

# Finance Committee Agenda - 23 November 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 Tim Mepham, Co-Chair  
Cr Alexa Forbes  
Cr Gary Kelliher  
Cr Michael Laws  
Cr Lloyd McCall  
Cr Andrew Noone  
Cr Gretchen Robertson  
Cr Bryan Scott  
Cr Alan Somerville  
Cr Elliot Weir  
Cr Kate Wilson

Senior Officer: Richard Saunders Chief Executive

Meeting Support: Kylie Darragh , Governance Support Officer

23 November 2023 09:00 AM

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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](mailto: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. PRESENTATIONS

7. [CONFIRMATION OF MINUTES](#) 3

Confirmation of the Finance Committee minutes of 24 August 2023 as a true and accurate record.

8. ACTIONS

There are no current open actions for this Committee.

9. MATTERS FOR CONSIDERATION 5

9.1 [Quarterly Report - 30 September 2023](#) 5

To present the Council's Activity and Financial Performance Reports for the 3-month period ended 30 September 2023. This includes financial and non-financial results for quarter one of the 2023-24 financial year.

9.1.1 [Statement of Comprehensive Revenue and Expense - September 2023](#) 10

9.1.2 [Statement of Financial Position - September 2023](#) 11

9.1.3 [Treasury Report - September 2023](#) 12

9.1.4 [Activity Financial Report - September 2023](#) 13

9.1.5 [Activity Performance \(Non Financial\) Report - September 2023](#) 20

9.2 [Rates Strike Collection - 31 October 2023](#) 26

This report provides the Finance Committee with an update on rates struck for the 2023/24 financial year.

9.2.1 [Rates Tri-fold Brochure 2023](#) 30

10. CLOSURE



## Finance Committee MINUTES

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**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 24 August 2023, commencing at 9:00 AM.**

**PRESENT**

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

*DRAFT*

## 1. WELCOME

Chairperson Cr Tim Mepham welcomed Councillors, members of the public and staff to the meeting at 9:00AM and opened with a karakia. Staff present included Richard Saunders, (Chief Executive), Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Amanda Vercoe (GM Governance, Culture and Customer), Pim Borren (Interim GM, Transport, online) Trudi McLaren (Governance Support).

## 2. APOLOGIES

There were no apologies for this meeting.

## 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 changes to Councillor Declarations of Interests were noted.

## 6. CONFIRMATION OF MINUTES

**Resolution: Cr Wilson Moved, Cr Robertson Seconded**

*That the minutes of the meeting held on 25 May 2023 be received and confirmed as a true and accurate record.*

**MOTION CARRIED**

## 7. ACTIONS

There are no current open actions for this committee.

## 8. MATTERS FOR CONSIDERATION

### 8.1. Quarterly Report - 30 June 2023

Nick Donnelly, General Manager Corporate Services and Sarah Munro, Finance Manager - Reporting, presented the Council's Activity and Financial Performance Reports for the 12-month period ended 30 June 2023. This included the preliminary financial and non-financial results for the 2022-23 financial year. There was an opportunity for questions.

**Resolution FIN23-107: Cr Malcolm Moved, Cr Kelliher Seconded**

*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).*

**MOTION CARRIED**

## 11. CLOSURE

There was no further business, Councillor Mepham declared the meeting closed at 10:19AM

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Chairperson

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Date

### 9.1. Quarterly Report - 30 September 2023

<b>Prepared for:</b>	Finance Committee
<b>Report No.</b>	CS2341
<b>Activity:</b>	Governance Report
<b>Author:</b>	Sarah Munro, Finance Manager – Reporting Mike Roesler, Manager Corporate Planning
<b>Endorsed by:</b>	Nick Donnelly, General Manager Corporate Services and CFO
<b>Date:</b>	23 November 2023

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#### PURPOSE

- [1] To present the Council's Activity and Financial Performance Reports for the 3-month period ended 30 September 2023. This includes financial and non-financial results for quarter one of the 2023-24 financial year.

#### EXECUTIVE SUMMARY

- [2] The operating surplus/(deficit) for the 3 months to September 2023 is \$813,000 which is \$1,191,000 ahead of budget. Revenue is \$281,000 ahead of budget and expenditure \$910,000 under budget. Further detail on these variances is provided in the Statement of Comprehensive Revenue and Expense section later in this paper.
- [3] The forecasted year-end operating surplus/(deficit) is -\$748,000 which is \$468,000 below budget. This includes forecast additional revenue of \$4,742,000 which is offset by additional expenditure of \$5,210,000. Further detail on these variances is provided in the Activity Financial Report section later in this paper.
- [4] The Activity Performance (Non-Financial) Report shows non-financial performance against the measures and targets included in the Statement of Service Performance. Of the 76 targets, 69 are on track to be achieved, 6 are at risk and 0 are flagged as will not be achieved.

#### RECOMMENDATION

*That the Finance Committee:*

- 1) **Notes** *this report and the attached Activity and Financial Performance Reports for the period 1 July 2023 to 30 September 2023 (quarter 1 of the 2023-24 financial year).*

## BACKGROUND

- [5] This report includes financial and non-financial performance information relating to the major aspects of service delivery as outlined in the Annual Plan 2023-24 for quarter one. Progress over the 2023-24 financial year is reported to the Finance Committee on a quarterly basis. The following reports are attached:
- a. Statement of Comprehensive Revenue and Expenses (SCRE)
  - b. Statement of Financial Position
  - c. Treasury Report
  - d. Activity Financial Report
    - i. SCRE and Capex – Year to date and forecast
    - ii. Activity Financial Summary – Year to date and forecast
    - iii. Group Activity SCRE's:
      - Regional Leadership
      - Environment
      - Safety & Resilience
      - Transport
      - Internal
  - e. Activity Performance (Non-Financial) Report

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

- [6] The following comments refer to variance for the 3-month period from 1 July 2023 to 30 September 2023 in the Statement of Comprehensive Revenue and Expenses statement which is attached to this report.

### Revenue Variances

- [7] Subsidies and Grants (Attachment 1 – note 1)

Subsidies and grant revenue is \$1,077,000 above budgeted revenue of \$4,583,000 due to the following major variances:

- \$514,000 increase in Dunedin public transport grants due to the timing and amount of funding from NZTA differing from the Annual Plan budget.
- \$165,000 increase in public transport other due to changes to the 59% fare concessions from budget which has resulted in more grant funding being received.
- \$106,000 increase in grant funding from Whakatipu public transport due to the timing and amount of funding from NZTA differing from the Annual Plan budget.
- \$435,000 increase in Lower Taieri flood protection scheme grant revenue for the contour channel. This grant funding is dependent on the timing of project expenditure.
- \$91,000 decrease in Biosecurity grant funding due to the timing of expenditure which allows grant funding to be claimed from DOC on Maintain the Gains funding for QEII land.
- \$90,000 decrease in biodiversity implementation grant funding due to the timing of funding from MPI for wallabies and wilding conifer.

- [8] Other Income (Attachment 1 – note 2)

Other Income is \$517,000 below budgeted revenue of \$3,590,000 due to the following major variances:

- Rates penalty income was budgeted to be \$125,000 however this phasing is not correct with penalty income struck 1 November in quarter 2.

- Consent processing revenue was \$119,000 below budgeted revenue of \$806,000 offset by a reduction in expenditure of \$298,000.
- Compliance monitoring revenue is \$96,000 below budgeted revenue of \$409,000 offset by a reduction in expenditure of \$90,000.
- Incident response revenue is \$62,000 below budgeted revenue of \$75,000.
- Public transport Dunedin other income is \$106,000 below budgeted revenue of \$1,025,000.

[9] Interest and Investment Income (Attachment 1 – note 3)

Interest and investment income is \$514,000 below budget of \$2,563,000 due to decrease interest received from budgeted for ORC term deposits. ORC term deposits are entered into when rates revenue is received, and rates receipts have been received later in the current year.

**Expenditure Variances**

[10] Employee Benefits Expense (Attachment 1 – note 4)

Employee benefits expense is \$1,799,000 below budgeted expenditure of \$9,641,000 due to staff vacancies. The table below outlines staff vacancies for Q1 compared to the budgeted FTE level and prior year FTEs.

Directorate	23/24 FTE Year End Budget	Q1 2024 September 2023 FTE	Q1 Variance vs Budget	Prior Year End 30 June 2023 FTE
Chief Executive	2	2	-	2
Corporate Services	56.5	48.3	(8.2)	47.6
Operations	95	80	(15)	80.6
Transport	13	10.5	(2.5)	6.5
Governance, Culture & Customer	26.7	21.7	(5)	21.8
Policy and Science	69	57.3	(11.7)	55.7
Regulatory & Communications	90	79.9	(10.1)	77
	<u>352.2</u>	<u>299.7</u>	<u>(52.5)</u>	<u>291.2</u>

[11] Other Expenses (Attachment 1 – note 5)

Other expenses are \$1,000,000 above budgeted expenditure of \$15,689,000. The majority of this variance is caused by \$962,000 above budgeted expenditure on consultants to cover staff vacancies.

**STATEMENT OF FINANCIAL POSITION**

[12] The following comments refer to major movements from 30 June 2023 to 30 September 2023 in the Statement of Finance Position which is attached to this report.

[13] Trade Receivables (Attachment 2 – note 1)

Trade receivables have increased by \$42,978,000 from the 30 June 2023 position due to the timing of rates receivable, with rates invoiced 1 September due 31 October 2023. Rates receivables are included in trade receivables at 30 September but were not due for payment until 31 October.

[14] Other Financial Assets (Attachment 2 – note 2)

Other financial assets have decreased by \$471,000 due to the decrease in market value on investments in the JB Were long term managed fund.

[15] Related Party Loan – Port Otago (Attachment 2 – note 3)

Related Party Loan – Port Otago receivable has increased by \$1,040,000 from the 30 June position of \$125,088,000 due to interest accruals and the timing of when the cash payment of the interest is due to the LGFA. Interest payments are made by Port Otago on LGFA loans Council holds on behalf of Port Otago.

[16] Trade and Other Payables (Attachment 2 – note 4)

Trade and other payables have increased by \$35,607,000 from the 30 June 2023 position due to rates revenue received in advance and the timing of payables. Rates are struck on 1 September and accrued as revenue in advance over the financial year. At the end of quarter one, 3 months of the annual rates revenue has been released and the remaining 9 months of rates revenue is recorded as rates revenue received in advance.

[17] Borrowings Current Liability (Attachment 2 – note 5)

Borrowings current liability have increased by \$1,181,000 from the 30 June 2023 position due to interest accruals and the timing of when the cash payments of the interest are due to the LGFA.

#### **TREASURY REPORT**

[18] As at quarter end Council had \$8,799,000 invested on demand and no term deposits. This will change in the following quarter as rates are received in October and funds surplus to cash flow requirements will be invested in term deposits.

[19] The long-term managed fund balance was \$24,791,000 a decrease of \$470,000 for the quarter.

#### **ACTIVITY FINANCIAL REPORT**

[20] Year to date surplus/(deficit) variance of \$1,191,000 is spread across all activity groups. Regional Leadership \$574,000, Environment \$756,000 and Safety & Resilience \$1,021,000 all have surpluses better than budget. This is partially offset by Transport -\$682,000 and Internal -\$479,000 having higher deficits than budget.

[21] The year-end forecast surplus/(deficit) variance is \$468,000 under budget. Safety & Resilience \$647,000 and Internal \$1,000,000 are expected to have surpluses better than budget. The Internal variance is driven but additional dividend from Port Otago due to the timing of the payment of the final dividend. Environment -\$425,000 and Transport -\$1,737,000 are forecasting deficits higher than budget.

[22] Commentary on variances by activity and revenue / expense line items are shown in the attached report.

#### **ACTIVITY PERFORMANCE REPORT**

[23] The Activity Performance Report shows non-financial performance against the measures and targets included in the Statement of Service Performance. Of the 76



targets 69 are on track to be achieved, 1 is off track, and 5 are at risk and 1 with overdue reporting.

[24] The 'off track' (red) target is associated with completing the Queenstown Lakes District Council joint 'Future Development Strategy'. The work is progressing but will not meet the target timeframe.

[25] The 'at risk' (yellow) targets are:

- Land and water: 1 – Coastal monitoring program
- Biodiversity: 2 – Annual report on Indigenous biodiversity monitoring programme; Biodiversity data capture
- Air: 1 – Air implementation strategy
- Transport: 1 – On time services

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[26] None noted.

### **Financial Considerations**

[27] None noted.

### **Significance and Engagement Considerations**

[28] None noted.

### **Legislative and Risk Considerations**

[29] None noted.

### **Climate Change Considerations**

[30] None noted.

### **Communications Considerations**

[31] None noted.

## **NEXT STEPS**

[32] Q2 Report will be presented to the Finance Committee in February 2024.

## **ATTACHMENTS**

1. Statement of Comprehensive Revenue and Expense - September 2023 [9.1.1 - 1 page]
2. Statement of Financial Position - September 2023 [9.1.2 - 1 page]
3. Treasury Report - September 2023 [9.1.3 - 1 page]
4. Activity Financial Report - September 2023 [9.1.4 - 7 pages]
5. Activity Performance (Non-Financial) Report - September 2023 [9.1.5 - 6 pages]

## Statement of Comprehensive Revenue and Expense For the 3-months ended 30 September 2023

	Notes	YTD Actual Sep-23 3 months	YTD Budget Sep-23 3 months	Variance 3 months	Forecast Full Year 23/24 12 months	Budget Full Year AP 23/24 12 months	Variance 12 months
<b>REVENUE</b>							
Rates revenue		13,962	13,894	67	55,778	55,778	-
Subsidies and grant revenue	1	5,659	4,583	1,077	23,320	20,497	2,823
Other income	2	3,073	3,590	(517)	20,437	19,518	919
Dividends		3,918	3,570	168	16,000	15,000	1,000
Interest and investment income	3 a.	2,048	2,563	(514)	10,250	10,250	-
<b>TOTAL REVENUE</b>		<b>28,660</b>	<b>28,380</b>	<b>281</b>	<b>125,785</b>	<b>121,043</b>	<b>4,742</b>
<b>EXPENDITURE</b>							
Employee benefits expense	4	7,841	9,641	(1,799)	34,778	35,823	(1,045)
Depreciation and amortisation		1,027	1,053	(26)	4,231	4,211	20
Finance costs	a.	2,289	2,376	(86)	9,500	9,500	-
Other expenses	5	16,690	15,689	1,000	78,024	71,789	6,235
<b>TOTAL OPERATING EXPENDITURE</b>		<b>27,847</b>	<b>28,758</b>	<b>(910)</b>	<b>126,533</b>	<b>121,323</b>	<b>5,210</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>813</b>	<b>(378)</b>	<b>1,191</b>	<b>(748)</b>	<b>(280)</b>	<b>(468)</b>
Other gains/(losses)	b.	(610)	274	(884)	1,265	1,265	-
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>		<b>203</b>	<b>(104)</b>	<b>307</b>	<b>517</b>	<b>985</b>	<b>(468)</b>
Income tax benefit/(expense)		-	-	-	-	-	-
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>203</b>	<b>(104)</b>	<b>307</b>	<b>517</b>	<b>985</b>	<b>(468)</b>
Revaluation gain/(loss) – shares in subsidiary	c.	-	-	-	28,193	28,193	-
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>203</b>	<b>(104)</b>	<b>307</b>	<b>28,710</b>	<b>29,178</b>	<b>(468)</b>

## Notes

- a. Interest income and expense includes interest on LGFA lending on-lent to Port Otago Limited.
- b. Includes gains on long term managed fund (updated monthly) and revaluation of investment property (updated at year-end only).
- c. Revaluation shareholding in Port Otago Limited (updated at year-end only).

## Comments

- Refer to cover paper for comments on above notes 1-5.

## Statement of Financial Position As at 30 September 2023

	Notes	YTD Actual Oct-2024 3 months	Prior Year Actual Jun-2023	Variance  3 months	Budget Year End Jun-2024
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	a.	8,799	14,830	(6,031)	6,040
Trade receivables	1 b.	57,780	14,802	42,978	12,126
Property held for sale		3,350	3,350	-	-
Other financial assets	2	24,791	25,262	(471)	25,426
Other current assets		1,228	1,433	(205)	883
<b>TOTAL CURRENT ASSETS</b>		<b>95,949</b>	<b>59,677</b>	<b>36,272</b>	<b>44,475</b>
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment		94,145	93,994	151	110,287
Investment property		16,795	16,795	-	17,131
Shares in subsidiary		723,890	723,890	-	753,013
Borrower notes		500	500	-	-
Deferred tax asset		-	-	-	98
Related party loan – Port Otago	3	126,128	125,088	1,040	99,960
Intangible asset		702	820	(118)	1,881
<b>TOTAL NON-CURRENT ASSETS</b>		<b>962,160</b>	<b>960,787</b>	<b>1,073</b>	<b>982,370</b>
<b>TOTAL ASSETS</b>		<b>1,058,109</b>	<b>1,020,464</b>	<b>37,345</b>	<b>1,026,845</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	4 c.	(54,811)	(19,204)	(35,607)	(18,996)
Borrowings	5	(60,059)	(58,878)	(1,181)	-
Provision		-	-	-	-
Employee entitlement		(3,068)	(2,716)	(352)	(2,608)
<b>TOTAL CURRENT LIABILITIES</b>		<b>(117,939)</b>	<b>(80,798)</b>	<b>(37,141)</b>	<b>(21,604)</b>
<b>NON-CURRENT LIABILITIES</b>					
Borrowings		(91,438)	(91,438)	-	(37,200)
Other financial instruments		-	-	-	(87,956)
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>(91,438)</b>	<b>(91,438)</b>	<b>-</b>	<b>(125,156)</b>
<b>NET ASSETS</b>		<b>848,732</b>	<b>848,228</b>	<b>204</b>	<b>880,085</b>
<b>EQUITY</b>					
Reserves		748,089	747,694	95	771,427
Public Equity		100,643	100,534	109	108,658
<b>TOTAL EQUITY AND RESERVES</b>		<b>848,732</b>	<b>848,228</b>	<b>204</b>	<b>880,085</b>

### Notes

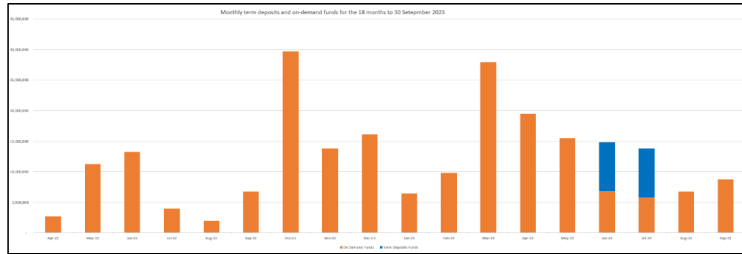
- Cash reflects 2023/24 rates received on or prior to the 31 October due date.
- Trade receivables has increased to reflect the remainder of rates that are yet to be received.
- Trade payables has increased from 30 June 2023 due to rates revenue received in advance and the timing of payables. Rates struck on 1 September are accrued as revenue in advance and released monthly during the year as revenue.

### Comments

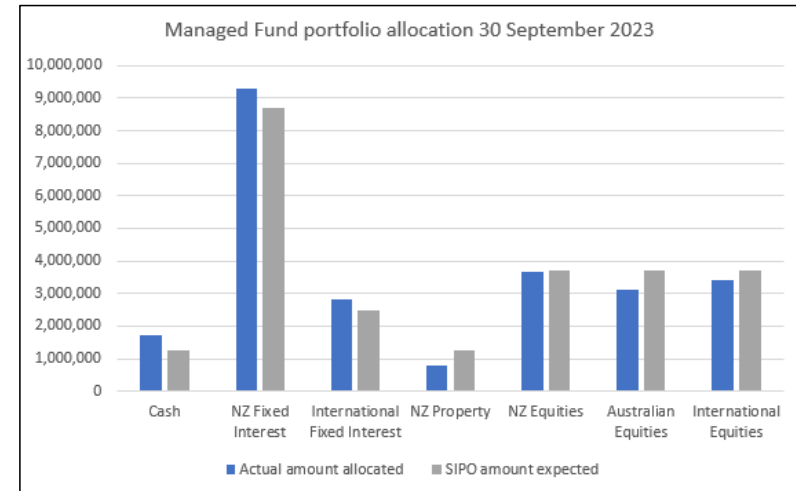
- Refer to cover paper for comments on above notes 1-5.

## Treasury Report

### Term Deposits - Portfolio Composition



### Managed Fund – Portfolio Allocation - as at 30 September 2023



### Portfolio Performance- for the year ended 30 September 2023

Managed Fund Income	Q1 2024 YTD
Interest on managed fund	29,464
Dividends	167,937
Other	(32,052)
Market Value movement gain/(loss)	(636,559)
Withdrawal	
<b>Total increase/(decrease) in managed fund</b>	<b>(471,211)</b>

### Asset Class Allocation - as at 30 September 2023

Asset Class	Actual amount allocated	%	SIPO amount expected	SIPO target	SIPO acceptable range	SIPO met
Cash	1,712,761	7%	1,239,554	5%	0% - 25%	Yes
NZ Fixed Interest	9,292,968	37%	8,676,880	35%	25% - 45%	Yes
International Fixed Interest	2,802,591	11%	2,479,109	10%	5% - 15%	Yes
<b>Defensive Total</b>	<b>13,808,320</b>	<b>56%</b>	<b>12,395,543</b>	<b>50%</b>	<b>40% - 60%</b>	Yes
NZ Property	802,381	3%	1,239,554	5%	2% - 8%	Yes
NZ Equities	3,646,551	15%	3,718,663	15%	10% - 20%	Yes
Australian Equities	3,101,786	13%	3,718,663	15%	10% - 20%	Yes
International Equities	3,432,048	14%	3,718,663	15%	10% - 20%	Yes
<b>Growth Total</b>	<b>10,982,766</b>	<b>44%</b>	<b>12,395,543</b>	<b>50%</b>	<b>40% - 60%</b>	Yes
<b>Total</b>	<b>24,791,085</b>					

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE** PERIOD ENDED: 30 September 2023

COUNCIL	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	13,962	13,894	67		55,778	55,778	0	
Subsidies & Grant Revenue	5,659	4,583	1,077	Additional Waka Kotahi & Climate Resilience Grants	23,320	20,497	2,823	Additional transport & Climate Resilience grants expected
Other Income	3,073	3,590	(517)	Fees and charges down due to lower chargeable expenditure	20,437	19,518	919	Additional fares (patronage) offset by lower Reg income (offset by lower costs)
Dividends	3,918	3,750	168		16,000	15,000	1,000	Additional Port dividend +\$1m
Interest & Investment Income	2,048	2,563	(514)	Timing, interest on rates receipts budget phased evenly	10,250	10,250	0	
<b>Total Operating Revenue</b>	<b>28,660</b>	<b>28,380</b>	<b>281</b>		<b>125,785</b>	<b>121,043</b>	<b>4,742</b>	
<b>EXPENDITURE</b>								
Employee Expense	7,841	9,641	(1,799)	Staff vacancies	34,778	35,823	(1,045)	Vacancies and less Reg resource required for lower revenue (above)
Depreciation & Amortisation	1,027	1,053	(26)		4,231	4,211	20	
Finance Costs	2,289	2,375	(86)		9,500	9,500	0	
Other Expenses	16,688	15,693	994	Primarily increased Transport expenditure	78,031	71,789	6,242	Additional Transport spend and timing of business case work
Internal Charges	2	(4)	6		(7)	(0)	(7)	
<b>Total Operating Expenditure</b>	<b>27,847</b>	<b>28,758</b>	<b>(910)</b>		<b>126,533</b>	<b>121,323</b>	<b>5,210</b>	
<b>Operating Surplus / (Deficit)</b>	<b>813</b>	<b>(378)</b>	<b>1,191</b>		<b>(748)</b>	<b>(280)</b>	<b>(468)</b>	
Other Gains / (Losses)	(610)	274	(884)	Managed fund	1,265	1,265	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>203</b>	<b>(104)</b>	<b>307</b>		<b>517</b>	<b>985</b>	<b>(468)</b>	

**CAPITAL EXPENDITURE**

COUNCIL	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
Communications & Marketing	0	0	0		150	0	150	
Harbours Management	13	16	(3)		21	21	0	
<b>REGIONAL LEADERSHIP</b>	<b>13</b>	<b>16</b>	<b>(3)</b>		<b>171</b>	<b>21</b>	<b>150</b>	
Air Monitoring	6	19	(12)		75	74	1	
Biosecurity	34	0	34		50	0	50	
Biodiversity Science & Monitoring	0	24	(24)		0	95	(95)	
Land & Water Science & Monitoring	177	133	45		630	530	100	
Land & Water Implementation	49	13	36		60	50	10	
<b>ENVIRONMENT</b>	<b>267</b>	<b>187</b>	<b>80</b>		<b>815</b>	<b>749</b>	<b>66</b>	
Alexandra Flood Protection	0	5	(5)		10	20	(10)	
Leith Flood Protection Scheme	0	0	0		50	100	(50)	
Lwr Clutha Flood Protection & Drainage	10	53	(42)		100	325	(225)	Timing of pump station upgrade work
Lwr Taieri Flood Protection Scheme	327	190	137	Contour channel works continuing	3,000	850	2,150	Timing of Climate Resilience projects
West Taieri Drainage	5	35	(30)		200	283	(83)	
East Taieri Drainage	1	9	(7)		100	125	(25)	
Tokomariro Drainage	0	4	(4)		0	20	(20)	
River Mgt - Wanaka	0	25	(25)		0	100	(100)	Timing of Stoney Creek work
Natural Hazards	0	13	(13)		0	52	(52)	
<b>SAFETY &amp; RESILIENCE</b>	<b>344</b>	<b>334</b>	<b>10</b>		<b>3,460</b>	<b>1,876</b>	<b>1,584</b>	
Public Transport - Dunedin	41	0	41		50	0	50	
<b>TRANSPORT</b>	<b>41</b>	<b>0</b>	<b>41</b>		<b>50</b>	<b>0</b>	<b>50</b>	
Vehicles	365	188	177		750	750	0	
Plant	0	5	(5)		0	20	(20)	
Information Systems	46	125	(79)		400	500	(100)	
ORC Property - Operational	9	125	(116)		200	500	(300)	
Whare Runaka	17	1,400	(1,383)	Timing of fit out work - budget phased evenly	2,000	5,600	(3,600)	ORC fit costs likely to be later in the year or defer into next year
Health & Safety	2	0	2		0	0	0	
General Overheads	0	13	(13)		0	50	(50)	
<b>INTERNAL</b>	<b>439</b>	<b>1,855</b>	<b>(1,416)</b>		<b>3,350</b>	<b>7,420</b>	<b>(4,070)</b>	
<b>TOTAL COUNCIL</b>	<b>1,104</b>	<b>2,392</b>	<b>(1,287)</b>		<b>7,846</b>	<b>10,066</b>	<b>(2,220)</b>	

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

**ACTIVITY FINANCIAL SUMMARY** PERIOD ENDED: 30 September 2023

COUNCIL - YEAR TO DATE	Revenue			Expenditure			Surplus / (Deficit)			Funding Impact		
	YTD Actual	YTD Budget	Variance	YTD Actual	YTD Budget	Variance	YTD Actual	YTD Budget	Variance	General Res	Targeted Res	Other
Governance & Community	2,151	2,183	(32)	1,896	2,112	(216)	255	71	183	183		0
Regional Planning	771	768	3	468	680	(212)	303	88	215	215		0
Regulatory	3,212	3,470	(258)	3,234	3,668	(434)	(22)	(199)	177	177		0
<b>REGIONAL LEADERSHIP</b>	<b>6,134</b>	<b>6,421</b>	<b>(287)</b>	<b>5,598</b>	<b>6,460</b>	<b>(861)</b>	<b>535</b>	<b>(39)</b>	<b>574</b>	<b>574</b>	<b>0</b>	<b>0</b>
Land & Water	4,767	4,723	44	4,444	4,579	(134)	322	144	178	178		0
Biodiversity & Biosecurity	1,803	1,980	(177)	1,226	1,963	(737)	577	17	560		560	0
Air	224	174	51	187	155	33	37	19	18	18		0
<b>ENVIRONMENT</b>	<b>6,794</b>	<b>6,877</b>	<b>(82)</b>	<b>5,858</b>	<b>6,696</b>	<b>(839)</b>	<b>937</b>	<b>180</b>	<b>756</b>	<b>196</b>	<b>560</b>	<b>0</b>
Emergency Management	854	834	20	807	905	(98)	47	(71)	118		118	0
Flood & Drainage	2,454	2,099	355	1,640	1,649	(8)	814	450	364		364	0
River Management	609	524	85	529	570	(40)	80	(45)	125		125	0
Natural Hazards & Climate	874	842	32	526	907	(382)	349	(66)	414	414		0
<b>SAFETY &amp; RESILIENCE</b>	<b>4,791</b>	<b>4,299</b>	<b>492</b>	<b>3,502</b>	<b>4,031</b>	<b>(528)</b>	<b>1,289</b>	<b>268</b>	<b>1,021</b>	<b>414</b>	<b>607</b>	<b>0</b>
Transport Planning	103	77	26	142	77	65	(39)	(0)	(39)	(39)		0
STEDS	43	44	(1)	47	44	3	(4)	0	(4)	(4)		0
PT - Dunedin	6,043	5,634	409	6,498	5,655	843	(454)	(20)	(434)		(434)	0
PT - Whakatipu	2,400	2,233	166	2,841	2,633	208	(441)	(400)	(42)		(42)	0
PT - Other	619	453	165	816	487	329	(197)	(34)	(163)			(163)
<b>TRANSPORT</b>	<b>9,209</b>	<b>8,442</b>	<b>766</b>	<b>10,344</b>	<b>8,896</b>	<b>1,448</b>	<b>(1,136)</b>	<b>(454)</b>	<b>(682)</b>	<b>(43)</b>	<b>(476)</b>	<b>(163)</b>
Internal	1,733	2,341	(609)	2,545	2,675	(130)	(812)	(333)	(479)	(479)		0
<b>INTERNAL</b>	<b>1,733</b>	<b>2,341</b>	<b>(609)</b>	<b>2,545</b>	<b>2,675</b>	<b>(130)</b>	<b>(812)</b>	<b>(333)</b>	<b>(479)</b>	<b>(479)</b>	<b>0</b>	<b>0</b>
<b>TOTAL COUNCIL</b>	<b>28,661</b>	<b>28,380</b>	<b>281</b>	<b>27,847</b>	<b>28,758</b>	<b>(910)</b>	<b>813</b>	<b>(378)</b>	<b>1,191</b>	<b>663</b>	<b>691</b>	<b>(163)</b>

COUNCIL - FORECAST	Revenue			Expenditure			Surplus / (Deficit)			Funding Impact		
	Forecast	FY Budget	Variance	Forecast	FY Budget	Variance	Forecast	FY Budget	Variance	General Res	Targeted Res	Other
Governance & Community	8,732	8,732	0	8,902	8,649	253	(170)	83	(253)	(253)		0
Regional Planning	3,071	3,071	0	3,071	3,071	0	(0)	(0)	0	0		0
Regulatory	13,408	13,937	(529)	13,395	14,224	(829)	13	(287)	300	300		0
<b>REGIONAL LEADERSHIP</b>	<b>25,212</b>	<b>25,741</b>	<b>(529)</b>	<b>25,368</b>	<b>25,944</b>	<b>(576)</b>	<b>(156)</b>	<b>(203)</b>	<b>47</b>	<b>47</b>	<b>0</b>	<b>0</b>
Land & Water	18,893	18,893	0	20,388	19,713	675	(1,494)	(819)	(675)	(675)		0
Biodiversity & Biosecurity	9,129	9,829	(700)	9,486	10,436	(950)	(357)	(607)	250		250	0
Air	894	894	0	894	894	0	0	0	0	0		0
<b>ENVIRONMENT</b>	<b>28,916</b>	<b>29,616</b>	<b>(700)</b>	<b>30,767</b>	<b>31,042</b>	<b>(275)</b>	<b>(1,851)</b>	<b>(1,426)</b>	<b>(425)</b>	<b>(675)</b>	<b>250</b>	<b>0</b>
Emergency Management	3,351	3,336	15	3,497	3,497	0	(146)	(161)	15		15	0
Flood & Drainage	8,795	8,395	400	7,950	8,131	(181)	845	264	581		581	0
River Management	2,097	2,097	0	3,308	3,153	155	(1,212)	(1,057)	(155)		(155)	0
Natural Hazards & Climate	3,396	3,368	28	3,377	3,555	(178)	19	(187)	206	206		0
<b>SAFETY &amp; RESILIENCE</b>	<b>17,639</b>	<b>17,196</b>	<b>443</b>	<b>18,132</b>	<b>18,336</b>	<b>(204)</b>	<b>(494)</b>	<b>(1,141)</b>	<b>647</b>	<b>206</b>	<b>441</b>	<b>0</b>
Transport Planning	426	308	118	540	308	232	(114)	0	(114)	(114)		0
STEDS	177	177	0	177	177	0	(0)	(0)	0	0		0
PT - Dunedin	25,495	22,792	2,703	27,509	23,182	4,327	(2,015)	(391)	(1,624)		(1,624)	0
PT - Whakatipu	10,711	9,534	1,177	11,397	10,532	865	(686)	(998)	312		312	0
PT - Other	2,344	1,814	530	2,760	1,919	841	(416)	(105)	(311)			(311)
<b>TRANSPORT</b>	<b>39,152</b>	<b>34,624</b>	<b>4,528</b>	<b>42,383</b>	<b>36,118</b>	<b>6,265</b>	<b>(3,231)</b>	<b>(1,494)</b>	<b>(1,737)</b>	<b>(114)</b>	<b>(1,312)</b>	<b>(311)</b>
Internal	14,866	13,866	1,000	9,881	9,881	0	4,984	3,984	1,000	1,000		0
<b>INTERNAL</b>	<b>14,866</b>	<b>13,866</b>	<b>1,000</b>	<b>9,881</b>	<b>9,881</b>	<b>0</b>	<b>4,984</b>	<b>3,984</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL COUNCIL</b>	<b>125,784</b>	<b>121,042</b>	<b>4,742</b>	<b>126,532</b>	<b>121,322</b>	<b>5,210</b>	<b>(748)</b>	<b>(280)</b>	<b>(468)</b>	<b>464</b>	<b>(621)</b>	<b>(311)</b>

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE** PERIOD ENDED: 30 September 2023

REGIONAL LEADERSHIP	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	5,087	5,069	18		20,274	20,274	0	
Subsidies & Grant Revenue	24	56	(33)		225	225	0	
Other Income	1,014	1,293	(280)	Regulatory offset by low expenditure	4,702	5,231	(529)	Regulatory offset by low expenditure
Dividends	0	0	0		0	0	0	
Interest & Investment Income	0	0	0		0	0	0	
Internal Recoveries	9	2	7		10	10	0	
<b>Total Operating Revenue</b>	<b>6,134</b>	<b>6,421</b>	<b>(287)</b>		<b>25,212</b>	<b>25,741</b>	<b>(529)</b>	
<b>EXPENDITURE</b>								
Employee Expense	2,442	3,192	(750)	Carrying staff vacancies	11,394	12,041	(647)	Some vacancies (Regulatory) will be left unfilled.
Depreciation & Amortisation	44	46	(1)		182	182	0	
Finance Costs	0	0	0		0	0	0	
Other Expenses	1,117	1,247	(130)	Less spend in legal/consulting,	5,875	5,804	71	
Internal Charges	1,995	1,975	20		7,918	7,918	0	
<b>Total Operating Expenditure</b>	<b>5,598</b>	<b>6,460</b>	<b>(861)</b>		<b>25,368</b>	<b>25,944</b>	<b>(576)</b>	
<b>Operating Surplus / (Deficit)</b>	<b>535</b>	<b>(39)</b>	<b>574</b>		<b>(156)</b>	<b>(203)</b>	<b>47</b>	
Other Gains / (Losses)	0	0	0		0	0	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>535</b>	<b>(39)</b>	<b>574</b>		<b>(156)</b>	<b>(203)</b>	<b>47</b>	

SIGNIFICANT ACTIVITIES	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>GOVERNANCE &amp; COMMUNITY</b>								
Revenue	2,151	2,183	(32)		8,732	8,732	0	
Expenditure	1,896	2,112	(216)	Staff vacancies	8,902	8,649	253	Budget transfer from HR \$200k
Surplus / (Deficit)	255	71	183		(170)	83	(253)	
<b>REGIONAL PLANNING</b>								
Revenue	771	768	3		3,071	3,071	0	
Expenditure	468	680	(212)	Timing	3,071	3,071	0	
Surplus / (Deficit)	303	88	215		(0)	(0)	0	
<b>REGULATORY</b>								
Revenue	3,212	3,470	(258)	Chargable work being completed with less resource, so lower recovery	13,408	13,937	(529)	Chargable work being completed with less resource, so lower recovery
Expenditure	3,234	3,668	(434)	Staff vacancies, lower spend on legal & consultants	13,395	14,224	(829)	Staff vacancies, lower spend on consultants expected to continue
Surplus / (Deficit)	(22)	(199)	177	Lower fees offset by lower costs	13	(287)	300	Lower fees offset by lower costs - increase in forecast surplus

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE PERIOD ENDED: 30 September 2023

ENVIRONMENT	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	6,464	6,394	70		25,775	25,775	0	
Subsidies & Grant Revenue	318	483	(165)	Less MPI grants in this period	3,141	3,841	(700)	MPI Wallaby funding reduced
Other Income	13	0	13		0	0	0	
Dividends	0	0	0		0	0	0	
Interest & Investment Income	0	0	0		0	0	0	
Internal Recoveries	0	0	0		0	0	0	
<b>Total Operating Revenue</b>	<b>6,794</b>	<b>6,877</b>	<b>(82)</b>		<b>28,916</b>	<b>29,616</b>	<b>(700)</b>	
<b>EXPENDITURE</b>								
Employee Expense	2,029	2,487	(458)	Staff Vacancies	8,822	9,222	(400)	L&W and Bio vacancies
Depreciation & Amortisation	101	110	(9)		440	440	0	
Finance Costs	0	0	0		0	0	0	
Other Expenses	1,995	2,323	(328)	Timing of Maintain the Gains contributions	14,399	14,274	125	Includes additional L&W policy cost offset by less wallaby cost
Internal Charges	1,733	1,777	(44)		7,107	7,107	0	
<b>Total Operating Expenditure</b>	<b>5,858</b>	<b>6,696</b>	<b>(839)</b>		<b>30,767</b>	<b>31,042</b>	<b>(275)</b>	
<b>Operating Surplus / (Deficit)</b>	<b>937</b>	<b>180</b>	<b>756</b>		<b>(1,851)</b>	<b>(1,426)</b>	<b>(425)</b>	
Other Gains / (Losses)	0	0	0		0	0	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>937</b>	<b>180</b>	<b>756</b>		<b>(1,851)</b>	<b>(1,426)</b>	<b>(425)</b>	

SIGNIFICANT ACTIVITIES	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>LAND &amp; WATER</b>								
Revenue	4,767	4,723	44		18,893	18,893	0	
Expenditure	4,444	4,579	(134)	Staff vacancies - partially offset by consultant costs	20,388	19,713	675	LWRP consultant costs partially offset by lower staff costs
Surplus / (Deficit)	322	144	178		(1,494)	(819)	(675)	
<b>BIODIVERSITY &amp; BIOSECURITY</b>								
Revenue	1,803	1,980	(177)	Less MPI Grants in this period	9,129	9,829	(700)	Lower MPI wallaby grant revenue expected
Expenditure	1,226	1,963	(737)	Timing of Maintain the Gains contributions & staff vacancies	9,486	10,436	(950)	MPI Wallaby programme reduced
Surplus / (Deficit)	577	17	560		(357)	(607)	250	
<b>AIR</b>								
Revenue	224	174	51		894	894	0	
Expenditure	187	155	33		894	894	0	
Surplus / (Deficit)	37	19	18		0	0	0	



Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE PERIOD ENDED: 30 September 2023

SAFETY & RESILIENCE	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	3,745	3,733	12		14,930	14,930	0	
Subsidies & Grant Revenue	610	145	464	Additional Climate resilience grants received	1,030	582	448	Additional grant revenue expected due to timing of climate projects
Other Income	74	209	(135)		832	837	(5)	
Dividends	0	0	0		0	0	0	
Interest & Investment Income	0	0	0		0	0	0	
Internal Recoveries	363	212	151	Additional flood scheme oversight recoveries	847	847	0	
<b>Total Operating Revenue</b>	<b>4,791</b>	<b>4,299</b>	<b>492</b>		<b>17,639</b>	<b>17,196</b>	<b>443</b>	
<b>EXPENDITURE</b>								
Employee Expense	1,226	1,384	(157)		4,858	5,163	(305)	Some staff vacancies expected
Depreciation & Amortisation	238	250	(12)		1,002	1,002	0	
Finance Costs	0	0	0		0	0	0	
Other Expenses	768	1,240	(472)		7,647	7,544	103	
Internal Charges	1,270	1,157	113	Additional flood scheme oversight charges	4,626	4,628	(2)	
<b>Total Operating Expenditure</b>	<b>3,502</b>	<b>4,031</b>	<b>(528)</b>		<b>18,132</b>	<b>18,336</b>	<b>(204)</b>	
<b>Operating Surplus / (Deficit)</b>	<b>1,289</b>	<b>268</b>	<b>1,021</b>		<b>(494)</b>	<b>(1,141)</b>	<b>647</b>	
Other Gains / (Losses)	0	0	0		0	0	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>1,289</b>	<b>268</b>	<b>1,021</b>		<b>(494)</b>	<b>(1,141)</b>	<b>647</b>	

SIGNIFICANT ACTIVITIES	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>EMERGENCY MANAGEMENT</b>								
Revenue	854	834	20		3,351	3,336	15	
Expenditure	807	905	(98)		3,497	3,497	0	
Surplus / (Deficit)	47	(71)	118		(146)	(161)	15	
<b>FLOOD &amp; DRAINAGE</b>								
Revenue	2,454	2,099	355	Additional climate change grants in the period	8,795	8,395	400	Additional grant revenue expected due to timing of climate projects
Expenditure	1,640	1,649	(8)		7,950	8,131	(181)	
Surplus / (Deficit)	814	450	364		845	264	581	
<b>RIVER MANAGEMENT</b>								
Revenue	609	524	85		2,097	2,097	0	
Expenditure	529	570	(40)		3,308	3,153	155	
Surplus / (Deficit)	80	(45)	125		(1,212)	(1,057)	(155)	
<b>HAZARDS &amp; CLIMATE</b>								
Revenue	874	842	32		3,396	3,368	28	
Expenditure	526	907	(382)	Staff vacancies and some project work yet to commence	3,377	3,555	(178)	
Surplus / (Deficit)	349	(66)	414		19	(187)	206	

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE** **PERIOD ENDED: 30 September 2023**

TRANSPORT	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	2,798	2,794	4		11,175	11,175	0	
Subsidies & Grant Revenue	4,708	3,899	810	Additional Waka Kotahi grants (includes Community Connect subsidy)	18,924	15,849	3,075	Increase due to increased spend, Community Connect, Supergold
Other Income	1,702	1,750	(48)		9,053	7,600	1,453	Additional fare revenue expected resulting from increased patronage
Dividends	0	0	0		0	0	0	
Interest & Investment Income	0	0	0		0	0	0	
Internal Recoveries	0	0	0		0	0	0	
<b>Total Operating Revenue</b>	<b>9,209</b>	<b>8,442</b>	<b>766</b>		<b>39,152</b>	<b>34,624</b>	<b>4,528</b>	
<b>EXPENDITURE</b>								
Employee Expense	427	388	39		1,761	1,454	307	Additional staffing requirement for RLTP year
Depreciation & Amortisation	183	181	1		744	724	20	
Finance Costs	0	0	0		0	0	0	
Other Expenses	9,461	8,051	1,410	Increased bus services, Total Mobility and timing of business cases	38,781	32,838	5,943	Quarter 1 spend trend anticipated to continue
Internal Charges	274	275	(2)		1,097	1,102	(5)	
<b>Total Operating Expenditure</b>	<b>10,344</b>	<b>8,896</b>	<b>1,448</b>		<b>42,383</b>	<b>36,118</b>	<b>6,265</b>	
<b>Operating Surplus / (Deficit)</b>	<b>(1,136)</b>	<b>(454)</b>	<b>(682)</b>		<b>(3,231)</b>	<b>(1,494)</b>	<b>(1,737)</b>	
Other Gains / (Losses)	0	0	0		0	0	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>(1,136)</b>	<b>(454)</b>	<b>(682)</b>		<b>(3,231)</b>	<b>(1,494)</b>	<b>(1,737)</b>	

SIGNIFICANT ACTIVITIES	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>TRANSPORT PLANNING</b>								
Revenue	103	77	26		426	308	118	Grants (driven by spend below)
Expenditure	142	77	65		540	308	232	Additional staffing requirement for RLTP year
Surplus / (Deficit)	(39)	(0)	(39)		(114)	0	(114)	
<b>STEDS</b>								
Revenue	43	44	(1)		177	177	0	
Expenditure	47	44	3		177	177	0	
Surplus / (Deficit)	(4)	0	(4)		(0)	(0)	0	
<b>PT DUNEDIN</b>								
Revenue	6,043	5,634	409	Grants (Community Connect and increased spend)	25,495	22,792	2,703	Grants (increased spend, Comm Connect, Supergold) and fares
Expenditure	6,498	5,655	843	Driver wage increase, DN Business Case timing	27,509	23,182	4,327	Driver wage increase, DN Business Case timing
Surplus / (Deficit)	(454)	(20)	(434)		(2,015)	(391)	(1,624)	
<b>PT WHAKATIPU</b>								
Revenue	2,400	2,233	166	Grants (Community Connect and increased spend)	10,711	9,534	1,177	Grants (increased spend, Comm Connect, Supergold) and fares
Expenditure	2,841	2,633	208	Driver wage increase, QTN Business Case timing	11,397	10,532	865	Driver wage increase, QTN Business Case timing
Surplus / (Deficit)	(441)	(400)	(42)		(686)	(998)	312	
<b>PT OTHER</b>								
Revenue	619	453	165	Grants (driven by spend below)	2,344	1,814	530	Grants (driven by spend below)
Expenditure	816	487	329	Higher usage of Total Mobility	2,760	1,919	841	Higher usage of Total Mobility
Surplus / (Deficit)	(197)	(34)	(163)		(416)	(105)	(311)	

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE** **PERIOD ENDED: 30 September 2023**

INTERNAL	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>REVENUE</b>								
Rates Revenue	(4,132)	(4,094)	(37)		(16,378)	(16,378)	0	
Subsidies & Grant Revenue	0	0	0		0	0	0	
Other Income	271	338	(67)		5,850	5,850	0	
Dividends	3,918	3,750	168		16,000	15,000	1,000	Port dividend - timing of final dividend brought forward
Interest & Investment Income	2,048	2,563	(514)	Timing of interest on rates receipts	10,250	10,250	0	
Internal Recoveries	4,931	5,001	(70)		20,003	20,003	0	
<b>Total Operating Revenue</b>	<b>7,036</b>	<b>7,556</b>	<b>(521)</b>		<b>35,726</b>	<b>34,726</b>	<b>1,000</b>	
<b>EXPENDITURE</b>								
Employee Expense	1,717	2,190	(473)		7,942	7,942	0	
Depreciation & Amortisation	461	466	(5)		1,863	1,863	0	
Finance Costs	2,289	2,375	(86)		9,500	9,500	0	
Other Expenses	3,347	2,833	514	Timing of annual software subscriptions	11,330	11,330	0	LTP +\$200k offset by budget transfer to Exec Advice -\$200k
Internal Charges	34	27	8		106	106	0	
<b>Total Operating Expenditure</b>	<b>7,848</b>	<b>7,890</b>	<b>(42)</b>		<b>30,741</b>	<b>30,741</b>	<b>0</b>	
<b>Operating Surplus / (Deficit)</b>	<b>(812)</b>	<b>(333)</b>	<b>(479)</b>		<b>4,984</b>	<b>3,984</b>	<b>1,000</b>	
Other Gains / (Losses)	(610)	274	(884)	Loss on managed fund	1,265	1,265	0	
<b>Surplus / (Deficit) Before Tax</b>	<b>(1,422)</b>	<b>(60)</b>	<b>(1,363)</b>		<b>6,249</b>	<b>5,249</b>	<b>1,000</b>	

SIGNIFICANT ACTIVITIES	Year to Date			Commentary	Forecast			Commentary
	Actual	Budget	Variance		Forecast	FY Budget	Variance	
<b>HR / H&amp;S</b>								
Revenue	538	536	2		2,144	2,144	0	
Expenditure	328	552	(224)		1,944	2,144	(200)	Budget transferred to Exec Advice
Surplus / (Deficit)	210	(15)	225		200	(0)	200	
<b>PROPERTY &amp; FLEET</b>								
Revenue	877	927	(50)		8,209	8,209	0	
Expenditure	998	884	113		3,537	3,537	0	
Surplus / (Deficit)	(120)	43	(163)		4,672	4,672	0	
<b>IT</b>								
Revenue	1,952	1,952	0		7,807	7,807	0	
Expenditure	2,662	2,193	470	Timing of annual software subscriptions and some project costs	8,607	8,607	0	
Surplus / (Deficit)	(711)	(241)	(470)		(800)	(800)	0	
<b>TREASURY</b>								
Revenue	1,921	2,375	(454)	Timing of interest on rates receipts	9,500	9,500	0	
Expenditure	2,299	2,375	(76)		9,500	9,500	0	
Surplus / (Deficit)	(379)	0	(379)		0	0	0	
<b>OTHER</b>								
Revenue	1,749	1,766	(18)		8,065	7,065	1,000	0
Expenditure	1,560	1,886	(326)	Staff vacancies	7,152	6,952	200	LTP costs not budgeted - audit fees and project management
Surplus / (Deficit)	188	(120)	308		913	113	800	

# Activity Performance Report

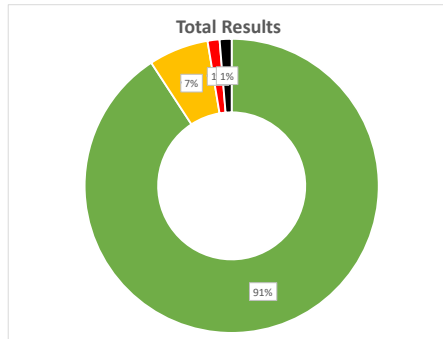
2023-24 QUARTER ONE – @ September 2023



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## Service Delivery Performance

The 2023-24 Annual Plan contains 37 level of service statements, 67 measures and 76 targets related to activities being delivered in the 2023-24 year.



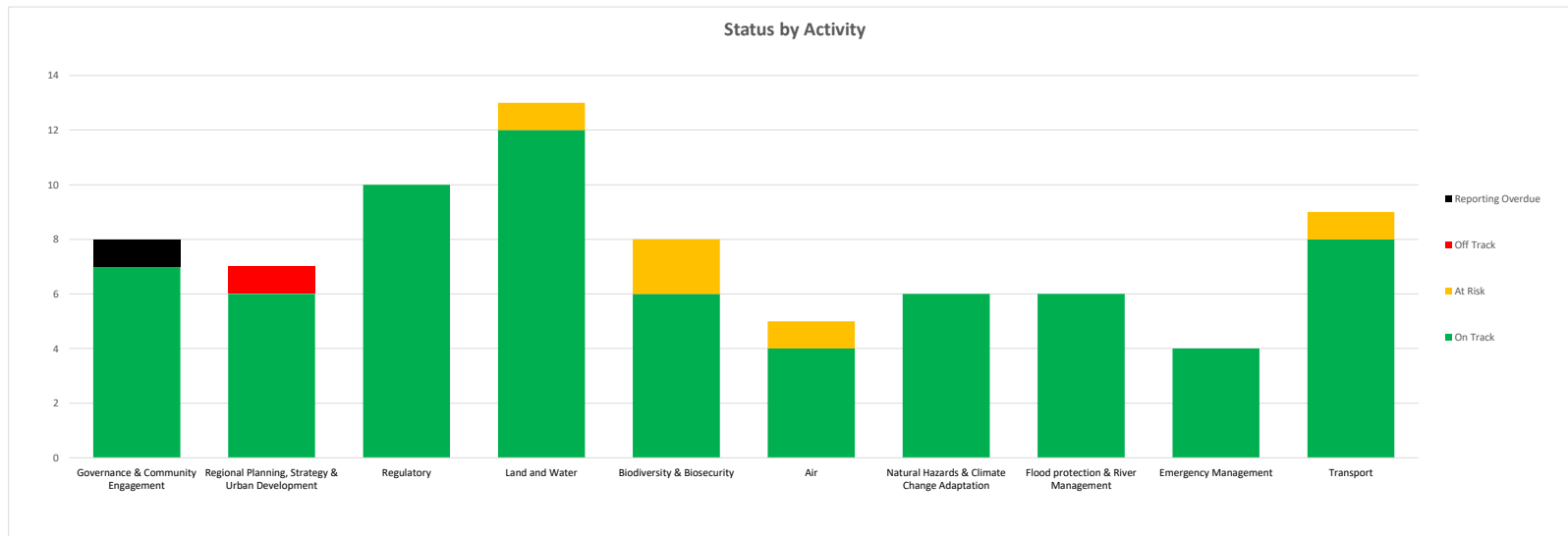
On Track / Achieved **69**

At Risk **5**

Will Not Achieve **1**

Reporting Overdue **1**

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



Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

REGIONAL LEADERSHIP		
Governance & Community Engagement	Q1	COMMENT
Percentage of official information requests responded to within statutory timeframes - Target: 100%	On Track	We expect to be 100% compliant.
Deliver our statutory requirements with acceptable process and deliverables to decision-makers and the community - Target: Unmodified audit reports received	On Track	Expect full and timely delivery of the reporting and planning work program
Percentage of council agendas are publicly available two working days or more before a meeting - Target: 100%	On Track	It is expected all agendas will be published timely through end of year.
Work done in partnership with iwi - Target: Maintain or increase the number of outputs and/or projects (from 2021-22 baseline result: 19)	On Track	Partnership activities are updated quarterly, update will be available in the Oct quarter.
Build the bicultural competency of ORC staff and councillors - Target: ≥50 participants in programme	On Track	On track
Annual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC - Target: Improved satisfaction levels with how ORC services the region	Off Track	
Customers express high levels of satisfaction with customer service provision - Target: Conduct benchmarking of customer satisfaction	On Track	On target to deliver customer satisfaction benchmarks.
Develop a Regional Climate Strategy -Target: Strategy finalised and reported to Council by 30 June	On Track	On track
Regional Planning, Strategy & Urban Development	Q1	COMMENT
Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Joint ORC and DCC/QLDC HBA updated and joint FDS completed by 30 June	Off Track	The Dunedin FDS is scheduled to go to the ORC 6 December Council meeting for approval to notify in January 2024 and as such meeting the timeframe. (Green) QLDC FDS: Issues regarding the HBCA will result in a delay of the FDS being notified this not meeting the timeframe. (Red)
Complete review of existing Regional Policy Statement (RPS) - Target: Make RPS operative	On Track	The hearings for the non-freshwater parts were completed at the end of May 2023, and the freshwater hearings were completed at the end of September. The date that the pORPS will be operative depends on when appeals following the decision on the pORPS are resolved.
Catchment Action Plans (CAP) are developed in collaboration with iwi and community. Target: Drafting of pilot CAP completed and drafting of second CAP commenced by 30 June	On Track	Cattlins ICG begins meeting. Planning begins for the Upper Lakes ICM. Lake Hawea Stakeholders meeting and workshop for CAP development, Meeting with Sustainable Seas NSC
Report on community wellbeing indicators - Target: Complete baseline report on wellbeing indicators and issues	On Track	Baseline report completed June 2023. The document will be updated annually with any new available data.
Information on climate change in Otago is shared with the community and stakeholders. Target: Coordinate the development and delivery of a regional sequestration study by December 2023	On Track	Reasonably on track to deliver a plan for the development of a regional sequestration study
Report on regional stakeholder engagement and collaboration on climate change. Target: Complete an annual report on regional climate change collaboration and report to Council	On Track	On track
Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Mapping of highly productive land completed by 30 June	On Track	It is expected that the mapping of highly productive land will be completed by 30 June 2024.
Regulatory	Q1	COMMENT
Maintain 24-hour/7 day a week response for environmental incidents - Target: Pollution hotline staff available/on call 24/7	On Track	24/7 pollution hotline service maintained.
Maintain 20 appropriately trained responders for maritime oil pollution incidents -Target: 20 responders attend 3 exercises per year	On Track	Expected to meet requirements, dependent on Maritime New Zealand training schedule and delivery
Percentage of resource consent applications processed in accordance with Resource Management Act 1991 legislative timeframes - Target: ≥98%	On Track	All consents since the start of the new financial year consents have all been within timeframes. Some existing work remains with external consultants to process to ensure timeframes can be met
Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%	On Track	I expect this measure to be on track.
Percentage of significant non-compliance identified where action is taken in accordance with Compliance Policy - Target: 100%	On Track	All enforcement action actioned in accordance with RMA Compliance and Enforcement Policy, completed within legislative timeframes.
Major incidents on Otago's Harbours and waterways will be responded to. Target: Major incidents and ORC's response are reported to Council quarterly	On Track	Expected to meet requirement
Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%	On Track	Currently 100% audits and site inspections undertaken, expect to meet, or exceed target by year end.
Maintain compliance with Port and Harbour Marine Safety Code - Target: External review is completed and deemed to be code consistent.	On Track	Expect to on target and achieved
On-water engagement, education of recreational users and safety campaigns are documented and reported annually - Target: Report to council by 30 June	On Track	Expect to be on target by year end
Percentage of public enquiries for consent information completed within 7 working days - Target: Maintain or increase (from 2021-22 baseline of 99%)	On Track	It is hoped that all enquiries can continue to be responded to within 7 days where possible and in the control of the Consents Team. The team is currently on track to meet the service level target.

On Track	At Risk	Off Track	Not Measured	Reporting Overdue
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Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

ENVIRONMENT		
Land and Water	Q1	COMMENT
Complete the Land and Water Regional Plan(LWRP) - Target: Notify LWRP by 30 June 2024		Work is progressing and staff are continually monitoring progress against the notification timeframe of the proposed Land and Water Regional Plan agreed with the Minister for the Environment (end June 2024).
Otago Catchment Communities is supported to meet deliverables and targets of funding agreement - Target: Report to Council on deliverables and targets achieved by 30 June		Ongoing meetings and communication
Implement freshwater monitoring programme - Target: Annual report on monitoring programme completed and reported to Council		On track
Implement a regional coastal monitoring programme. Target: Annual report on monitoring programme completed and reported to Council		On-track for overall marine monitoring programme to be set up over the next 5 years. Ground truthing RFP was held up internally so can't progress until this is complete and then put to tender in FY 2023/24
Percentage of data from the water monitoring network that is captured quarterly - Target: ≥95% data capture achieved		Data capture rate is expected to continue at > 98%
Develop and implement a regional land use monitoring programme. Target: Annual report on monitoring programme completed and reported to Council		Physical monitoring (soil health, soil moisture) program is being implemented. The 2022/23 Soil Health SOE sites have been described and sampled Update to council planned april/june 2024
Otago Catchment Communities funding is administered as per agreement. Target: 100%		Finalise budget and issue purchase order for this work.
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 - Target: Three or more projects supported per year		High Country Erosion Project: Onboard mapping and prioritisation analysis contractor, begin engagement work, complete M&E plan. Toitū Te hākapupu: Community planting day. ID landowners with important sites to engage with. Award contract for erosion mapping. Planning for schools planting day. Preparing 'Stream Health Assessments' with training of catchment groups and individuals farmers, with NZFAP+ assessments starting from Nov 1st. IWG rural professional training continues. Preparation for the engagement over LWRP
Identify: At least three site specific management plans for selected degraded waterbodies are developed, prioritised, and implemented - Target: Projects confirmed and actions identified by 30 September		Projects and priority actions have been developed and will be implemented over the coming months. Priority actions for Tomahawk and Tuakitoto drafted 6th October. Implementation to follow.
Undertake: At least three site specific management plans for selected degraded waterbodies are developed, prioritised, and implemented - Target: 90% of actions undertaken within specified timeframes		Tomahawk Lagoon: Draft Implementation plan to be completed; draft contract variation for stormwater education programme; begin design collateral for stormwater education programme; implement webpage. Lake Tuakitoto: Draft Implementation plan and complete committee report; implement webpage. Lake Hayes - commissioning of the augmentation work to occur and works on the downstream area to commence once consent is issued. Monitoring and evaluation plan for this work is in development.
Percentage of data from the land-use monitoring network that is captured quarterly. Target: 95% data capture achieved		Once logger at Minzion Burn at Avenel Station has been replaced with a new Campbell logger the data capture rates will improve again, expect target to be achieved again once this has been completed.
Implement estuarine monitoring programme - Target: Annual report on monitoring programme completed and reported to Council		On track
Complete a review of the Regional Plan Coast - Target: Issues and options papers developed and reported to Council by 30 June		At this stage we expect to complete an Issues and Options paper for Council by the end of the financial year. However, progress will depend on resources being available both within ORC and our mana whenua partners.
Biodiversity & Biosecurity	Q1	COMMENT
Actions listed in the Biodiversity Action Plan (BAP) are prioritised and progressed - Target: 90% of current year actions achieved within timeframes specified		Remind members of the internal biodiversity working group about the actions and allocate lead coordinators.
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed - Target: 90% of actions achieved within timeframes specified.		BOP deliverables to continue through out October. Focus is on rabbit inspections for community programmes and completing night counts.
(Funding of selected initiatives- includes EcoFund) Percentage of funding administered as per agreements - Target: 100%		Follow up outstanding agreements. New Biodiversity Partnership lead and Funding Coordinator starts at ORC on 24 Oct.
Complete a report on the initiatives and organisations supported and the key deliverables achieved (Funding of selected initiatives- includes EcoFund) - Target: Report to Council by 30 June.		Report will be presented to Council by 30 June 2024
Engagement Activities: Biodiversity partnerships established and joint projects developed and progressed - Target: Maintain or increase number of partnership engagement activities and events and report to Council.		Partnership activities will continue during October.
Projects: Biodiversity partnerships established and joint projects developed and progressed - Target: Projects and progress against milestones reported to Council		Projects that will begin include: - Site-led terrestrial partnership - Nga Whenua Rahui covenant partnership - needs to be initiated during 2023/24"
Develop and implement a regional indigenous biodiversity ecosystems monitoring programme. Target: Annual report on monitoring programme completed and reported to Council		Expect to report on current monitoring being undertaken. The recent release of the NPS-IB means monitoring requirements will need to be assessed and a substantially revised monitoring program may be required. If so implementation and reporting by year end may not be achieved.
Percentage of data from the biodiversity monitoring network that is captured quarterly - Target: ≥95% data capture achieved		This measure was introduced in this LTP with no percentage specified for years 1 and 2 as it was only scheduled to begin once the monitoring program under the NPS-IS had been developed. Ability to meet this target will depend on the timing of the above measure on development and implementation of the monitoring programme.
Air	Q1	COMMENT
Implement a regional air monitoring programme - Target: Annual report on monitoring programme completed and reported to Council		On track
Percentage of data from the air monitoring network that is captured quarterly - Target: ≥95% data capture achieved		I expect the air quality network to continue to perform to target.
Complete review of the Regional Plan Air - Target: Issues and options papers developed by 31 December 2023		The project is on track to meet the target.
Complete review of the Regional Plan Air - Target: Community engagement for development of Regional Plan Air completed by 30 June		Community consultation is on track to be completed by 30 June 2024.
Air implementation strategy is scoped - Target: Reported to Council by 30 June		Not yet started, dependant on Regional Air Plan development.

On Track    At Risk    Off Track    Not Measured    Reporting Overdue

Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

SAFETY AND RESILIENCE		
Natural Hazards & Climate Change Adaptation	Q1	COMMENT
Relevant and up to date natural hazards information is available via the web-based Otago Natural Hazards Database - Target: Database information is checked and updated monthly		Database updated and operated with no issue in the FY
Percentage of flood warnings that are issued in accordance with the flood warning manual - Target: 100%		24 hour flood management and response system operated with no issue during the financial year. Flood warning issued as per Flood Procedure manual instructions.
Develop a regional natural hazards risk assessment and a regional approach for prioritising adaptation - Target: Complete natural hazard risk assessment and prioritization approach.		No issue expected.
Priority Works: Develop and implement prioritised natural hazard risks adaptation works - Target: Work in priority areas is delivered as per plan by 30 June		No issue expected at this stage for Head of Lake Wakatipu, South Dunedin Future and Clutha Delta.
Lake Wakatipu: Develop and implement prioritised natural hazard risks adaptation works - Target: The Head of Lake Wakatipu natural hazards adaptation strategy progresses as per annual work plan		No issue expected at this stage
South Dunedin and Harbourside: Develop and implement prioritised natural hazard risks adaptation works - Target: ORC contribution to the South Dunedin Future programme progresses as per annual work plan.		Work progressed as per project plan (presented to Council in July 2022).
Flood protection & River Management	Q1	COMMENT
Scheme Performance: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: Schemes function to their constructed design standards		This standard is measured with two KPIs as follows. Flood issues. No unplanned flood issues/scheme breaches to report during the September weather event equating to 100% compliance. Full metrics relating to the flood event will be provided in the Engineering Quarter 1 report. Pump Availability: All pump availability/outages were as per the outage plan, equating to 100% compliance. Full metrics will be provided in the Engineering Quarter 1 report.
Scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: ≥90% of renewals programme completed		The team is currently finalizing the delivery programme and milestones for 2023/2024. At this stage all work is on track for delivery
Scheme maintenance programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: ≥90% of planned maintenance programme completed		The team has finalised the scheduled maintenance programme for 2023/2024. At this stage, all work is on track to be completed by June 2024.
Rivers: Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days - Target: 100%		The team has investigated and resolved 100% of the reported issues. Of the 71 issues reported for July/August/Sept period, 38 of these pertained to Rivers. It is expected communication to affected landholders within 20 working days will continue to be maintained at the Target: 100%
Rivers: Percentage of planned maintenance actions achieved each year - Target: ≥90%		The years programme is in place and key contracts are being drawn up. Currently on track to deliver the planned programme..
Flood repair programme: Damage identified, prioritised and a repair programme communicated with affected communities in a timely manner - Target: Programme developed and communicated within 3 months of the event.		A flood repair / recovery programme is being developed following the Septemebr 2023 flood event and is expected to be communicated vai ORC website within the requird 3 months to meet this KPI
Emergency Management	Q1	COMMENT
Staffing: An adequate Emergency Coordination Centre (ECC) facility and staffing are available - Target: Adequate staff who are trained and available for any activation of the ECC.		Team member training can be dealt with in house and is reliant on staff availability / willingness to attend.
Facility: An adequate Emergency Coordination Centre (ECC) facility and staffing are available - Target: An appropriate facility is available for activation at all times.		Expect to continue to meet target.
Support is provided to the Otago CDEM Group as per the CDEM Act and Otago CDEM Partnership Agreement - Target: Fulfil all requirements as the administering authority.		Generally work plans tracking as expected. Current issue with Team leader vacancies, four roles being covered by the Manager and 1 Team Leader. Uncertainty regarding the trajectory of sector reform (EM Bill) following general election.
Maintain response functionality to enable operational situational awareness when ECC activated - Target: Response solutions are checked as scheduled and any issues remedied.		All areas are functional and have passed monthly equipment checks. Issues around an alternative power supply in an outage remain. Generator testing being arranged





Finance Committee Agenda - 23 November 2023 - MATTERS FOR CONSIDERATION

TRANSPORT		
Transport	Q1	COMMENT
Percentage of scheduled services on-time (punctuality) - Target: 95%		Services are heavily affected in Dunedin by extensive roadworks and road closures, whilst Queenstown continues to be affected by heavy congestion on the approaches in and out of central Queenstown/St Stanley Street at peak times. It is anticipated that Dunedin punctuality will improve significantly with the completion of the central city works.
Overall passenger satisfaction with Dunedin Public Transport system at annual survey - Target 97%		2023/24 surveys will be completed in Q4.
The Regional Land Transport Plan (RLTP) is prepared and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency (NZTA) - Target: RLTP review completed and adopted by Council by 30 June Transport Committee.		A new programme for the adoption of the RLTP will go to RTC in November due to new time line for NLTP as of 16 October
Annual public transport boardings in Queenstown per capita - Target: increase		Patronage is expected to continue to rise, in line with the increasing levels of tourists in the region and the return to full timetables on 1st June 2023.
Annual public transport boardings in Dunedin per capita - Target: increase		The introduction of revised fares for CSC card holders and youth/children will likely have a positive effect on patronage. The introduction of direct services from Mosgiel to Dunedin, together with increased peak frequencies and a connection to the South Dunedin area for this route, and also an increased frequency on the Ridge Runner service, should also positively contribute to patronage.
Percentage of scheduled services delivered (reliability) - Target: 95%		The recruitment of the full number of drivers required to operate services in Otago, which is expected to be completed imminently upon the completion of driver training for new drivers, should help maintain reliability.
Overall passenger satisfaction with Wakatipu Public Transport system at annual survey - Target 97%		2023/24 surveys will take place in Q4.
Percentage of users who are satisfied with the provision of timetable and services information - Target: Maintain or increase (from 2022 baselines - DN: 70%, QWTN: 88%)		2023/24 surveys will take place in Q4.
Percentage of users who are satisfied with the overall service of the Total Mobility scheme- Target: maintain or increase (from 2022 baseline:87%)		2023/24 surveys will take place in Q4.



## 9.2. Rates Strike Collection - 31 October 2023

**Prepared for:** Finance Committee  
**Report No.** CS2342  
**Activity:** Governance Report  
**Author:** Sarah Munro – Finance Manager  
**Endorsed by:** Nick Donnelly, General Manager Corporate Services and CFO  
**Date:** 23 November 2023

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### PURPOSE

- [1] This report provides the Finance Committee with an update on rates struck for the 2023/24 financial year.

### EXECUTIVE SUMMARY

- [2] Based on the 31 October 2023 due date rates collection for the 2023/24 year was consistent with previous years.
- [3] A significant portion (81%) of the total rates amount was received on or before 31 October.
- [4] Service initiatives including additional direct debit options, emailed payment reminders and a rates brochure have been well received by ratepayers.
- [5] Rates and customer service staff continue to field a high volume of enquiries from ratepayers who query their rates invoice, particularly in relation to the increase over the recent years and the impact that is having on their ability to pay.

### RECOMMENDATION

*That the Finance Committee:*

1. **Notes this report.**

### RATES COLLECTION

- [6] For the 2023/24 rating period Council struck rates of \$64,326,741 (2022/23 \$54,415,040) GST inclusive which were due on 31 October 2023. A total of 124,479 rates notices were sent on 1 September 2023.
- [7] At the due date of 31 October 2023 81%, (2022/2023 83%) of the rates struck had been collected (excluding direct debit arrangements which are marked as paid for this calculation).

### Penalties

- [8] All balances outstanding on 1 November 2022 (excluding those on direct debit) were charged a 10% penalty. There were 19,231 penalty notices sent in the current year (2022/23, 19,895).

Date	Total Penalty Amount	Percentage of 1 September Rates balance
Nov 2023	\$1,169,669	1.82%
Nov 2022	\$975,683	1.79%
Nov 2021	\$763,616	1.65%
Nov 2020	\$484,814	1.56%
Nov 2019	\$452,085	1.48%

[9] The penalty proportion of rates has increased slightly by 0.03%.

#### **Breakdown of Penalties by District (Per Rating Unit)**

This table shows the percentage of penalties (\$) by district, compared to the percentage of rates (\$) for the district.

District	2023/24		2022/23	
	Percentage of penalties	Percentage of rates	Percentage of penalties	Percentage of rates
Queenstown Lakes	32%	28%	31%	27%
Clutha	9%	9%	7%	9%
Dunedin	43%	47%	47%	50%
Waitaki	7%	6%	7%	6%
Central Otago	9%	9%	8%	8%

This table shows that the penalty is evenly spread throughout the district, with only minor difference from the district percentage of rating base.

#### **Ability to Pay**

[10] In the current year we received feedback from ratepayers that people are struggling to pay the higher rates after continued rates increases. Council has noted the increase in direct debit defaults which results when a ratepayer doesn't have sufficient funds to pay the outstanding rates at the time the DD is processed. The number of direct debit defaults have increased to 532 for 31 October 2023 from 288 for 31 October 2022, 87 for 31 October 2021 and 63 for 31 October 2020.

#### **Debt Collection Procedures for Overdue Rates**

[11] Trends in the debt collection procedures show that most people who have rates overdue by more than 3 months will only make payment once debt collection procedures with a third-party collection agency or mortgage demand have been initiated. Mortgage demands on arrears balance were deferred due to the COVID pandemic and there has been an increase in the arrears balance because of this deferral. This has resulted in a small increase in the overall penalty percentage in the current year.

[12] It is planned that the mortgage collection procedures on arrears will commence in the current year (February 2024). Reminder letters will be sent to all ratepayers before mortgage debt collection procedures are commenced.

#### **RATEPAYER FEEDBACK**

[13] Council in the prior year actively sought and collated ratepayer feedback through our customer service team queries to try and make improvements in the 2023/2024 rating

period. Council has started to make changes that will continue into the future including:

#### Direct Debits

- [14] Ratepayers had remarked that our triannual direct debit options and annual direct debit options did not meet the amount and frequency that they could afford to pay rates.
- [15] New direct debit options of weekly, fortnightly and monthly were offered in the current rating period 2023/2024 and have been very positively received, especially for people on restricted budgets.
- [16] The following table shows the direct debit frequency of outstanding rates balances compared to the prior year.

Direct debit type	Amount remaining to be paid via direct debit 2023/2024	Ratepayers accounts with direct debit 2023/2024	Amount remaining to be paid via direct debit 2022/2023	Ratepayers accounts with direct debit 2022/2023
Annual	N/A	14,630*	N/A	14,198*
Triannual	\$3,142,587	7,092	N/A	6,538*
Monthly	\$516,525	760	N/A	N/A
Fortnightly	\$260,730	669	N/A	N/A
Weekly	\$159,164	348	N/A	N/A

\*Direct debit data was taken at the time of the rates notice file on 1 September 2022 and September 2023.

#### Email Reminder

- [17] We received feedback from some ratepayers who requested a reminder notice for rates. It is uneconomical (due to print and postage costs) to provide a posted manual reminder to all ratepayers. The cost of a manual reminder would be paid by all ratepayers including those who have not requested the service and have paid their rates on receipt of the rates notice.
- [18] In the current year we sent a reminder notice to all ratepayers who had an outstanding balance 1 week before the due date and received their rating information via email. This was positively received and resulted in some ratepayers avoiding a penalty that may have otherwise been received. This is not a service that is commonly offered by Councils.
- [19] In the future it is intended to expand the advertisement of this service (to allow other ratepayers to sign up) and continue to make improvements to the service.

### **Rates Brochure**

[20] We received feedback from ratepayers, (and it was included in in our 2022 community survey), that ratepayers would like a detailed description on how Council rates are spent, and a description of the services Council does for the Otago community. Council's Communication and Marketing department and Finance facilitated a rates brochure insert to provide this detail to ratepayers in the 2023/24 period.

### **Online Forms**

[21] We have re designed and improved our online forms in the 2023/24 period. One of the major changes that is different o other councils (but was requested through ratepayer feedback) was making a "multi form" where ratepayers can select multiple tasks from one property search. This has allowed ratepayers to self-service on our website and has improved customer sentiment.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

[22] There are no strategic or policy considerations associated with this report.

### **Financial Considerations**

[23] There are no financial considerations other than those already outlined in the report.

### **Significance and Engagement Considerations**

[24] There are no significance and engagement considerations associated with this report.

### **Legislative and Risk Considerations**

[25] There are no legislative and risk considerations associated with this report.

### **Climate Change Considerations**

[26] There are no climate change considerations associated with this report.

### **Communications Considerations**

[27] There are no communications considerations associated with this report.

## **NEXT STEPS**

[28] No further steps are required as this paper is for information purposes only.

## **ATTACHMENTS**

1. Rates Tri-fold Brochure 2023 [9.2.1 - 2 pages]



As an Otago Regional Council ratepayer, your contribution plays a vital role in making this region a great place to live, work and visit.

The Council's role differs from a city or district council. ORC's responsibilities are to protect Otago's waterways, land and air across district boundaries — requiring regulation, catchment support and data collection.

We also contract bus services, set routes and timetables, mitigate flood risks, identify natural hazards, and lead the regional response to natural disasters. All of this helps address regional issues and keep people and properties safe.

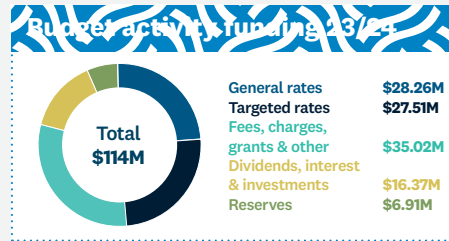
[Please read on for more details.](#)



## How rates are set

Each year we develop a work plan based on projections in our Long-term Plan, community requests and government requirements. This is then costed and shared to seek community support for activities. We then confirm the plan and set the rates using our rating and funding model.

Less than half ORC's funding comes from rates; the rest from fees and charges, grants, reserves, Port Otago Ltd dividends, interest and investments.



## Types of rates

### General rates

Every ratepayer pays these, as the activities benefit everyone.

### Targeted rates

Targeted rates can be a region-wide charge for certain activities or be applied to specific properties based on the benefit received.

An example of a region-wide targeted rate is Emergency Management. Public transport in Queenstown or Dunedin, or flood and drainage works in the Taieri or Clutha catchments, are examples of targeted rates applied to properties that benefit from the activity.

## About us

Governance comes from 12 Otago regional councillors elected from four constituencies: Dunedin, Dunstan, Molyneux and Moeraki.

Our council proudly works in partnership with mana whenua. We collaborate with our communities and respond to government legislation.

Environmental and climate challenges — and public awareness of them — mean our work has increased. This work also reflects expectations of our community and government mandates.

In our regulatory role, we foster an 'educate first' approach to our responsibilities. Our staff of more than 300 works across five districts in Otago, with teams that include scientists, engineers, planners, analysts and IT specialists.

We have also invested in technology, specialist expertise and more engagement with our communities.



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orc.govt.nz



# What you pay for

## Environment

**Freshwater**  
Monitoring flows, levels, quality, allocations and biodiversity in Otago’s waterways, investigating and acting on emerging risks and opportunities to improve.

**Land-use**  
Monitoring soil health, striving to ensure sustainable land practices are used.

**Air quality**  
Monitoring particulate matter from winter wood-fire burning and other sources 24/7, maintaining standards for air.

**Pests**  
Monitoring and targeting plant and animal pests on land and in water, including support for community rabbit management efforts.

GENERAL RATE	TARGETED RATE
\$19.46M	\$6.32M

Targeted rate for Lake Hayes work, wilding tree reduction and rural water quality

## Public transport

**Orbus public transport** services in Dunedin and Queenstown. Work includes planning routes, managing contractors, producing timetables and communicating with customers.

GENERAL RATE	TARGETED RATE
\$767K	\$10.4M

Targeted rate for Queenstown and Dunedin public transport

## Safety and Resilience

**Flood protection and drainage**  
Operating flood protection and drainage schemes 24/7; maintaining land productivity and protecting people, stock, property, infrastructure and assets.

**Natural hazards**  
Undertaking programmes of work to identify and manage the risks natural hazards pose to Otago.

**River management**  
Maintaining river and stream capacity through proactive and reactive maintenance activities.

**Emergency management**  
We co-ordinate the response and recovery in regionally-declared natural disasters — such as floods and earthquakes — working with local councils, Police and FENZ.

GENERAL RATE	TARGETED RATE
\$4.35M	\$10.58M

Targeted rate for flood protection and drainage schemes, river and emergency management



## Regional Leadership

**Elected representatives**  
Support for our elected councillors to lead, make decisions and review progress. Strengthening our partnership with Kāi Tahu.

**Customer service and communications**  
Responding to enquiries by phone, email and Facebook; providing a well-functioning website to educate and raise awareness; and co-ordinating Otago Enviroschools.

**Regional planning**  
Delivering key planning documents for Otago and ensuring Otago’s voice is heard when new government policy and legislation is developed.

**Regulation**  
Ensuring resource extraction and discharges comply with set rules, assessing consent applications and compliance. Harbourmaster and water safety functions.

**Pollution response**  
24/7 response to reports of any discharges to air or water anywhere in Otago. If this happens, we investigate and can prosecute any offences where necessary.

GENERAL RATE	TARGETED RATE
\$20.06M	\$210K

Targeted rate for dairy farm monitoring

