424	(60)	371	424	(52)	(8)	-	(8)
STEDS	135	124	11	165	124	40	(29)	-	(29)
PT- Dunedin	20,259	19,677	582	22,972	20,667	2,305	(2,713)	(991)	(1,723)
PT- Whakatipu	10,281	9,596	686	10,667	11,261	(594)	(386)	(1,665)	1,279
PT- Other	3,228	2,181	1,047	3,322	2,286	1,036	(94)	(105)	11
TRANSPORT	34,267	32,001	2,266	37,498	34,762	2,736	(3,231)	(2,761)	(470)
TOTAL	100,274	99,627	647	109,561	108,801	759	(9,286)	(9,174)	(112)

Note: This table includes both operating and capital expenditure.

\$100,000 REVENUE VARIANCE ANALYSIS		Actual 2023	AP 2023	Variance	Comment
		<small>Year to Date \$'000</small>	<small>Year to Date \$'000</small>	<small>\$'000</small>	
REGIONAL LEADERSHIP					
I1	Incident response	1,606	1,732	(127)	Incident response revenue is below budget due to infringements being below budget.
R1	Consent Processing	5,097	5,893	(796)	Consent processing revenue is below budget due to resource consent processing fees being below budget.
R2	Compliance Monitoring	3,979	4,583	(604)	Compliance monitoring revenue is below budget due to compliance audit revenue and performance monitoring revenue being below budget.
ENVIRONMENT					
W2	Land & Water Science and monitoring	9,925	10,264	339	This reduction in revenue has been caused by the EMaR (LAWA) project moving from being managed by ORC to being managed centrally. This has resulted in a reduction in revenue and expenditure.
W3	Land & Water Implementation	2,977	3,252	(295)	This reduction in revenue has been caused by delayed grant expenditure for the Te Hākapupu project from the Ministry of Environment due to a delay in the project.
L1	Biodiversity Implementation	1,319	1,542	(224)	This reduced revenue has been caused by a reduction in grant income recognised on the DOC - Maintain the gains project.
L2	Biosecurity	8,191	7,783	407	The majority of this reduction in revenue compared to budget has been caused by: <ul style="list-style-type: none"> - \$204,000 reduced revenue due to a hire program for biosecurity equipment being budgeted but not started in the current year. - A \$87,000 reduced grant revenue for the wallaby programme due to revenue being recognised when costs are incurred and suppliers being behind the budgeted programme. - A \$662,000 increase grant revenue for the wilding pines programme.
SAFETY & RESILIENCE					
F1	Alexandra flood protection	464	304	159	This increase in revenue from budget has been caused by the agreement with Contact Energy for flood protection being agreed and revenue for prior period expenses as well as the current year being received.
F3	Lower Clutha flood protection	1,706	1,444	261	This revenue is above budgeted revenue due to grant funding received for flood repairs and Riverbank Road Climate Resilience programmes.

\$100,000 REVENUE VARIANCE ANALYSIS		Actual 2023	AP 2023	Variance	Comment
		<small>Year to Date \$'000</small>	<small>Year to Date \$'000</small>	<small>\$'000</small>	
F4	Lower Taieri flood protection	1,960	2,323	(363)	This revenue is below budgeted revenue due to timing delays in the Climate Resilience project and MBIE funding. Funding is received as expenditure is incurred and will be received in the future as the project progresses.
TRANSPORT					
T4	Public Transport- Dunedin	20,259	19,677	582	This revenue is \$582,000 greater than budget due to the following major movements: <ul style="list-style-type: none"> • \$1,274,000 increased NZTA grant funding to subsidise the increased bus contractor wages. • \$630,000 decreased NZTA bus contract grants due to reduced services from budget.
T5	Public transport- Whakatipu	10,281	9,596	685	This revenue is \$685,000 greater than budget due to the following major movements: <ul style="list-style-type: none"> • \$357,000 increased NZTA grant funding to subsidise the increased bus contractor wages. • \$285,000 increase in Super gold NZTA grant funding compared to budget. • \$140,000 decreased NZTA bus contract grants due to reduced services from budget.
T6	PT- Other	3,228	2,181	1,047	\$560,000 of this above budgeted revenue is being caused by community connect programme (community services card bus transport discount) which is 100% funded by NZTA. The remaining major variance has been caused by 50% fare grants for total mobility paid by the NZTA.

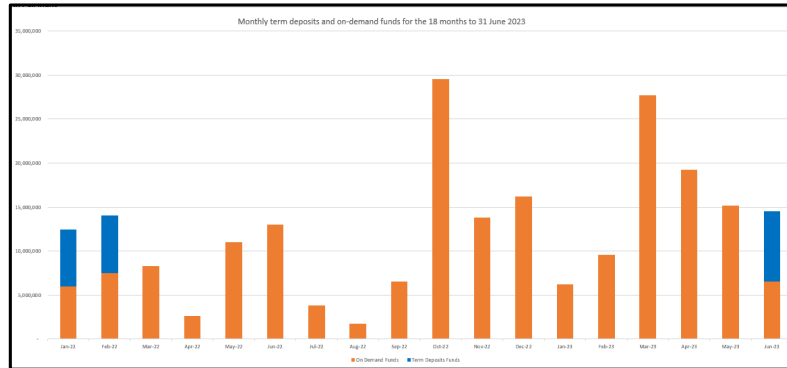
		Actual	AP	Variance	Comment
		2023	2023		
		Year to Date	Year to Date		
		\$'000	\$'000		
\$100,000 EXPENDITURE VARIANCE ANALYSIS					
REGIONAL LEADERSHIP					
G1	Communications and engagement	2,131	2,244	(113)	The programs expenditure has decreased from budget due to a delay in the website re design which was budgeted to be completed in 2022/2023.
P1	RPS, Strategy, Urban development	3,646	2,293	1,354	This increased expenditure from budget has been caused by over budget expenditure on the RPS project.
R1	Consent Processing	2,650	5,893	(242)	This reduced expenditure has been caused by reduced staff time being spent on consent processing.
R4	Harbours management	1,121	1,013	108	This over budget expenditure has been caused by increase operational expenditure.
I1	Incident response	2,259	1,732	526	Incident response expenditure is above budget due to increased legal expense of \$189,000 above budget (due to court enforcement of incidents in the current year) and increased staff time being spent on enforcement due to the nature of incidents that have occurred.
ENVIRONMENT					
W1	Land & Water Planning	3,250	3,059	191	This increased expenditure has been caused by more costs being spent on the National Policy Statement for Freshwater Management than originally budgeted.
W2	Land & Water science & monitoring	11,552	11,283	270	This reduction in expenditure has been caused by the EMaR (LAWA) project moving from being managed by ORC to being managed centrally. This has resulted in a reduction in revenue and expenditure (there is no impact on overall Council profit).
W3	Land & water implementation	3,577	4,595	(1,017)	The majority of the land and water implementation below budget expenditure has been caused by decreased expenditure in catchment management \$508,000 and the Lake Hayes remediation programme \$339,000 and a delay in the Te Hakaupupu project expenditure of \$151,000.
L1	Biodiversity Implementation	1,542	1,843	(301)	This reduced expenditure from budget has been caused by a \$243,000 reduced spending on DOC- maintaining the gains project and reduced spending on biodiversity strategy and management.

		Actual 2023 Year to Date \$'000	AP 2023 Year to Date \$'000	Variance \$'000	Comment
\$100,000 EXPENDITURE VARIANCE ANALYSIS					
L2	Biosecurity	8,771	8,388	383	This reduction in expenditure has been caused by staff vacancies and has been offset by a \$755,000 increased expenditure in wilding pines program (as a result of more grant funding being received from MPI).
L8	Biodiversity science & monitoring	1,032	1,229	(197)	This majority of this reduced expenditure has been caused by reduced time costs of \$109,000 from budget.
A4	Regional Plan: Air	47	260	(213)	This reduction in expenditure has been caused by reduced expenditure on the Air policy.
SAFETY & RESILIENCE					
N1	Natural Hazards	1,259	1,757	(498)	This decreased expenditure has been caused by reduced staff time and consultant work from budget.
N2	Flood and low flow risk management	239	370	(131)	This decreased expenditure has been caused by reduced staff time and consultant work from budget.
N3	Climate change adaption	417	1,284	(867)	This decreased expenditure has been caused by below budget expenditure of \$358,000 in the South Dunedin project, \$102,000 below budget expenditure in the Clutha Delta project and \$407,000 below budget expenditure in general hazard projects.
E1	Emergency Management	3,211	3,335	(125)	This underspend has been caused by reduced staff costs due to vacancies, this has also impacted the timing and delivery of planned works.
F2	Leith flood protection scheme	607	893	(285)	This reduced expenditure has been caused by planned work on Leith Structures and the harbour project not yet being scoped.
F3	Lower Clutha flood protection	1,918	2,391	(474)	This variance is caused by timing of the awarding of capital contracts for work not yet being commenced.
F5	West Taieri Drainage	1,050	1,302	(253)	This variance is caused by timing of the awarding of capital contracts for work not yet being commenced.
M1	River Management- Dunedin	424	582	(158)	The reduced expenditure has been caused by reduced operational expenditure.
M2	River Management- Clutha	733	570	163	The increased expenditure has been caused by increased operational expenditure.
M3	River Management- Central	380	493	(113)	The reduced expenditure has been caused by reduced operational expenditure.

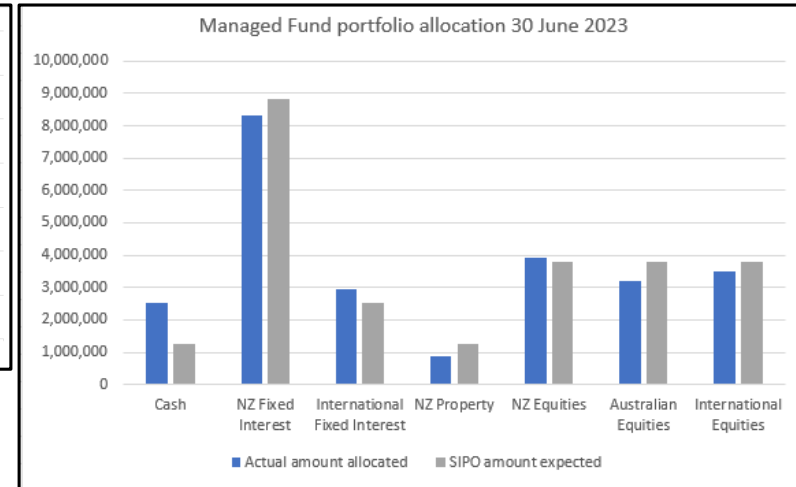
		Actual	AP	Variance	Comment
		2023	2023		
		Year to Date	Year to Date		
		\$'000	\$'000	\$'000	
\$100,000 EXPENDITURE VARIANCE ANALYSIS					
M4	River Management- Whakatipu	260	454	(194)	The reduced expenditure has been caused by reduced operational expenditure.
M5	River Management- Wanaka	193	323	(130)	The reduced expenditure has been caused by reduced operational expenditure.
M6	River Management- Waitaki	237	380	(143)	The reduced expenditure has been caused by reduced operational expenditure.
TRANSPORT					
T4	PT- Dunedin	22,972	20,667	2,305	The majority of this over budget expenditure has been caused by: <ul style="list-style-type: none"> - \$2,639,000 increase in Dunedin bus service costs due to increased bus driver wages. - \$123,000 increase in costs due to Palmerston weekend services. - The remaining variance has been caused by reduced operating costs due to reduced service timetable and delayed infrastructure projects.
T5	PT- Queenstown	10,667	11,261	(594)	This majority of this under budget expenditure has been caused by: <ul style="list-style-type: none"> - \$1,298,000 reduced expenditure on the Queenstown ferry operation. - \$876,000 reduced operating costs due to reduced service timetable. - \$721,000 increase in Queenstown bus service costs due to increased bus driver wages. - \$386,000 increase in low cost low risk project costs. - \$231,000 increase in infrastructure expenditure.
T6	PT- Other	3,321	2,286	1,036	The majority of this over budget expenditure has been caused by the Connect Community implementation programme which was not budgeted but is 100% funded by NZTA and total mobility operating variances.

Treasury Report

Term Deposits - Portfolio Composition



Managed Fund – Portfolio Allocation - as at 30 June 2023



Portfolio Performance- for the year ended 30 June 2023

Managed Fund Income	Q1 2023 YTD	Q2 2023 YTD	Q3 2023 YTD	Q4 2023 YTD
Interest on managed fund	53,109	166,369	216,916	364,168
Dividends	153,373	261,928	365,084	469,310
Other	(33,794)	(71,446)	(103,860)	(135,024)
Market Value movement gain/(loss)	(22,549)	32,471	743,634	1,124,035
Withdrawal				
Total increase/(decrease) in managed fund	150,139	389,322	1,221,774	1,822,489

Asset Class Allocation - as at 30 June 2023

Asset Class	Actual amount allocated	%	SIPO amount expected	SIPO target	SIPO acceptable range	SIPO met
Cash	2,540,881	10%	1,263,083	5%	0% 25%	Yes
NZ Fixed Interest	8,327,986	33%	8,841,583	35%	25% 45%	Yes
International Fixed Interest	2,936,310	12%	2,526,166	10%	5% 15%	Yes
Defensive Total	13,805,176	55%	12,630,832	50%	40% 60%	Yes
NZ Property	862,185	3%	1,263,083	5%	2% 8%	Yes
NZ Equities	3,905,971	15%	3,789,250	15%	10% 20%	Yes
Australian Equities	3,205,215	13%	3,789,250	15%	10% 20%	Yes
International Equities	3,483,118	14%	3,789,250	15%	10% 20%	Yes
Growth Total	11,456,489	45%	12,630,832	50%	40% 60%	Yes
Total	25,261,665					

Finance Committee Agenda - 24 August 2023 - MATTERS FOR CONSIDERATION

ACTIVITY DETAIL - YEAR TO DATE JUNE 2023				Operating Expenditure			Capital Expenditure			Other Expenditure			Total Expenditure			General rates			Targeted rates			Grants			Other Income			Total Revenue				
				Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance		
REGIONAL LEADERSHIP																																
Governance & Community																																
	Communications & Engagement	G1	2,129	2,139	(10)	2	100	(98)	0	5	(5)	2,131	2,244	(113)	2,171	2,167	5	-	-	-	3	-	3	4	-	4	2,178	2,167	11			
	Governance & Financial Contributions	G8	5,544	5,531	13	-	-	-	-	-	-	5,544	5,531	13	5,202	5,191	11	-	-	-	-	-	-	0	116	(115)	5,202	5,306	(104)			
Total Governance & Community				7,673	7,670	3	2	100	(98)	0	5	(5)	7,676	7,775	(100)	7,373	7,357	16	-	-	-	3	-	3	4	116	(112)	7,380	7,473	(93)		
Regional Planning																																
	RPS, Strategy, Urban Dev & Response to Issues	P1	3,647	2,293	1,354	-	-	-	-	-	-	3,647	2,293	1,354	2,298	2,293	5	-	-	-	-	-	-	-	-	11	-	11	2,309	2,293	16	
Total Regional Planning				3,647	2,293	1,354	-	-	-	-	-	-	3,647	2,293	1,354	2,298	2,293	5	-	-	-	-	-	-	-	-	11	-	11	2,309	2,293	16
Regulatory																																
	Incident Response & Enforcement	I1	2,125	1,992	143	-	-	-	123	140	(17)	2,259	1,732	526	1,435	1,432	3	-	-	-	-	-	-	-	-	170	300	(130)	1,606	1,732	(127)	
	Consent Processing	R1	5,591	5,893	(302)	-	-	-	59	-	59	5,650	5,893	(243)	2,000	1,996	4	-	-	-	-	-	-	-	-	-	3,697	3,897	(800)	5,097	5,893	(796)
	Compliance Monitoring & Contaminated Sites	R2	4,854	4,837	17	21	-	21	11	2	9	4,886	4,839	47	2,609	2,603	6	200	200	0	-	-	-	-	-	-	1,171	1,781	(610)	3,979	4,583	(604)
	Harbours Management	R4	969	860	109	121	120	1	31	33	(2)	1,121	1,013	108	820	818	2	-	-	-	-	-	62	75	(13)	8	-	8	890	893	(3)	
Total Regulatory				13,549	13,181	368	142	120	22	224	175	49	13,915	13,477	438	6,863	6,849	15	200	200	0	62	75	(13)	4,445	5,978	(1,532)	11,572	13,101	(1,529)		
Total Regional Leadership				24,869	23,145	1,725	144	220	(76)	224	180	44	25,238	23,545	1,693	16,535	16,499	36	200	200	0	65	75	(10)	4,460	6,093	(1,633)	21,261	22,867	(1,606)		
ENVIRONMENTAL																																
Land & Water Planning																																
	Land & Water Planning	W1	3,250	3,059	191	-	-	-	-	-	-	3,250	3,059	191	3,066	3,059	7	-	-	-	-	-	-	-	-	-	-	-	3,066	3,059	7	
	Land & Water Science and Monitoring	W2	10,344	9,997	347	899	963	(64)	309	323	(13)	11,552	11,283	270	9,921	9,899	21	-	-	-	-	-	-	4	364	(361)	9,925	10,264	(339)			
	Land & Water Implementation	W3	3,577	3,982	(405)	-	600	(600)	-	13	(13)	3,577	4,595	(1,017)	939	937	2	1,239	1,235	4	638	1,080	(442)	162	-	162	2,977	3,252	(275)			
Total Land & Water Planning				17,171	17,038	133	899	1,563	(664)	309	336	(26)	18,379	18,937	(557)	13,926	13,895	30	1,239	1,235	4	638	1,080	(442)	165	364	(199)	15,967	16,575	(608)		
Biodiversity & Biosecurity																																
	Biodiversity Implementation	L1	1,542	1,843	(301)	-	-	-	-	-	-	1,542	1,843	(301)	1,107	1,105	2	-	-	-	-	-	-	-	-	212	438	(226)	1,319	1,543	(224)	
	Biosecurity	L2	8,756	8,376	380	6	-	6	9	12	(3)	8,771	8,388	383	3,579	3,579	0	4,592	4,000	592	20	205	(185)	-	-	-	8,991	7,933	1,058			
	Biodiversity Science & Monitoring	L8	1,013	1,128	(115)	16	90	(74)	3	11	(9)	1,032	1,229	(197)	1,141	1,139	2	-	-	-	-	-	-	-	-	-	-	1,141	1,139	2		
Total Biodiversity & Biosecurity				11,311	11,347	(35)	22	90	(68)	12	23	(11)	11,245	11,460	(215)	2,248	2,249	(1)	3,579	3,579	0	4,804	4,438	366	20	205	(185)	10,651	10,465	186		
Air																																
	Air Monitoring	A1	524	427	97	78	90	(12)	37	33	5	640	550	90	461	460	1	-	-	-	-	-	-	-	-	-	-	461	460	1		
	Regional Plan: Air	A4	47	260	(213)	-	-	-	-	-	-	47	260	(213)	261	260	1	-	-	-	-	-	-	-	-	-	-	261	260	1		
Total Air				572	687	(115)	78	90	(12)	37	33	5	687	810	(123)	722	720	2	-	-	-	-	-	-	-	-	-	-	722	720	2	
Total Environmental				29,054	29,072	(18)	999	1,743	(744)	358	392	(33)	30,412	31,206	(795)	16,895	16,859	37	4,818	4,814	4	5,442	5,518	(76)	185	569	(384)	27,340	27,760	(420)		
SAFETY AND RESILIENCE																																
Climate Change & Hazards																																
	Natural Hazards	N1	1,260	1,758	(498)	-	-	-	-	-	-	1,260	1,758	(498)	1,572	1,569	3	-	-	-	190	189	1	15	-	15	1,777	1,758	19			
	Flood & Low Flow Risk Management	N2	236	367	(131)	-	-	-	4	4	0	239	370	(131)	371	370	1	-	-	-	-	-	-	-	-	-	371	370	1			
	Climate Change Adaptation	N3	402	1,281	(879)	6	-	6	10	3	6	417	1,284	(867)	1,127	1,124	2	-	-	-	-	-	-	-	-	45	-	45	1,172	1,124	47	
Total Climate Change & Hazards				1,897	3,406	(1,509)	6	-	6	13	7	6	1,916	3,413	(1,497)	3,070	3,064	7	-	-	-	190	189	1	60	-	60	3,320	3,253	67		
Emergency Management																																
	Emergency Management	E1	3,165	3,330	(165)	32	-	32	13	5	8	3,211	3,336	(125)	-	-	-	3,338	3,336	3	-	-	-	37	-	37	3,375	3,336	39			
Total Emergency Management				3,165	3,330	(165)	32	-	32	13	5	8	3,211	3,336	(125)	-	-	-	3,338	3,336	3	-	-	-	37	-	37	3,375	3,336	39		
Flood Protection																																
	Alexandra Flood Protection	F1	274	243	31	-	20	(20)	41	42	(1)	215	304	(89)	6	6	0	-	-	-	-	-	-	-	-	458	298	160	464	204	160	
	Leith Flood Protection Scheme	F2	222	255	(33)	-	250	(250)	385	388	(3)	607	893	(286)	180	180	0	1,460	1,461	(1)	-	-	-	-	-	-	-	1,641	1,641	0		
	Lev Clutha Flood Protection & Drainage	F3	1,572	1,529	43	181	680	(499)	164	182	(18)	1,918	2,391	(474)	218	217	0	950	950	(0)	206	96	110	332	181	151	1,706	1,444	261			
	West Taieri Flood Protection Scheme	F4	1,193	815	377	1,445	1,795	(350)	15	40	(25)	2,653	2,650	2	220	220	0	1,050	1,050	0	687	1,052	(365)	2	1	1	1,960	2,323	(363)			
	Lev Taieri Drainage	F5	839	814	25	35	285	(250)	176	204	(28)	1,050	1,302	(253)	123	123	0	820	820	(0)	-	-	-	-	-	43	67	(24)	987	1,010	(24)	
	East Taieri Drainage	F6	837	671	166	22	180	(158)	95	92	4	954	943	11	75	75	0	612	640	(28)	-	-	-	4	1	3	692	717	(24)			
	Tokomairo Drainage	F7	219	169	50	-	20	(20)	2	3	(1)	221	192	29	-	-	-	160	160	(0)	-	-	-	-	-	-	160	160	(0)			
	Shotover River Delta	F8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	Scheme Oversight & Bylaws	F9	1,068	841	226	-	-	-	-	-	-	1,068	841	226	-	-	-	-	-	-	-	-	-	-	-	-	1,068	841	226			
Total Flood Protection				6,224	5,338	886	1,683	3,230	(1,547)	878	949	(71)	8,785	9,517	(732)	823	821	2	5,053	5,081	(28)	893	1,148	(255)	1,908	1,391	517	8,677	8,441	236		
River Management																																
	River Mgt - Dunedin	M1	409	569	(160)	1	-	1	15	14	1	424	582	(158)	-	-	-	180	180	0	-	-	-	-								

Finance Committee Agenda - 24 August 2023 - MATTERS FOR CONSIDERATION

ACTIVITY DETAIL - YEAR TO DATE JUNE 2023			Surplus / (Deficit)			General Reserves			Targeted Reserves			Other Reserves			Total Funding		
			Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
REGIONAL LEADERSHIP																	
Governance & Community	Communications & Engagement	G1	47	(78)	124	(49)	-	(49)	-	-	-	2	100	(98)	2,131	2,267	(136)
	Governance & Financial Contributions	G8	(342)	(225)	(117)	342	203	140	-	-	-	-	-	-	5,544	5,509	36
Total Governance & Community			(296)	(302)	7	293	203	91	-	-	-	2	100	(98)	7,676	7,775	(100)
Regional Planning	RPS, Strategy, Urban Dev & Response to Issues	P1	(1,338)	(0)	(1,338)	1,338	-	1,338	-	-	-	-	-	-	3,647	2,293	1,354
Total Regional Planning			(1,338)	(0)	(1,338)	1,338	-	1,338	-	-	-	-	-	-	3,647	2,293	1,354
Regulatory	Incident Response & Enforcement	I1	(653)	(0)	(653)	653	-	653	-	-	-	-	-	2,259	1,732	528	
	Consent Processing	R1	(552)	(0)	(552)	547	-	547	6	-	4	-	-	5,650	5,892	(242)	
	Compliance Monitoring & Contaminated Sites	R2	(906)	(255)	(651)	856	220	637	29	36	(7)	21	-	21	4,886	4,839	47
	Harbours Management	R4	(233)	(130)	(111)	110	-	110	-	-	-	121	120	1	1,121	1,013	108
Total Regulatory			(2,343)	(375)	(1,968)	2,167	220	1,947	35	36	(1)	142	120	22	13,915	13,477	438
Total Regional Leadership			(3,977)	(678)	(3,299)	3,798	422	3,376	35	36	(1)	144	220	(76)	25,238	23,545	1,693
ENVIRONMENTAL																	
Land & Water Planning	Land & Water Planning	W1	(184)	(0)	(184)	184	-	184	-	-	-	-	-	3,250	3,059	191	
	Land & Water Science and Monitoring	W2	(1,628)	(1,019)	(609)	501	-	501	-	56	(56)	1,127	963	164	11,552	11,283	270
	Land & Water Implementation	W3	(600)	(1,343)	743	-	-	-	600	1,263	(663)	-	80	(80)	3,577	4,595	(1,017)
Total Land & Water Planning			(2,412)	(2,362)	50	685	-	685	600	1,319	(718)	1,127	1,043	84	18,379	18,937	(557)
Biodiversity & Biosecurity	Biodiversity Implementation	L1	(223)	(300)	77	(104)	-	(104)	-	-	327	300	27	3,542	1,843	(1,699)	
	Biosecurity	L2	(580)	(605)	25	574	605	(31)	-	-	6	-	6	8,771	8,388	383	
	Biodiversity Science & Monitoring	L8	120	(90)	210	(126)	-	(126)	-	-	16	90	(74)	1,032	1,229	(197)	
Total Biodiversity & Biosecurity			(694)	(995)	301	(229)	574	605	(31)	349	390	(41)	11,345	11,460	(115)		
Air	Air Monitoring	A1	(179)	(90)	(89)	101	-	101	-	-	78	90	(12)	640	550	90	
	Regional Plan Air	A4	213	0	213	(213)	-	(213)	-	-	-	-	-	47	260	(213)	
Total Air			34	(90)	124	(112)	-	(112)	-	-	-	78	90	(12)	687	810	(123)
Total Environmental			(3,072)	(3,447)	375	343	-	343	1,175	1,924	(749)	1,554	1,523	31	30,412	31,206	(795)
SAFETY AND RESILIENCE																	
Climate Change & Hazards	Natural Hazards	N1	518	0	518	(518)	-	(518)	-	-	-	-	-	1,260	1,758	(498)	
	Flood & Low Flow Risk Management	N2	132	(0)	132	(132)	-	(132)	-	-	-	-	-	239	370	(131)	
	Climate Change Adaptation	N3	754	(160)	914	(812)	-	(812)	-	-	58	160	(102)	417	1,284	(867)	
Total Climate Change & Hazards			1,404	(160)	1,564	(1,461)	-	(1,461)	-	-	-	58	160	(102)	1,916	3,413	(1,497)
Emergency Management	Emergency Management	E1	164	0	164	-	-	-	(196)	-	(196)	32	-	32	3,211	3,336	(125)
Total Emergency Management			164	0	164	-	-	-	(196)	-	(196)	32	-	32	3,211	3,336	(125)
Flood Protection	Alexandra Flood Protection	F1	149	0	149	-	-	-	(149)	-	(149)	-	-	-	215	304	89
	Leith Flood Protection Scheme	F2	1,034	748	286	-	-	-	(1,034)	(748)	(286)	-	-	-	607	893	(286)
	Lwr Clutha Flood Protection & Drainage	F3	(212)	(947)	735	-	-	-	31	597	(566)	181	350	(169)	1,918	2,391	(474)
	Lwr Taieri Flood Protection Scheme	F4	(693)	(327)	(366)	-	-	-	(752)	327	(1,079)	1,445	-	1,445	2,653	2,650	3
	West Taieri Drainage	F5	(63)	(292)	229	-	-	-	28	292	(264)	35	-	35	1,050	1,302	(253)
	East Taieri Drainage	F6	(262)	(226)	(36)	-	-	-	240	226	14	22	-	22	954	943	11
	Tokomairo Drainage	F7	(61)	(32)	(29)	-	-	-	61	32	29	-	-	-	221	192	29
	Shotover River Delta	F8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Scheme Oversight & Bylaws	F9	-	0	(0)	-	-	-	-	-	-	-	-	-	1,068	841	226
Total Flood Protection			(108)	(1,076)	968	-	-	-	(1,575)	726	(2,301)	1,683	350	1,333	8,785	9,517	(732)
River Management	River Mgt - Dunedin	M1	(244)	(402)	159	-	-	-	243	402	(159)	1	-	1	424	582	(158)
	River Mgt - Clutha	M2	(343)	(180)	(163)	-	-	-	342	180	162	1	-	1	733	570	163
	River Mgt - Central	M3	(180)	(153)	115	-	-	-	38	153	(115)	1	-	1	380	493	(113)
	River Mgt - Wakatipu	M4	(18)	(234)	216	-	-	-	17	234	(217)	1	-	1	260	454	(194)
	River Mgt - Wanaka	M5	66	(103)	169	-	-	-	(66)	103	(169)	1	-	1	193	323	(130)
	River Mgt - Waitaki	M6	163	20	143	-	-	-	(163)	(20)	(144)	1	-	1	237	380	(143)
	Lwr Waitaki Flood Protection & River Control	M7	(16)	-	(16)	-	-	-	16	-	16	1	-	1	207	190	17
	Non Scheme Management	M8	(36)	-	(36)	36	-	36	-	-	-	-	-	-	67	31	36
Total River Management			(466)	(1,053)	586	36	-	36	426	1,053	(626)	4	-	4	2,502	3,023	(521)
Total Safety and Resilience			993	(2,289)	3,281	(1,425)	-	(1,425)	(1,344)	1,779	(3,123)	1,777	510	1,267	16,414	19,289	(2,875)
TRANSPORT																	
Regional Land Transport Planning	Regional Land Transport Planning	T1	(8)	0	(8)	8	-	8	-	-	-	-	-	371	424	(52)	
	Stock Truck Effluent Disposal	T3	(29)	(0)	(29)	29	-	29	-	-	-	-	-	165	124	40	
	Public Transport - Dunedin	T4	(2,713)	(991)	(1,723)	-	-	-	2,713	991	1,723	-	-	-	22,972	20,667	2,305
	Public Transport - Wakatipu	T5	(386)	(1,865)	1,479	-	-	-	386	1,865	(1,479)	-	-	-	10,667	11,261	(594)
	Public Transport - Other	T6	(94)	-	(94)	94	-	94	-	-	-	-	-	-	3,322	2,286	1,036
Total Transport			(3,231)	(2,761)	(470)	131	-	131	3,100	2,761	339	-	-	-	37,498	34,762	2,736
TOTAL ACTIVITIES			(9,286)	(9,174)	(112)	2,848	422	2,425	2,965	6,499	(3,534)	3,474	2,253	1,221	109,561	108,801	759

Activity Performance Report

2022-23 QUARTER FOUR – @ June 2023



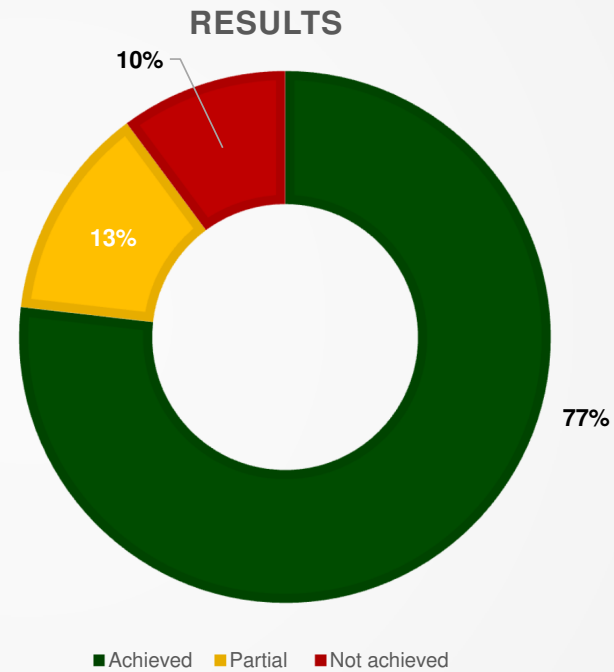
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Service Delivery Performance

The 2022-23 Annual Plan contains 36 level of service statements, 62 measures and 69 targets related to activities being delivered in the 2022-23 year.

Results:

- 53** achieved/completed
- 9** Partially achieved
- 7** not achieved
- 0** not measured



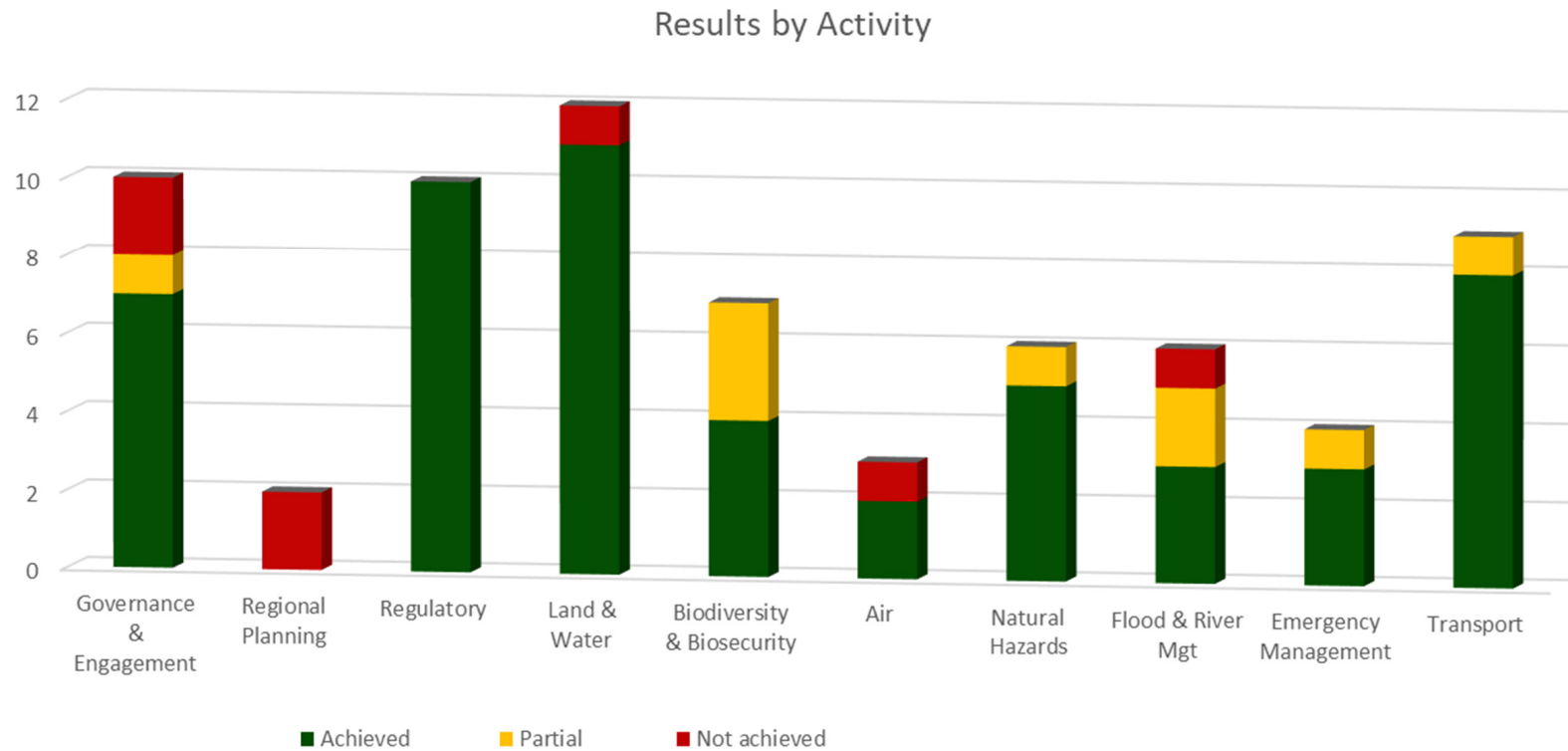
A full list of measures, targets and the results for each quarter is included at the end of this report.



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QUARTER FOUR 2022-23 (June)

Results by Activity



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QUARTER FOUR 2022-23 (June)

Service Delivery Highlights

- ★ 100% of consents processed within timeframes in this quarter
- ★ Oil spill training exercise completed with staff trained and able to respond to an event
- ★ Method developed and data collection commenced for customer feedback from front line service interactions, including reception, phone and email.
- ★ Port and Harbour Marine Safety Code self audit completed



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QUARTER FOUR 2022-23 (June)

Service Delivery Challenges and Risks

Quarter four challenges:

- ❑ Staff recruitment and retention continued to present challenges. The strong recruitment drive continued through Q4 and a number of rolls filled. At the end of Q4 there were 30 fewer staff than budgeted, compared to 36 fewer in Q3, 45 in Q2 and 65 in Q1. Some areas have relied on contractors and/or work has been pushed out until staff were recruited.





Potential risks or future challenges:

- ❑ Delivery of some ORC work programmes, including 'catch-up' planning and operations, may be impacted by new or ongoing reform (e.g. air, highly productive land, urban/spatial, biodiversity, adaptation planning, RMA reform).

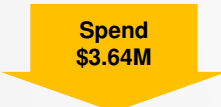
Performance Summary by Activity Group

Key:




Service Delivery Results:

	achieved	The number in each 'traffic-light' shows the results for the Annual Plan service measure and targets for each activity this quarter. Commentary is exceptions based and provides detail regarding targets that are at risk, not achieved or where performance has not been able to be measured.
	Partially achieved	
	not achieved	
	not measured	

Financial Performance:

 • The numbers in the arrows show the **actual** expenditure or revenue for the year to date (includes operational and capital).

- Colours indicate the **percentage variance** against budget:

 within 5%	 5-10% variance	 more than 10% variance
--	---	---
- Direction of arrows show whether the variance is **under** budget or **over** budget (square if the variance is less than 1%).
- The example above shows that the **actual** expenditure for the year to date is \$3.64M and that this is an **underspend** of between **5 -10%** against what was budgeted for the activity.



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QUARTER FOUR 2022-23 (June)

Performance Summary by Activity Group

Regional Leadership	Service Delivery Results	Financial Performance	
<p>Governance & Engagement</p> <p>7 1 2</p>	<ul style="list-style-type: none"> ⊖ Annual survey result – no change ⊗ 98.5% of LGOIMA requests (133 out of 135) in the YTD responded to on time (target:100%). ⊗ Green house gas report circulated post 30June 	<p>Revenue \$7.38M</p>	<p>Spend \$7.68M</p> <p>Revenue and spend are approx. 0.1M under.</p>
<p>Regional Planning</p> <p>2</p>	<ul style="list-style-type: none"> ⊖ Urban programme was delayed due to vacancies and Urban Strategy not drafted; FDS work with DCC and QLDC was however ongoing. ⊖ RPS timeframes were pushed out by the High Court action on the freshwater planning process. 	<p>Revenue \$2.3M</p>	<p>Spend \$3.64M</p> <p>Spend \$1.35M over due to legal and consultant costs of revised RPS processes, partly offset by vacancies.</p>
<p>Regulatory</p> <p>10</p>		<p>Revenue \$11.57M</p>	<p>Spend \$13.92M</p> <p>Revenue \$1.53M under due to additional non-chargeable activity and vacancies. Spend \$0.44M over largely due to increased incident response and enforcement/legal costs; partly off-set by reduced time in other areas.</p>



QUARTER FOUR 2022-23 (June)

Performance Summary by Activity Group

Environment	Service Delivery Results	Financial Performance
<p>Land & Water</p> <p>11 1</p>	<p>⊗ Catchment Action Plan (CAP) approach was revised; the collaborative approach means drafting took longer than anticipated</p>	<p>Revenue \$15.97M Spend \$18.38M</p> <p>Revenue \$0.6M under due to grant timing. Spend \$0.56M under, largely due to timing of monitoring upgrades (capex), remediation works (Lake Hayes), CAP and LAWA/EMaR costs, partly offset by Science.</p>
<p>Biodiversity & Biosecurity</p> <p>4 3</p>	<p>⊖ partial progress indigenous biodiversity ecosystems monitoring programme</p> <p>⊖ Biodiversity planned actions <90%</p> <p>⊖ Biosecurity Operational Planned action <90%</p>	<p>Revenue \$10.65M Spend \$11.34M</p> <p>Revenue \$0.19M over due to timing of grants and equipment lease fees not realised. Spend \$0.1M under due to vacancies and timing of works.</p>
<p>Air</p> <p>2 1</p>	<p>⊗ Review of Regional Plan Air is delayed due to staff vacancies and RPS delays.</p>	<p>Revenue \$0.72M Spend \$0.69M</p> <p>Spend \$0.12m over due timing of projects and monitoring site upgrades.</p>



QUARTER FOUR 2022-23 (June)


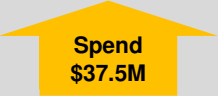
Performance Summary by Activity Group

Safety & Resilience	Service Delivery Results	Financial Performance
<p>Natural Hazards & Climate Change</p> <p>5 1</p>	<p>⊖ Priority adaptation works at Head of Lake Wakatipu, South Dunedin/ Harbourside, Clutha Delta progressed well, however work for Henley and Roxburgh was delayed due to staff vacancies.</p>	<p>Revenue \$3.32M</p> <p>Spend \$1.92M</p> <p>Revenue \$0.07M over. Spend \$1.5M under due to vacancies and timing of contracted works.</p>
<p>Flood Protection, Drainage & River Management</p> <p>3 2 1</p>	<p>⊖ <90% planned river maintenance actions achieved</p> <p>⊖ <90% of renewals programme completed</p> <p>⊖ <100% of reported issues investigated within 20 days</p>	<p>Revenue \$10.7M</p> <p>Spend \$11.29M</p> <p>Revenue \$0.3M over due to MBIE grant timing. Spend \$1.25M under due to timing of capex works and seasonal river/scheme management work which commenced in Q2. Partly offset by unbudgeted flood recovery work.</p>
<p>Emergency Management</p> <p>3 1</p>	<p>⊖ recruitment challenges adversely impacted staff training target.</p>	<p>Revenue \$3.37M</p> <p>Spend \$3.21M</p> <p>Spend \$0.12M under largely due to vacancies, which have also impacted timing and delivery of planned work.</p>



QUARTER FOUR 2022-23 (June)

Performance Summary by Activity Group

Transport	Service Delivery Results	Financial Performance
<p>Regional & Public Transport</p> <p>8 1</p>	<p>⊖ Driver shortages impacted on punctuality: <95% of scheduled services on-time (punctuality – to five minutes).</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Revenue \$34.27M</p> </div> <div style="text-align: center;">  <p>Spend \$37.5M</p> </div> </div> <p>Revenue \$2.27M over. Spend is \$2.74M over due to driver wage increases with some cost reduction due to reduced services, plus increased regional total mobility and community connect services, partly offset by changes to Queenstown ferry contract from budget assumptions.</p>



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QUARTER FOUR 2022-23 (June)

2022-23 Service Measure Quarterly Results

Activity	Measures	Targets	Q1	Q2	Q3	Q4	
Regional Leadership	Governance & Community Engagement	Percentage of official information requests responded to within statutory timeframe	100%				
		Percentage of council agendas that are publicly available two working days or more before a meeting	100%				
		Deliver our statutory requirements with acceptable process and deliverables to decision-makers and the community	Unmodified audit reports received				
		Work done in partnership with iwi; increase the number of outputs and groups working together on projects	Maintain or increase (from 2021-22 baseline result: 19)				
		Build the bicultural competency of ORC staff and councillors	50 participants in programme				
		Annual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC	Survey results show increased community awareness and improved satisfaction with the performance of ORC.				
		Customers express high levels of satisfaction with customer service provision	Determine methodology for establishing customer satisfaction.				
		Report on community wellbeing indicators	Complete annual report on wellbeing indicators and issues and report to Council by 30 June				
		Information on climate change in Otago is shared with the community and stakeholders.	Complete regional GHG* inventory and report to Council by 30 June				
		Report on regional stakeholder engagement and collaboration on climate change.	Complete annual report on regional climate change collaboration and report to Council by 30 June				
Regional Planning	Develop an integrated planning framework that enables well managed urban growth across Otago	Develop draft regional Urban Development Strategy by 30 June					
	Complete review of existing Regional Policy Statement (RPS)	Make RPS operative by 30 June					
Regulatory	Percentage of resource consent applications processed in accordance with Resource Management Act 1991 legislative timeframes	≥98%					
	Percentage of public enquiries for consent information completed within 7 working days	Maintain or increase (from 2021-22 baseline of 99%)					
	Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets	≥90%					
	Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets	≥90%					
	Percentage of significant non-compliance identified where action is taken in accordance with Compliance Policy	100%					
	Maintain 24-hour/7 day a week response for environmental incidents	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					
	Maintain compliance with Port and Harbour Marine Safety Code	Annual self review is completed by ORC and POL and signed off by the Chief Executives.					
	Major incidents on Otago's Harbours and waterways will be responded to	Major incidents and ORC's response are reported to Council quarterly					
	On-water engagement, education of recreational users and safety campaigns are documented and reported annually	Report to council by 30 June					



■ Achieved
 ■ Partial
 ■ Not achieved

QUARTER FOUR 2022-23 (June)

2022-23 Service Measure Quarterly Results

Activity	Measures	Targets	Q1	Q2	Q3	Q4	
Environment	Land & Water	Complete the Land and Water Regional Plan(LWRP)	Report to Council on proposed management options for all FMUs (including rohe) by 30 June	Green	Green	Green	Green
		Implement a regional coastal environment monitoring programme	Annual report on monitoring completed and reported to Council by 30 June	Green	Green	Green	Green
		Implement freshwater and estuarine environment monitoring programmes	Annual report on monitoring programme completed and reported to Council	Green	Green	Yellow	Green
		Percentage of data from the water monitoring network that is captured quarterly.	≥95% data capture achieved	Green	Green	Green	Green
		Develop and implement a regional land use monitoring programme	Annual report on monitoring programme completed and reported to Council	Green	Green	Green	Green
		Percentage of data from the land-use monitoring network that is captured quarterly.	95% data capture achieved	Green	Green	Green	Green
		Otago Catchment Communities funding is administered as per agreement.	100%	Green	Green	Green	Green
		Otago Catchment Communities is supported to meet deliverables and targets of funding agreement	Report to Council on deliverables and targets achieved by 30 June	Green	Green	Yellow	Green
		Land owner/community led projects promoting best practice land management for soil conservation, water quality and the efficient use of water are identified and supported.	Three or more projects supported per year	Green	Green	Green	Green
		At least three site specific action plans for selected degraded waterbodies are developed, prioritised, and implemented.	Projects confirmed and priority actions identified by 30 Sept.	Green	Green	Green	Green
		90% of actions undertaken within specified timeframes	Green	Green	Green	Green	
	Integrated Catchment Action Plans (CAP) are developed in collaboration with iwi and community.	One Catchment Action Plan drafted	Yellow	Yellow	Yellow	Red	
	Biodiversity & Biosecurity	Develop and implement a regional indigenous biodiversity ecosystems monitoring programme.	Develop monitoring programme (including requirements of NPSIB*) and report to Council by 30 June	Green	Green	Yellow	Yellow
		Actions listed in the Biodiversity Action Plan (BAP) are prioritised and progressed.	90% of current year actions achieved within timeframes specified	Green	Green	Green	Yellow
		Biodiversity and biosecurity partnerships established and joint projects developed and progressed	Maintain or increase number of partnership engagement activities and events and report to Council (from 2021-22 baseline of 4) Projects and progress against milestones reported to Council	Green	Green	Green	Green
Percentage of funding administered as per agreements.		100%	Green	Green	Green	Green	
Complete a report on the initiatives and organisations supported and the key deliverables achieved.		Report to Council by 30 June.	Green	Green	Green	Green	
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed		90% of actions achieved within timeframes specified.	Green	Green	Green	Yellow	
Air	Implement regional air monitoring programme.	Annual report on monitoring programme completed and reported to Council	Green	Green	Green	Green	
	Percentage of data from the air monitoring network that is captured quarterly.	≥95% data capture achieved	Yellow	Yellow	Green	Green	
	Complete review of the Regional Plan – Air.	Issues and options papers developed by 30 June	Yellow	Red	Red	Red	



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■ Achieved
 ■ Partial
 ■ Not achieved

QUARTER FOUR 2022-23 (June)

2022-23 Service Measure Quarterly Results

Activity	Measures	Targets	Q1	Q2	Q3	Q4	
Safety and Resilience	Natural Hazards & Climate Change	Develop a regional natural hazards risk assessment and a regional approach for prioritising adaptation	Report to Council on progress of natural hazard risk assessment and prioritisation approach.	■	■	■	■
		Develop and implement prioritised natural hazard risks adaptation works	Work in priority areas is delivered as per plan by 30 June	■	■	■	■
			Head of Lake Wakatipu natural hazards adaptation strategy progresses as per annual work plan	■	■	■	■
			ORC contribution to the South Dunedin Future programme progresses as per annual work plan.	■	■	■	■
	Relevant and up to date natural hazards information is available via the web-based Otago Natural Hazards Database	Database information is checked and updated monthly	■	■	■	■	
	Percentage of flood warnings that are issued in accordance with the flood warning manual.	100%	■	■	■	■	
	Flood Protection, Drainage & River Management	Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥85% of planned maintenance programme completed	■	■	■	■
			Schemes function to their constructed design standards	■	■	■	■
			≥90% of renewals programme completed	■	■	■	■
		Damage identified, prioritised and a repair programme communicated with affected communities in a timely manner. (Flood Protection)	Programme developed and communicated within 3 months of the event	■	■	■	■
		Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days. (River Management)	100%	■	■	■	■
	Percentage of planned maintenance actions achieved each year (River Mgmt)	≥90%	■	■	■	■	
	Emergency Management	Support is provided to the Otago CDEM Group as per the CDEM Act and Otago CDEM Partnership Agreement	Fulfil all requirements as the administering authority.	■	■	■	■
		An adequate Emergency Coordination Centre (ECC) facility and staffing are available	Adequate staff who are trained and available for any activation of the ECC.	■	■	■	■
		Maintain response functionality to enable operational situational awareness when ECC activated.	An appropriate facility is available for activation at all times Response solutions are checked as scheduled and any issues remedied.	■	■	■	■

■ Achieved ■ Partial ■ Not achieved



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QUARTER FOUR 2022-23 (June)

2022-23 Service Measure Quarterly Results

Activity	Measures	Targets	Q1	Q2	Q3	Q4	
Transport	Transport Planning & Public Transport	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)	RLTP implementation progress reported annually to Regional Transport Committee	■	■	■	■
		Annual public transport boardings in Queenstown per capita	increase (2021-22: 806,802 total patronage and 52 trips per capita)	■	■	■	■
		Annual public transport boardings in Dunedin per capita	increase (2021-22: 2,367,099 total patronage and 23 trips per capita)	■	■	■	■
		Overall passenger satisfaction with Wakatipu Public Transport system at annual survey.	97%	■	■	■	■
		Overall passenger satisfaction with Dunedin public transport system at annual survey	97%	■	■	■	■
		Percentage of scheduled services delivered (reliability)	95%	■	■	■	■
		Percentage of scheduled services on-time (punctuality – to five minutes)	95%	■	■	■	■
		Percentage of users who are satisfied with the provision of timetable and services information	maintain or increase (from 2022 baseline: 70% (DN), 88% (QWTN))	■	■	■	■
		Percentage of users who are satisfied with the overall service of the Total Mobility scheme	maintain or increase (from 2022 baseline: 87%)	■	■	■	■

■ Achieved ■ Partial ■ Not achieved



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QUARTER FOUR 2022-23 (June)