




8 Month Review
to 29 February
2016

Table of Contents

EXECUTIVE SUMMARY	3
ENVIRONMENT	7
COMMUNITY	22
REGULATORY.....	24
FLOOD PROTECTION & CONTROL WORKS	29
SAFETY & HAZARDS.....	38
TRANSPORT	40

Key

	The target has been achieved, either to date, or in total.
	The target is in progress. Achievement is not yet determined.
	The target has not been achieved.

EXECUTIVE SUMMARY

Introduction

This document provides a summary of progress made on the achievement of our activities to the end of February 2016, along with details of how those activities are tracking against budgets.

Activity Achievement

Environment

Of the 10 performance targets within this activity, three targets have been fully achieved as follows:

- Ground water minimum flow levels have not been violated.
- All reported blockages obstructing scheduled rives have been actioned within given time frames.
- Reported environmental incidents have been acknowledged and assessed within 0.5 hours of receipt.

Two performance targets are still in progress as follows:

- Water quality that meets the thresholds set out in the water plan continue to be met, and
- 80% of landholders are aware of the water plan rules.

These targets will be reported on at year end.

Five performance targets are showing as not having been achieved as follows:

- Compliance with prohibited activity rules (dairy farms) is at 92%, not the targeted 100%.
- One significant breach of a minimum flow due to abstraction occurred during the summer months, our target being that there are no violations of minimum flows due to abstraction.
- All but Dunedin breached the air quality NES standards on multiple occasions. Our target is that there is no more than one breach of the air quality NES standards in Airzone 1 towns.
- Our target that all properties inspected have rabbit numbers under MAL3, or have a property management plan in place was not achieved. 41 properties inspected exceeded MAL 3 but did not have property management plans.
- Our target that 70% of properties inspected have no pest plant infestations found was not achieved. 44% of properties inspected were compliant.

Community

The two performance targets within this activity were fully achieved as follows:

- All planning and reporting has been completed within statutory timeframes.
- All Council and Committee meeting agendas were made available at least two working days prior to each meeting.

Regulatory

Of the five performance targets within this activity, four were fully achieved as follows:

- 100% of consent applications were processed within statutory timeframes.
- Our target that 85% or more of performance monitoring returns showed compliance with consent conditions was achieved, the compliance rate being 91%.
- There were no major harbour incidents (collisions) during the period.
- One spill occurred and was responded to within the target time frame of 1.5 hours of notification.

One performance target was not achieved as follows:

- The compliance rate of audits showing compliance with consent conditions was 78%, not achieving our target of 85%.

Flood protection and control works

There are 31 performance targets within this area, covering all of the schemes. Of these, 19 were fully achieved as follows:

- No flood events occurred during the period for which flood damage needed to be identified, prioritised and repaired.
- Contain all floods and provide drainage modulus as determined for each scheme. These targets were met for all schemes.
- 24/7 monitoring of control systems was undertaken. Pumps are all telemetered and should there be a problem, a text message is sent to ORC.
- The drains and channel flow paths for the Tokomairiro scheme were maintained to ensure hydraulic capacity.
- The surface of the Shotover river delta is being managed through gravel extraction to ensure the delta is consistent with the target profile.

12 performance targets, across all the schemes, are still in progress, and so achievement has not yet been determined as follows:

- Options are still being considered for each scheme, for standby generation for pumps to be available
- Arrangements are not yet in place with suppliers for maintenance / spare parts.
- Our target that by 2019/20 increase flood capacity for the Leith is in progress. The targets for the 2016/17 year are underway and will be achieved by the year end.

Safety and hazards

Of the four targets in this area, three were fully achieved as follows:

- Natural hazards information has been provided to the public via a web based database.
- No emergency management events occurred during the period that needed to be responded to immediately.
- No events occurred during the period for which rainfall and flow information needed to be provided to the public.

One performance target is still in progress as follows:

- The group emergency co-ordinating centre can be fully operational within one hour of activation. Following a redesign of the area, a test run is planned for April.

Transport

The four targets in this activity are still in progress as follows:

- 95% of services monitored depart on time.
- 100% of vehicles comply with quality standards
- In Dunedin, a survey shows 85% satisfaction with standards of service. For these targets, a survey will be undertaken in May to measure achievement.
- Patronage in Dunedin to grow by 3%. This will be measured at the year end.

We have identified that we need to be smarter in the way that we write some of our targets. Many of the targets we have set ourselves are ones that we cannot control achievement of. For example, we do not directly control water or air quality. Our 2016/17 draft annual plan addresses these issues by refocussing our targets to reflect our responsibilities. For example, our target for air will be around monitoring air quality, reporting results and educating, rather than ORC directly achieving the NES for air.

In addition to the performance targets discussed above, a considerable amount of work has been undertaken within each activity, and further details can be found within the body of this report.

Financial Achievement

Actual and budgeted costs and their revenue sources are shown below:

Estimated, Forecast and Actual Cost

Activities	Actual to 29 February \$000s	Estimated to 29 February \$000s	Variance () = Over spend	LTP Estimated to 30 June 2016 \$000s	Forecast Expenditure to 30 June 2016 \$000s
Water	3,611	4,573	962	7,272	6,472
Air	236	277	41	440	440
Land	1,040	1,308	268	2,091	1,591
River management	864	1,282	418	1,811	1,736
Enviro. incident	895	640	(255)	979	1,379
Community	2,800	2,692	(108)	4,150	4,150
Regulatory	2,421	2,692	271	3,975	3,575
Flood protection	2,463	4,130	1,667	8,907	6,907
Safety & hazards	1,101	1,229	128	2,051	2,051
Transport	5,823	7,105	1,282	14,163	10,163
Total costs	21,254	25,928	4,674	45,839	38,464

Variances in actual versus estimated expenditure are discussed within each section of this report.

Estimated and Actual Revenue

Revenue	Actual to 29 February \$000s	Estimated to 29 February \$000s	Variance () = Under spend	LTP Estimated to 30 June 2016 \$000s	Forecast Revenue to 30 June 2016 \$000s
Total project costs	21,254	25,928	(4,674)	45,839	38,464
Funded by:					
General rates*	9,546	9,461	85	14,540	14,540
Targeted rates	6,131	6,377	(246)	9,092	9,017
Fees and charges	1,211	2,397	(1,186)	3,565	2,765
Grants	3,382	3,407	(25)	8,259	6,259
Internal charges	568	585	(17)	878	878
Infringement/fines	225	237	(12)	405	405
Other income	1,303	826	477	832	1,500
General reserves	384	804	(420)	2,505	2,005
Scheme reserve	(1,496)	1,834	(3,330)	5,763	1,095
Total revenue	21,254	25,928	(4,674)	45,839	38,464

*before applying dividends and interest income to reduce the general rate requirement.

Forecast Expenditure

We forecast that total expenditure will be around \$38.5 million, compared to the \$45.8 million budgeted, a decrease of \$7.3 million. Of this amount, we estimate that \$6.8 million would come

from scheme / general reserves, grants and other income, \$600,000 from fees and charges, and the remainder of \$75,000 from targeted rate funding sources. Further explanation is provided below:

Water

We anticipate an under spend in this budget of \$800,000, made up of the following:

- Regional Plan: Water under spend by \$500,000 – time has been diverted to other general rate funded projects such as the Regional Policy Statement, and the Response to Issues project ie analysis and submissions on district plans. This is a general rates funded project.
- Rural water quality – under spend of \$250,000 relating mainly to research and development. Most of this under spend would have been funded from reserves.
- State of the Environment – over spend of \$200,000 in respect of recent drought, and expanded monitoring network. This is being funded by general rates.
- Water management groups – under spend of \$200,000, related to the bulk rural water fund which is reserve funded. Operational spend is forecast to be on budget. This is under spend is a mixture of general rates and reserves.
- Coastal matters – under spend \$50,000 for inventory work that has been deferred.

Land

This budget is expected to be under spent by approximately \$500,000, for the following reasons:

- Rabbit contracting work – under spend of \$200,000 as rabbit work declined, and has been completed for the year. This is funded by fees and charges.
- Biodiversity – under spend of \$300,000 relating mostly to the restoration fund (\$250,000), being reserves funded.

River Management

This budget is expected to be under spent by \$75,000, for contracted survey work being less than that budgeted. This work is funded by the river management schemes through targeted rates.

Environmental Incidents

This budget is expected to be over spent by \$400,000, based on currently levels of complaints being received and responded to. This is a general rates funded project.

Regulatory

This activity is expected to be under spent by approximately \$400,000, made up as follows:

- Policy – estimated to be over spent by \$200,000 relating to the Regional Policy Statement, and funded by general rates.
- Consents – under spend of \$400,000, funded by fees and charges.
- Compliance monitoring – under spend of \$200,000 being fees and charges. More time has been spent on environmental incidents than budgeted for.

Flood protection

This activity is likely to be under spent by \$2 million as follows:


- Leith flood protection - \$1.9 million being a saving on the contract for construction works, funded by the scheme reserves.
- Lower Taieri - \$100,000 being the deferral of the weighting blanket construction works to 2016/17, funded by the scheme.

Transport

This is expected to be under spent by \$4 million, relating to the bus hub and electronic ticketing system, all funded by the transport reserve and grants from NZTA.

ENVIRONMENT

Water Quality

Level of service – Maintain or improve water quality	Achieved?
Measure – State of the Environment monitoring.	
Performance target – Water quality that meets thresholds set out in the Regional Plan: Water continue to be met.	

Target will be reported on at the year end. Water quality thresholds for surface and groundwater have been set in Schedule 15 of the Regional Plan: Water.

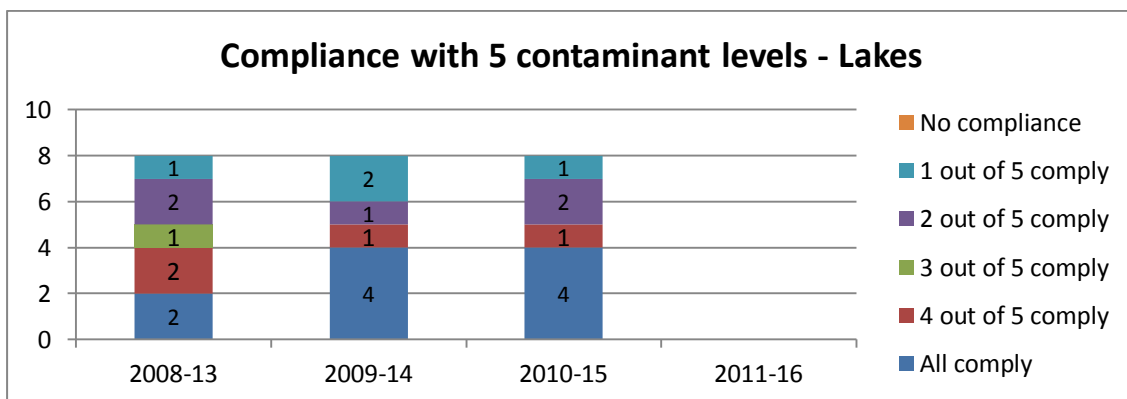
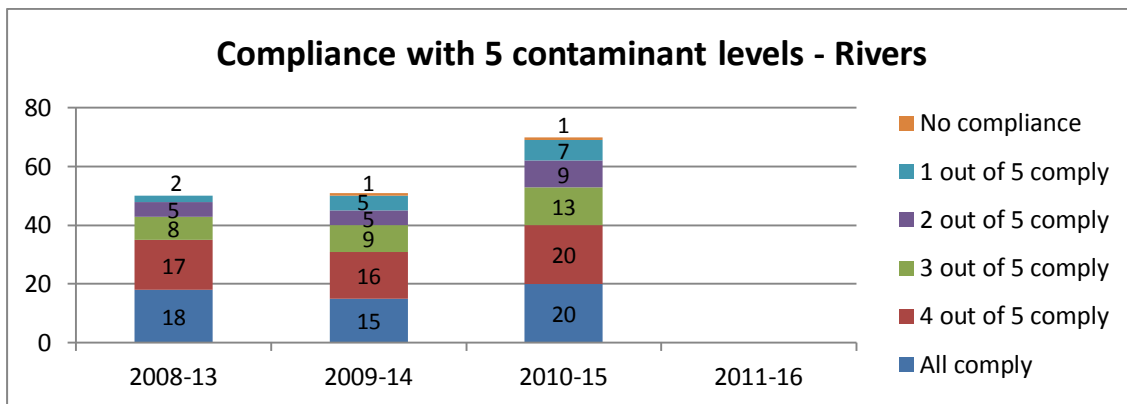
The contaminants measured for rivers are:

- Nitrite-nitrate nitrogen
- Dissolved reactive phosphorous
- Ammoniacal nitrogen
- Ecoli
- Turbidity


The contaminants measured for lakes are:

- Total nitrogen
- Total phosphorous
- Ammoniacal nitrogen
- Ecoli
- Turbidity

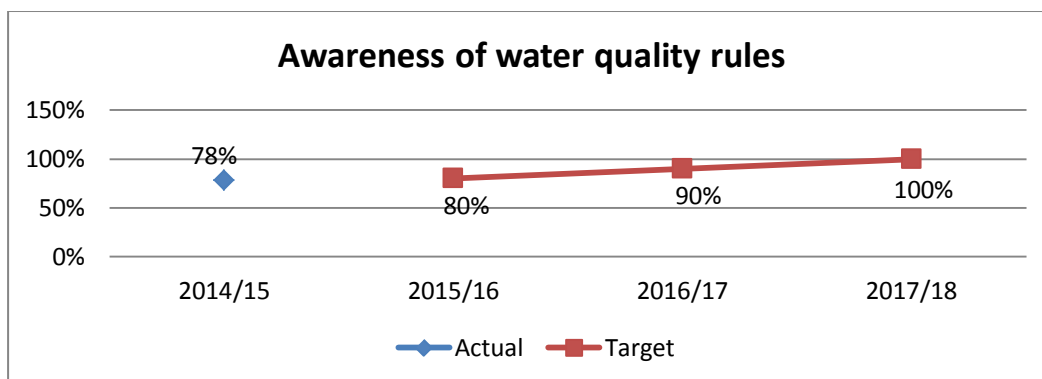
Water quality is measured as a five year median at State of Environment monitoring sites. The results from our monitoring for the last three reporting periods are shown below.



The 2016 results will be reported on at the end of the financial year.


Level of service – Maintain or improve water quality	Achieved?
Measure – Awareness survey.	
Performance target – Landholder awareness of Regional Plan: Water rules at 80% in 2015/16, increasing to 100% by 2017/18.	

An awareness survey will be undertaken in the last quarter of the financial year.

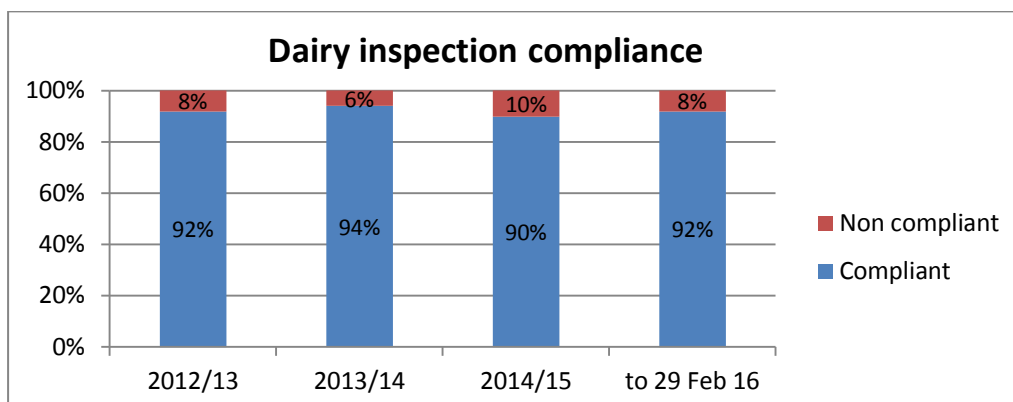


Activities undertaken to promote awareness of the rules included:

- Regular contact with stakeholders including Dairy NZ, Federated Farmers, Otago Contractors Federation, Kakanui catchment steering group, and NZ Landcare Trust.
- Participation in field days and working groups including NOIC and WIC group meetings, and working with contractors who work in waterways.
- Completion of fact sheet “What is a River”.

Level of service – Maintain or improve water quality	Achieved?
Measure – Dairy inspection and other farm monitoring.	
Performance target – 100% compliance with prohibited activity rules in the Regional Plan: Water.	

All dairy farms (approximately 450) are to be inspected. 211 dairy inspections have been completed to date. Compliance results so far compared to previous years are as follows:




Work is underway on the non-compliant dairy farms, and where appropriate, enforcement action is being undertaken.

Other farm monitoring has included flyovers of winter crops, and some farm forestry monitoring. Some non-compliance was identified, such as stock pugging, and follow up work is being undertaken.


Other initiatives undertaken to promote water quality include:

- A report on the health of the Kakanui Estuary has been completed.
- Schedule 16 monitoring is underway to increase knowledge of the relationship between land use types and practices and the water quality in particular areas.
- A forestry forum has been held.
- Working with the dairy industry on a dairy effluent plan.
- Water quality data collection is underway for Washpool and Crookston Burn, and the Waiwera catchment.
- Terms of reference has been prepared for the development of comprehensive Water Quality Strategy focussing on non-rural water quality contaminants. This is a two years project.

Water Quantity

Level of service – Water is managed to meet the needs of the Otago community	Achieved?
Measure – Sustainable environmental flows and allocation limits set on rivers and streams.	
Performance target – No violation of minimum flows due to abstraction at any site as set out in the Regional Plan: Water.	

A formal warning was issued for a significant breach of a minimum low flow in the Shag River. During the period there were 45 breaches of minimum low flow conditions, however these water takes were for stock and domestic use, which is allowable.

Level of service - Water is managed to meet the needs of the Otago community	Achieved?
Measure – Sustainable environmental flows and allocation limits set on groundwater resources.	
Performance target – No violation of groundwater minimum levels and allocation limits due to abstraction at any site as set out in the Regional Plan: Water.	

There were no violations of groundwater minimum levels and allocation limits during the period. The Momona bore on the Taieri went into 25% restriction level and all consent holders were advised.

Specific areas of work:

1. Commence and complete plan changes for minimum flows, allocation regimes and aquifer regimes.

Work on plan changes for minimum flow and aquifer regimes are planned for the Clutha River/Mata Au, Lindis, Cardrona, Manuherikia and Hawea this financial year.

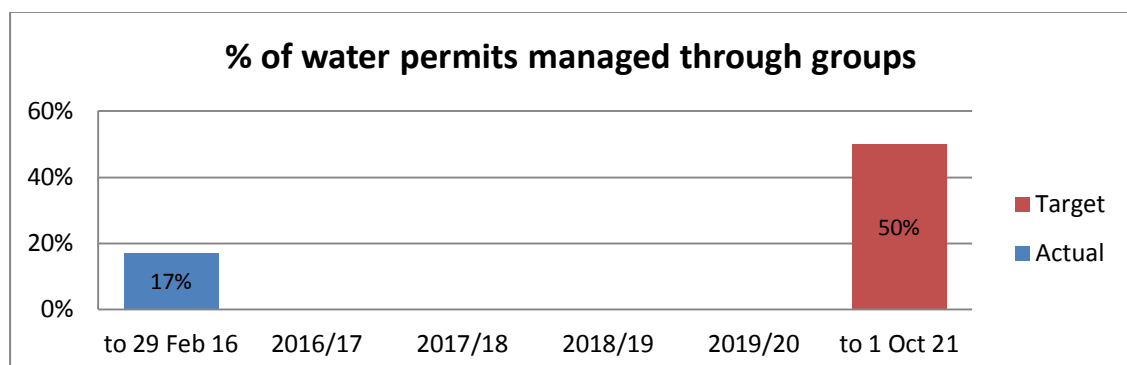
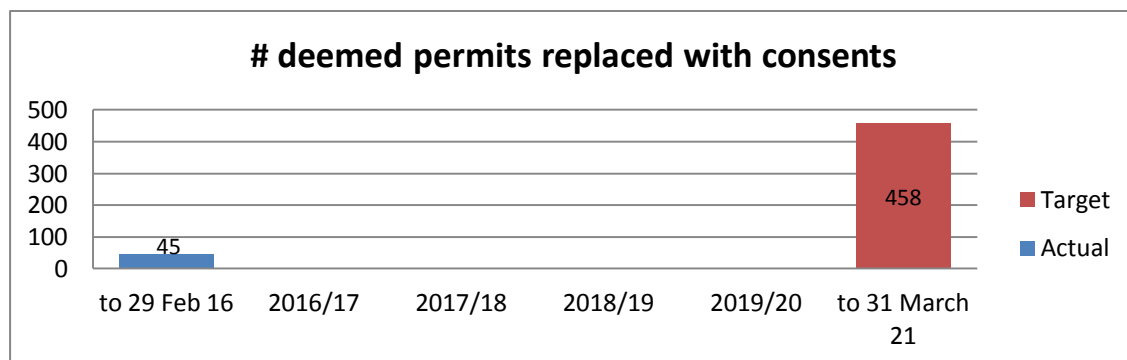
- Clutha – science work has commenced.
- Lindis – submissions closed 4 September 2015. Hearings commenced on 31 March 2016.
- Cardrona – pre feasibility work has been completed, and a recommendation made to initiate further consultation with the community.
- Manuherikia – IFIM in progress and expected to be completed this year.
- Hawea – science assessment is underway.

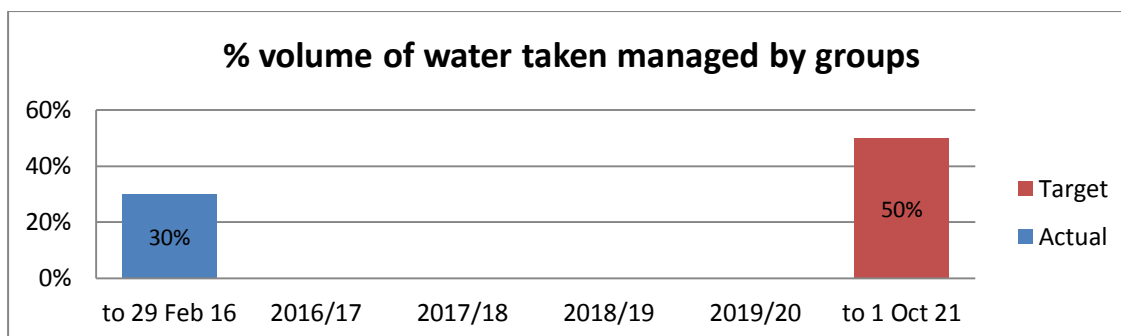
2. Provide technical and funding support for community led investigations of infrastructure for bulk rural water.

To date, funding support of approximately \$55,000 has been provided to the Manuherikia group for feasibility studies for an irrigation scheme.

Other initiatives undertaken to manage water quantity include:

- An information pack to support group formation for deemed permit holders is being developed.
- A Water User’s Manual has been prepared and is at the printing stage.
- Community meetings, provision of information, and working with groups are underway, and include the Strath Taieri, Lowburn and the PigBurn areas, and Department of Conservation.
- Priority and non-priority catchments have been identified; progress of groups is being tracked.
- Ecological and flow information is being provided to groups / individuals as requested.
- Work is continuing on the replacement of deemed permits into consents, and supporting group formations. Results to date are as follows:





Estimated and Actual Costs - Water

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Regional Plan: Water				
- Operating cost	582	1,134	552	2,070
- Capital cost	0	13	13	20
Total cost	582	1,147	565	2,090
Water quality & quantity (SOE)				
- Operating cost	1,410	1,074	(336)	1,626
- Capital cost	70	125	55	187
Total cost	1,480	1,199	(281)	1,813
Rural water quality (6A)				
- Operating cost	1,021	1,192	171	1,805
- Capital cost	45	60	15	91
Total cost	1,066	1,252	186	1,896
Water mgmt. groups (1C)				
- Operating cost	465	840	375	1,270
- Capital cost	0	33	33	50
Total cost	465	873	408	1,320
Coastal strategy				
- Operating cost	18	95	77	143
- Capital cost	0	7	7	10
Total cost	18	102	84	153
Total costs	3,611	4,573	962	7,272

Estimated and Actual Revenue - Water

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	3,496	4,335	(839)	6,914
Funded by:				
General rates	2,285	3,013	(728)	4,933
Targeted rates	338	338	-	507
Internal charges	568	498	70	747
Other	36	-	36	-
General reserves	213	321	(108)	480
Water management reserve	56	165	(109)	247
Total funding	3,496	4,335	(839)	6,914
Capital costs	115	238	(123)	358
Funded by:				
Asset replacement reserve	115	238	(123)	358
Total revenue	3,611	4,573	(962)	7,272

Comments:


The water plan is under spent due to more Policy staff time being spent on the Regional Policy Statement and responding to issues (ie district plan submissions), than was budgeted for. We do not expect that the full year budget for this project will be spent.

The water quality and quantity (state of the environment) project is over budget, due in part to extra costs being incurred in managing the drought over the summer months. We anticipate that this project will be overspent by around \$200,000 by the end of the year.

The rural water quality project includes a provision of \$250,000 for research and development, funded by reserves, and the under spend relates primarily to this area.

The water management groups project includes the bulk rural water fund of \$245,000 (funded from reserves), and to date this is under spent by approximately \$109,000.

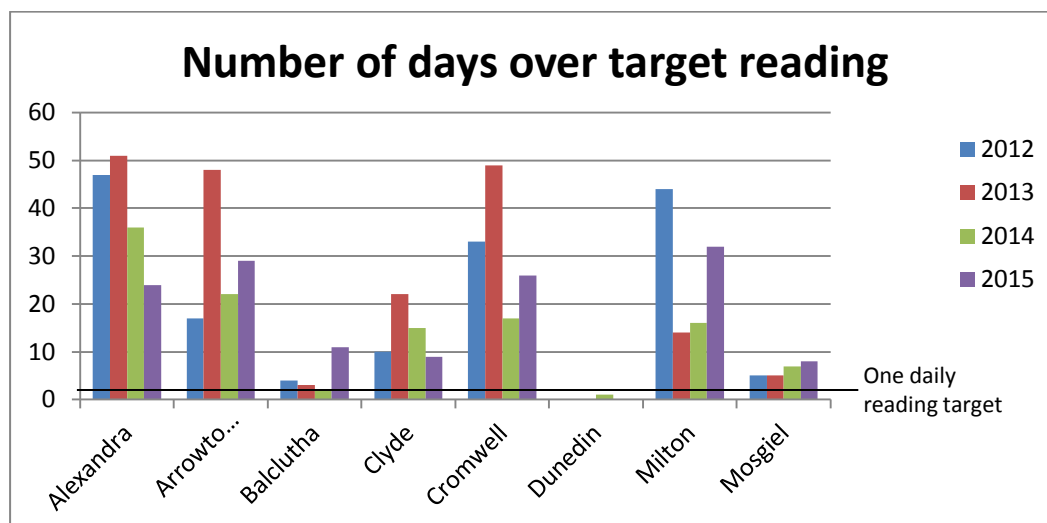
Air

Level of service – Improve air quality	Achieved?
Measure – Ambient (PM ₁₀) air quality in targeted towns.	
Performance target – No more than one daily average reading of PM ₁₀ per annum to be higher than 50 micrograms per cubic metre (50 mg/m ³).	

Ambient air quality has been monitored for the winter of 2015 (April to September) in the following targeted towns:

- Alexandra
- Arrowtown
- Balclutha
- Clyde
- Cromwell
- Dunedin
- Milton
- Mosgiel
- Palmerston

The target was not achieved in any location except for Dunedin, which had no readings above 50 mg/m³. The graph below shows the number of days where the daily average reading of PM₁₀ was higher than 50 mg/m³, for the last four years.



Specific areas of work:

1. Develop an Air Strategy for Otago (to be completed by 30 June 2017).

Science work has been completed. Planning work for a survey is underway. Policy work is yet to commence.

2. Support through funding, the Cosy Homes Otago Trust, to subsidise the installation of clean heating appliances in targeted towns.

ORC has continued to provide subsidies directly, rather than through the Trust, as ORC's focus is Airzone 1 and Milton. Clean heating appliances were installed in 42 homes in targeted towns during the period.

Estimated and Actual Costs - Air

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Air monitoring	142	93	(49)	140
Clean heat clean air	71	67	(4)	100
Air strategy	23	117	94	200
Total operating costs	236	277	41	440

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue - Air


Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	236	277	(41)	440
<i>Funded by:</i>				
General rates	165	210	(45)	340
Targeted rates	71	67	4	100
Total revenue	236	277	(41)	440

Comments:

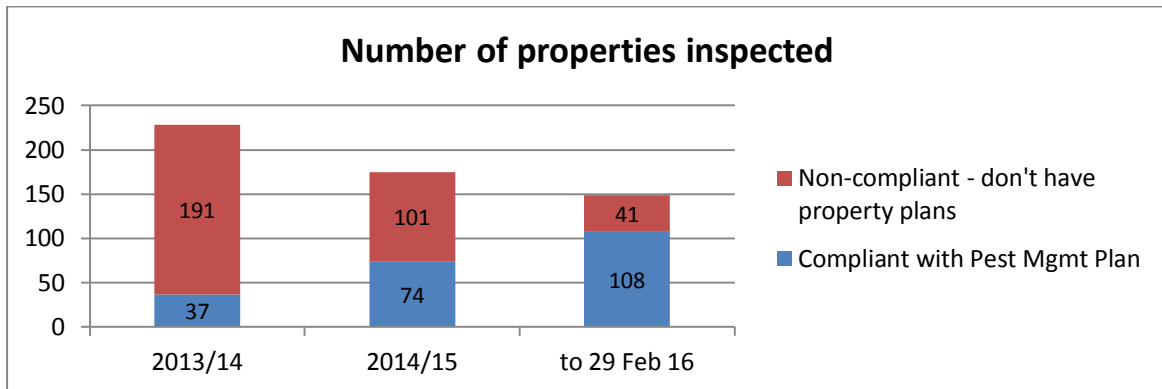
The air monitoring budget did not allow enough hours to complete the work programme, hence the over spend in this project.

Science work for the Air Strategy project is under spent by approximately \$77,000 however this is due to timing. A contract has recently been entered into to complete an international stocktake of existing and emerging heating technologies, and a provider is being sought to investigate geo-engineering options for improving air quality in Airzone 1 and Milton.


Land

Level of service – Require control of pest animals and pest plants	Achieved?
Measure – Level of rabbit populations in rabbit prone areas.	
Performance target – All properties inspected have either rabbit numbers under MAL 3 or have property management plans in place to achieve MAL 3.	

The graph below shows the number of properties inspected and their results:



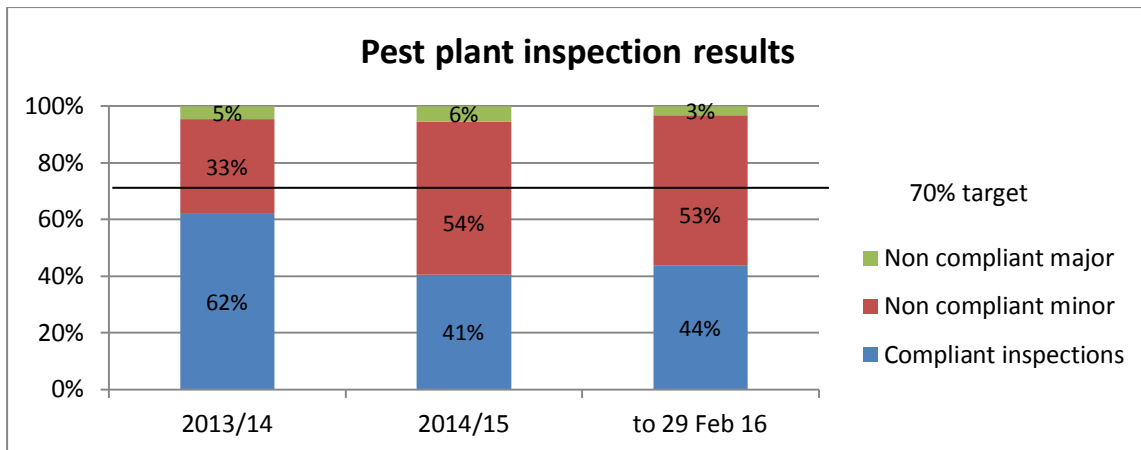
Property management plans have been requested from the 41 non-compliant inspections. Approximately 250 audits of existing property management plans have been undertaken, with follow up inspections and enforcement action being taken where appropriate.

Level of service - Require control of pest animals and pest plants	Achieved?
Measure – Level of pest plants found at known sites.	
Performance target – 70% of properties inspected have either no pest plant infestations found or have undertaken control work to remove pest plants.	

During the period the following inspections were undertaken:

	To 29 Feb 16	2014/15	2013/14
Bomarea	446	153	338
Old Man's Beard	1,122	499	125
Contorta	53	14	0
Boneseed	0	36	22
Total number of properties inspected	1,621	702	535

Results of inspections are shown below.



Re-inspections are in progress on non-compliant properties. 43 re-inspections of Bomarea have resulted in nine properties requiring enforcement action. 10 notices of direction were issued in respect of the Contorta inspections. Re-inspections of these properties are in progress.

In addition, 1,500 ha were inspected for Nassella, and 90,000 ha inspected for gorse and broom. Inspections undertaken on gorse and broom free areas resulted in 23 letters being sent out requesting control works to be undertaken.

Specific areas of work:

1. Develop a Biodiversity Strategy for Otago.

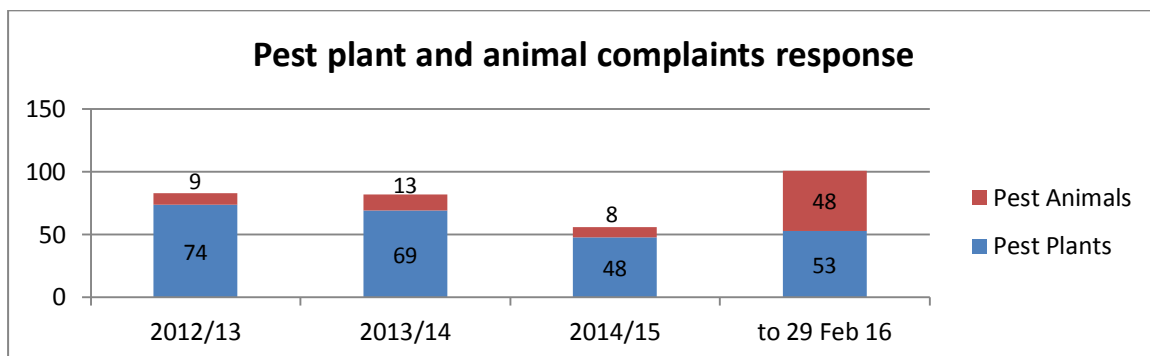
An initial stocktake of ORC's role in biodiversity was completed. A workshop was held and it was agreed that the 2016/17 Annual Plan is to include development of the strategy.

2. Prepare the Otago Pest Management Plan, based on the South Island approach to pest management, to be completed by June 2017.

This target has been deferred until 2017/18. The LTP incorrectly programmed the work to commence in 2015/16, whilst providing the funding for the work in 2017/18. The work will therefore commence in 2017/18.

Other initiatives undertaken include:

- Staff responded to pest complaints as follows:



Estimated and Actual Costs - Land

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Biodiversity				
- Operating cost	74	194	120	459
Pest mgmt. strategy implement.				
- Operating cost	529	567	38	867
- Capital costs	6	5	(1)	5
Total cost	535	572	37	872
Pest control				
- Operating cost	8	17	9	26
Contracting				
- Operating cost	416	497	81	692
Sth Island pest plan review				
- Operating cost	7	28	21	42
Total for all projects	1,040	1,308	268	2,091

Estimated and Actual Revenue - Land

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	1,034	1,303	(269)	2,091
Funded by:				
General rates	618	673	(55)	1,062
Fees & charges	416	550	(134)	886
General reserves	0	80	(80)	138
Total funding	1,034	1,303	(269)	2,086
Capital costs	6	5	1	5
Funded by:				
Asset replacement reserve	6	5	1	5
Total revenue	1,040	1,308	(268)	2,091


Comments:

The biodiversity project includes the biodiversity restoration fund, which to date has not been spent. Council has been giving consideration to how the fund should be administered, and identification of an appropriate project. It is expected that this budget will be under spent by \$200,000. This is reserve funded.

The biodiversity budget also includes a provision to undertake aerial imagery of Otago's significant wetlands, however this is now not likely to be done. Consideration is being given to an integrated wetland programme that considers both the state of the wetlands (water quality and quantity), and compliance with the Water Plan.

Less rabbit contracts were undertaken than budgeted for in the contracting project. Rabbit work finished before Christmas, and will not recommence until June 2016. It is expected that the full year budget will be under spent by approximately \$200,000, but note is made that this activity is funded by fees and charges.

Rivers & Waterway Management

Level of service – Ensure waters can flow without obstruction	Achieved?
Measure – Time taken to investigate and action reported blockages.	
Performance target – Investigate all reported blockages obstructing scheduled rivers within 10 working days and action appropriately.	

All reported blockages were investigated and obstructions removed within 10 working days.

Specific areas of work:

1. Develop River Morphology and Riparian Management Plans for the Pomahaka and Strath Taieri.

Work is in progress for both rivers. Community consultation has been completed for the Pomahaka, and is in progress for the Strath Taieri. The plans will set out river values, management objectives, methods, and the respective roles of ORC, landholders and other stakeholders.

2. Undertake a stocktake of condition assessment of non-flood scheme assets, prepare maintenance strategies, and implement those strategies (through to June 2018). For 2015/16, to look at Waitaki Plains floodways and Albert Town rockworks.

Geosolve are undertaking analysis work for the Albert Town rockworks. Site visits are planned for the Waitaki plains floodways.

Other initiatives undertaken include:

- Work programme for river management operations and maintenance, including willow control programme and channelization works commenced in October.
- Analysis of the river morphology for the Cardrona River is been completed, and a report is being prepared.
- Survey work for the Clutha and Strath Taieri is in progress, and completed for the Pomahaka.

Estimated and Actual Costs – River Management

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Central Otago	81	228	147	321
Clutha	231	264	33	377
Dunedin	213	258	45	362
Waitaki	186	233	47	326
Wakatipu	77	146	69	206
Wanaka	76	153	77	219
Total for all projects	864	1,282	418	1,811

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – River Management


Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	864	1,282	(418)	1,811
<i>Funded by:</i>				
Targeted rates	795	1,135	(340)	1,227
Scheme reserves	69	147	(78)	584
Total funding	864	1,282	(418)	1,881

Comment:

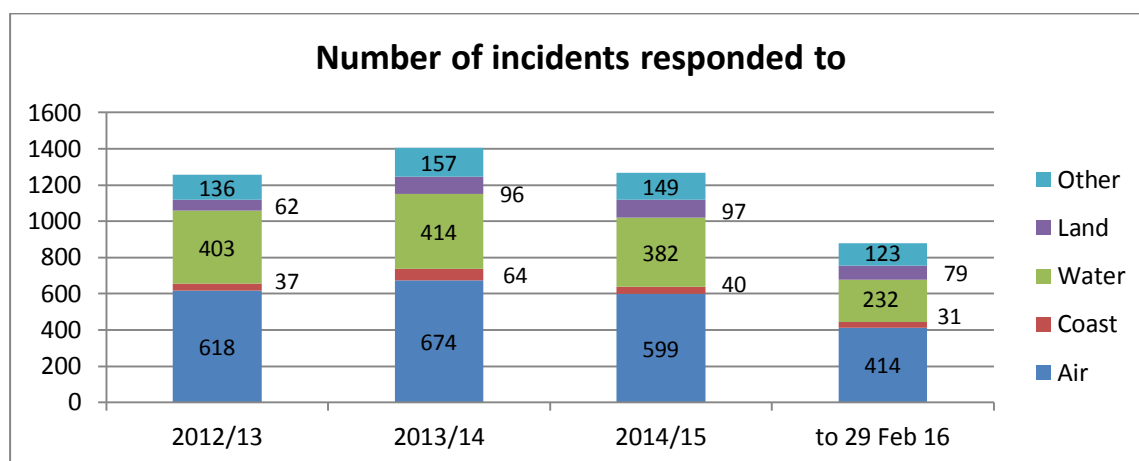
This activity under spent relates primarily to timing of works across all the districts. Maintenance work in rivers commenced in October, in accordance with consent conditions. We expect that the full year budgets for operations will be spent at the year end.

The estimates included an amount of \$150,000 for cross-section survey work. This work is now estimated to cost approximately \$75,000, and so the budget for this work will be under spent at the year end.

Environmental Incident Response

Level of service – Council will be ready and able to respond to all environmental incidents	Achieved?
Measure – Time taken to respond.	
Performance target – Acknowledge and assess the necessary actions of reported incidents within 0.5 hours of receipt.	

Council responded to all incidents within 0.5 hours of receipt during the period as follows:



Specific areas of work:

1. Establish and manage a central contaminated sites database for regional use.

Consideration is being given to scoping requirements, and how this database should be progressed.

Estimated and Actual Costs – Environmental Incidents

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Incident response	829	553	(276)	845
Contaminated sites	66	88	22	134
Total for all projects	895	641	(254)	979

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue– Environmental Incidents


Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	895	641	254	979
<i>Funded by:</i>				
General rates	670	415	255	640
Fees & charges	0	22	(22)	33
Grants	0	8	(8)	12
Infringements/fines	225	196	29	294
Total funding	895	641	254	979

Comments:


The level of incidents being responded to is higher than that budgeted for. To the end of February 879 incidents were responded to. We forecast that this project will be overspent by around \$400,000 at the year end, given the full year budget is almost spent at February.

COMMUNITY

Democracy, public information and awareness

Level of service – Effective, open and transparent democratic council processes	Achieved?
Measure – Completion of statutory public accountability processes.	
Performance target – Complete all planning and reporting within statutory timeframes and requirements.	

Target met to date. Council’s Annual Report was completed and adopted by Council at its meeting on 16 September 2015. The 2016/17 draft annual plan is now being consulted on and is on track to be adopted by Council at its meeting on 22 June 2016.

Level of service – Provide information to enable the public to be informed of council and committee meetings.	Achieved?
Measure – Time for making meeting agendas available to the public.	
Performance target –All meeting agendas to be available at least two working days prior to each meeting.	

Seven council and 26 committee meetings were held during the period to 29 February 2016. All meeting agendas were made available at least two working days prior to each meeting.

Specific areas of work:

1. Hold at least two meetings each year with Iwi representatives.

No meetings were held with Iwi representatives during the reporting period.

2. Respond to issues, activities and queries on matters that require a regional perspective or impact on regional resource management functions.

Work included giving feedback to the QLDC and DCC on their district plan reviews, and making a submission on the NES for Plantation Forestry.

Other initiatives undertaken for our community include:

- Information has been made available to the public through issuing media releases, producing newsletters and pamphlets such as Otagowide and Waterlines, social media postings and keeping the ORC website updated.
- Financial contributions were made to the Otago Rescue Helicopter and to TBfree.

Estimated and Actual Costs - Community

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Democracy	924	910	(14)	1,375
Public information & awareness	1,417	1,292	(125)	2,041
Financial contributions	459	490	31	734
Total for all projects	2,800	2,692	(108)	4,150

Estimated and Actual Revenue - Community

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	2,800	2,692	108	4,150
<i>Funded by:</i>				
General rates	2,645	2,487	158	3,805
Targeted rates	145	94	51	145
Fees & charges	10	111	(101)	131
Scheme reserves	0	0	0	2
Other income	0	0	0	67
Total funding	2,800	2,692	108	4,150

Comments:

The public information and awareness project is overspent primarily as a result of work completed, seeking designations for critical infrastructure and operational assets through the Dunedin City Council's district plan. This work was not budgeted for.

REGULATORY


Policy Development

Specific areas of work:

1. Address any appeals made on the Regional Policy Statement and make operative.

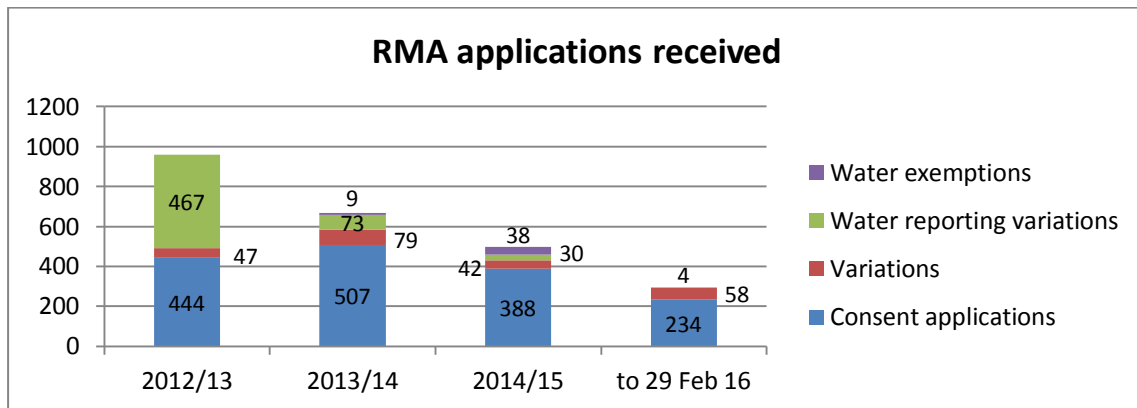
Hearings of submissions on the Regional Policy Statement have been completed and deliberations are in progress. The Regional Policy Statement may become operative in early 2016/17.

Consents & Compliance

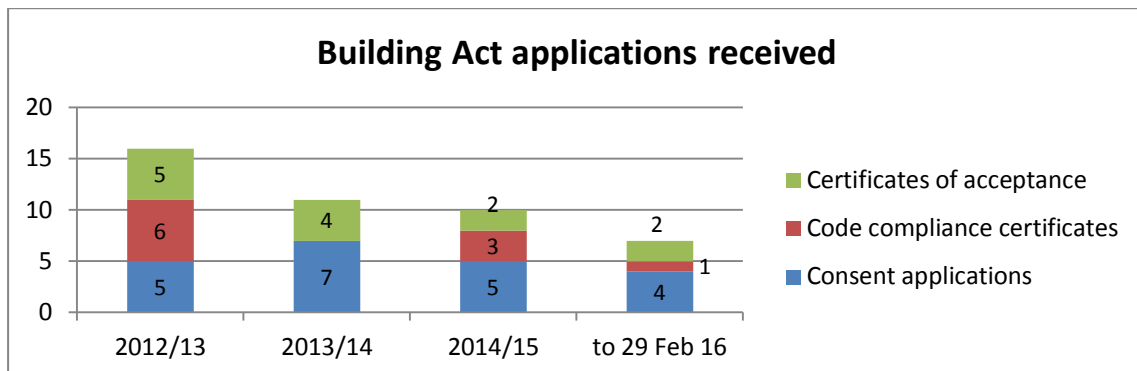
Level of service – Process resource consent applications in a timely manner.	Achieved?
Measure – RMA and Building Act statutory time frames.	
Performance target – 100% of consents are processed within the statutory timeframes.	


Target met. All applications have been processed within the statutory time frames.

The graph below shows the trend in numbers of RMA applications received.



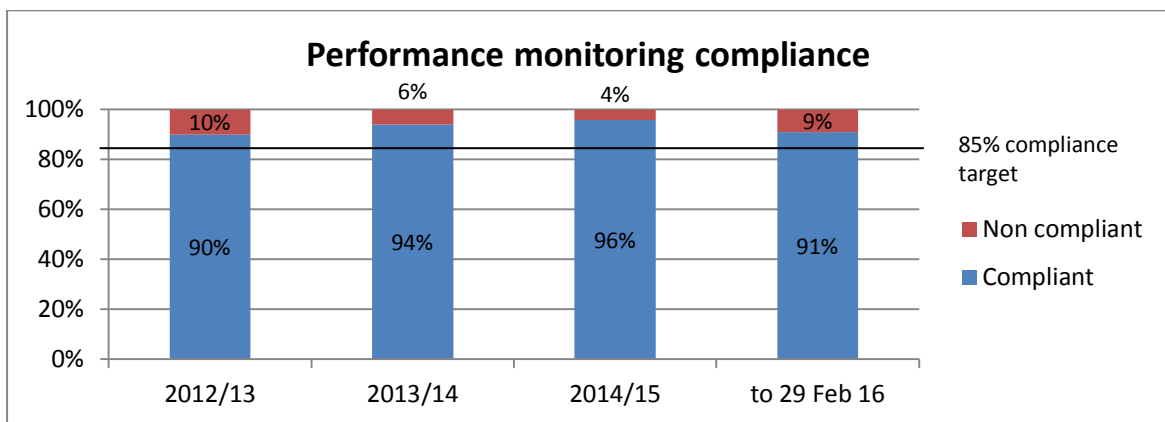
The graph below shows the number of Building Act applications received.




Level of service – Ensure consent conditions for the use of Otago’s air, water and coastal resources are complied with	Achieved?
Measure – Performance monitoring returns show compliance with consent conditions.	
Performance target – 85% or more of performance monitoring returns show compliance with consent conditions (non-compliance measured as Grade 4 and 5 only).	

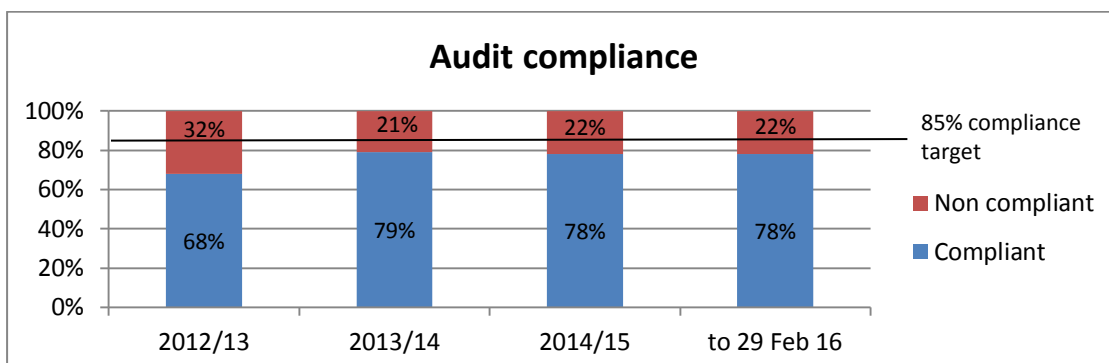
Target met to date. To 29 February, 2,404 performance monitoring returns were assessed (2014/15: - 3,616 returns; 2013/14: - 4,146 returns; 2012/13: - 3,416 returns).

The graph below shows the level of compliance with consent conditions in respect of performance monitoring returns.



Level of service – Ensure consent conditions for the use of Otago’s air, water and coastal resources are complied with.	Achieved?
Measure – Audit of consents show compliance with consent conditions.	
Performance target – 85% or more audits show compliance with consent conditions (non-compliance measured as Grade 4 and 5 only).	

Target not met to date. To the end of February, 280 audits have been undertaken (2014/15: - 420 audits; 2013/14: - 344 audits; 2012/13: - 612 audits). The graph below shows the level of compliance with consent conditions in respect of audits undertaken.



Specific areas of work

1. Review consents for a catchment, subcatchment or aquifer within two months of a minimum flow or water quality standard being operational to implement the plan change.

A review of 28 consents has been undertaken for the Pomahaka catchment, resulting in variations being made to consents. The review of consents commenced within two months of the minimum flow becoming operational, being 1 May 2015.

A review of the Waiwera consents is due to commence in March 2016.


2. Investigate and undertake enforcement action on breaches of resource consent conditions and Regional Plan rules.

Non-compliant audits and performance monitoring are being followed up, and where appropriate, enforcement action is being undertaken. To date seven infringement notices have been issued for discharging contaminants to land, and one legal proceeding has been authorised for the disturbance of a river bed.


3. Investigate dams in Otago likely to be non-compliant with the Building Code and undertake enforcement action where necessary.

During the period, ten Notices to Fix were issued, relating to earth embankment dams. Action was taken to remove or repair the dams.

Harbour Management

Level of service – Safe recreational use and navigation for all users of the Otago harbour.	Achieved?
Measure – Number of harbour incidents.	
Performance target – No major (collision) harbour incidents.	

Target met to date. There were no major harbour incidents during the period (2014/15: one major incident occurred).

Level of service – Council will be ready to respond to oil spills and ensure restoration.	Achieved?
Measure – Respond to oil spills in a timely manner.	
Performance target – Respond within 1.5 hours of notification.	

Target met to date. There was one oil spill during the period, which was responded to within 1.5 hours. No maritime response was required. (2014/15: - 7 incidents, no maritime response required).

Specific areas of work:

1. Complete Port Harbour Safety Code.

Preparation of the code is on hold until the completion of a review of ORC's responsibilities in respect of harbour and waterways management. The review is in its final stages of completion.

2. Hold one desk top and one field exercise for marine oil incident response.

No exercises held during the period. These are planned for later in the year.

Estimated and Actual Costs – Regulatory

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Policy	561	375	(186)	434
Consents	771	1,005	234	1,540
Compliance Monitoring	739	887	148	1,362
Dam safety	208	213	5	321
Harbour safety	142	212	70	319
Total for all projects	2,421	2,692	271	3,975

Estimated and Actual Revenue – Regulatory

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	2,421	2,692	(271)	3,975
Funded by:				
General rates	1,624	944	680	1,354
Targeted rates	104	69	35	104
Internal charges	0	87	(87)	131
Fees and charges	693	1,551	(858)	2,240
Infringements and fines	0	41	(41)	146
Total funding	2,421	2,692	(271)	3,975

Comments:

The policy project over spend is in relation to the Regional Policy Statement.


The work requirement for resource consenting is demand driven. The number of applications being received is lower than that budgeted for, and so both expenditure and revenue are lower than budget. Consents are funded by fees and charges.

Time spent in compliance monitoring is lower than that budgeted, mainly due to the amount of time required to deal with responding to environmental incidents. As audits are paid for by fees and charges, there is a corresponding decrease in the amount of revenue budgeted to be received for this activity.


Time has also been spent on implementation of the Water Regulations that require those consented to take water to install water meters. This work is estimated to have cost approximately \$130,000 to date. There has been no revenue policy covering this work, and so general rates are being used to cover this cost. This issue has been addressed in the 2016/17 draft annual plan, with the introduction of a fee from consent holders.

FLOOD PROTECTION & CONTROL WORKS


Alexandra flood protection

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.	Achieved?
Measure – Respond to flood events or damage.	
Performance target – Flood damage identified, prioritised and repaired.	


No flood events occurred during the period.

Measure – Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target – Contain all floods up to 142.75m (above mean sea level) at Alexandra Bridge with 0.5m freeboard, corresponding with a flood flow of approximately 4,350 m ³ /s and being equivalent to the greatest recorded flood (in 1878) but with the Lake Hawea control gates closed.	


Target met. The highest level reached by the Clutha River during the period was 133.25m above mean sea level, on 16 November 2015.

Level of service – Pumps will be available 100% of the time.	Achieved?
Measure – Reliable and constant power supply.	
Performance target – Standby generation always available.	

Options are being considered for standby generation.


Measure – Reliable pump control system.	
Performance target – Arrangements in place with supplier for maintenance and on standby in the event of an operation.	

Arrangements are not yet in place with a supplier for spare parts.

Measure – Reliable pump control system.	
Performance target – Undertake 24/7 monitoring of control systems.	


Target being met. Pumps are telemetered and if a pump should switch off or fail, a text message is sent to ORC.

Leith flood protection


Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.	Achieved?
Measure – New flood mitigation works are designed and built to agreed performance standards.	
Performance target – By 2019/20, increase capacity to 171 m ³ /s (measured at St David Street footbridge). Represents 1 in 100 year flood with freeboard.	

For 2015/16, council is to undertake flood hazard mitigations works between Dundas Street and St David Street. Target is on track to be achieved. A contract for construction works has been awarded and work is due to be completed by the end of April 2016. Investigation of works at Dundas Street bridge is in progress.


Lower Clutha flood and drainage

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.	Achieved?
Measure – Respond to flood events or damage.	
Performance target – Flood damage identified, prioritised and repaired.	


No flood events occurred during the period.

Measure – Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target – No flooding of Barnego in all flows up to 2,850 m ³ /s, Kaitangata, Inch Clutha and Paretai up to 4,000 m ³ /s, and Balclutha up to 5,400 m ³ /s (all flows measured at Balclutha) based on past observed floods.	

Target met. Flow in the Clutha River (as measured at Balclutha) peaked at 1,129m³/s on 18 October 2015.


Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.	Achieved?
Measure – Respond to events or damage.	
Performance target –Damage identified, prioritised and repaired.	

No flood events occurred during the period.

Measure – Maintain and renew drainage works to ensure design standards are met.	
Performance target – Provide drainage modulus of 7.5mm per day pumped drainage capacity for Matau District, 9mm per day for Inch Clutha, and 10mm per day for Paretai District.	

The moduli were provided over the period. Daily rainfall (as measured at Balclutha) exceeded:


- 7.5mm per day on 16 occasions over the period for Matau district;
- 9mm per day on 8 occasions over the period for Inch Clutha; and
- 10mm per day on 8 occasions over the period for Paretai.

Level of service –Flood pump capacity will be available at each station 363 out of 365 days per annum, and duty pumps will be available to operate 360 out of 365 days per annum.	Achieved?
Measure – Reliable power supply.	
Performance target –Standby power generation will be available within 48 hours of a power failure.	


Agreement has not yet been entered into for the provision of standby generation.

The Kaitangata (duty) pump was unavailable for two days, whilst maintenance work was carried out. The Paretai (duty) pump was out for two weeks for repair works to be undertaken. Affected parties were advised, and mitigation measures were in place if needed.


The flood pump was available throughout the period.

Measure – Reliable pumps.	
Performance target – Arrangements in place with supplier to access spare parts.	

Arrangements are not yet in place with a supplier for spare parts.

Measure – Reliable pump control system.	
Performance target – Arrangements in place with supplier for control systems maintenance.	

Arrangements are not yet in place with a supplier for control system maintenance.


Measure – Reliable pump control system.	
Performance target – Undertake 24/7 monitoring of telemetered pump alarm system.	

Target being met. Pumps are telemetered and if a pump should switch off or fail, a text message is sent to ORC.


Other initiatives undertaken on the Lower Clutha flood and drainage scheme include:

- Hydraulic design work has been completed for altering the drainage infrastructure of Lake Tuakitoto/Robsons Lagoon so as to improve wetland ecosystem values. The next stage is to consult with affected parties.
- A consultant has been engaged to undertake design work to improve the Koau right floodbank at Factory Road (Paretai), to reduce the risk of floodbank failure at that location. The preparation of a proposal for a geotechnical assessment has commenced.

Lower Taieri flood protection

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.	Achieved?
Measure – Respond to flood events or damage.	
Performance target – Flood damage identified, prioritised and repaired.	

No flood events occurred during the period.

Measure – Maintain and renew flood mitigation works to ensure design standards are met.	
<p>Performance target – No flooding of the East Taieri upper ponding area from Taieri River flows up to 800 m³/s or Silver Stream flows up to 160 m³/s.</p> <p>No flooding of the East Taieri lower ponding area from Taieri River flows up to 2,500 m³/s or Silver Stream flows up to 260 m³/s.</p> <p>No flooding of West Taieri from Taieri River flows up to 2,500 m³/s.</p> <p>No flooding of Mosgiel from Silver Stream flows up to 260 m³/s</p> <p>(Taieri River flows measured at Outram, Silver Stream flows measured at Gordon Road), being equivalent to the 1980 flood, nominally a 100 year event.</p>	


Target met. There was no flooding during the period. The highest recorded flow in the Taieri River (as measured at Outram) was 78 m³/s, in August.

The highest recorded flow in the Silver Stream (as measured at the Gordon Road bridge) was 20.5 m³/s in August.


Other initiatives undertaken on the Lower Taieri flood protection scheme include:

- Investigation work has commenced on investigating constructing new upper/lower pond link spillways or the alternative option of relocating the floodbank(s) through the shute of the Taieri River and associated works (rebuilding the Cutoff bank and improving drainage through the Cutoff bank).


West Taieri drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.	Achieved?
Measure – Respond to events or damage.	
Performance target – Damage identified, prioritised and repaired.	

No flood events occurred during the period.


Measure – Maintain and renew drainage works to ensure design standards are met.	
Performance target – Provide drainage modulus of 10mm per day pumped drainage capacity.	

The modulus of 10mm per day was provided over the period. Daily rainfall (as measured at Riccarton Road) exceeded 10mm per day on nine days over the period.


Level of service –Duty pump will operate 363 out of 365 days per annum; flood pump capacity will be available for Waipori 360 out of 365 days per annum; flood pump capacity will be available at Ascog and Henley 355 out of 365 days per annum.	Achieved?
Measure – Reliable power supply.	
Performance target – Standby power generation will be available within 48 hours of a power failure.	

Agreement has not yet been entered into for the provision of standby generation.


There were no outages of duty or flood pumps during the period.

Measure – Reliable pumps.	
Performance target – Arrangements in place with supplier to access spare parts.	

Arrangements are not yet in place with a supplier for spare parts.


Measure – Reliable pump control systems.	
Performance target – Arrangements in place with supplier for control systems maintenance.	

Arrangements are not yet in place with a supplier for control system maintenance.


Measure – Reliable pump control systems.	
Performance target – Undertake 24/7 monitoring of telemetered pump alarm system.	

Target being met. Pumps are telemetered and if a pump should switch off or fail, a text message is sent to ORC.

East Taieri drainage


Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.	Achieved?
Measure – Respond to events or damage.	
Performance target –Damage identified, prioritised and repaired.	

No flood events occurred during the period.

Measure – Maintain and renew drainage works to ensure design standards are met.	
Performance target – Provide drainage modulus of 8mm per day pumped drainage capacity for East Taieri upper ponding area and 18mm per day for East Taieri lower ponding area.	


The moduli of 8mm and 18 mm for the upper and lower ponds were provided for over the period. Daily rainfall (as measured at Riccarton Road) exceeded:

- 8 mm on 11 occasions during the period for the East Taieri upper ponding area;
- 18mm on 2 occasions during the period for the East Taieri lower ponding area.


Level of service –Duty pump will operate 363 out of 365 days per annum; flood pump capacity will be available 355 out of 365 days per annum.	Achieved?
Measure – Reliable power supply.	
Performance target –Standby power generation will be available within 48 hours of a power failure.	

Agreement has not yet been entered into for the provision of standby generation.


There were no outages of duty or flood pumps during the period.

Measure – Reliable pumps.	
Performance target – Arrangements in place with supplier to access spare parts.	

Arrangements are not yet in place with a supplier for spare parts.


Measure – Reliable pump control systems.	
Performance target – Arrangements in place with supplier for control systems maintenance.	

Arrangements are not yet in place with a supplier for control system maintenance.


Measure – Reliable pump control systems.	
Performance target – Undertake 24/7 monitoring of telemetered pump alarm system.	

Target being met. Pumps are telemetered and if a pump should switch off or fail, a text message is sent to ORC.

Tokomairiro drainage


Level of service – Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.	Achieved?
Measure – Respond to events or damage.	
Performance target – Damage identified, prioritised and repaired.	

No flood events occurred during the period.

Measure – Existing land drainage works perform to agreed standards, and drainage works are monitored and maintained to agreed standards.	
Performance target – The drains and channel flow paths within the scheme are maintained to ensure hydraulic capacity.	

The drain maintenance programme commenced in February.

Shotover River Delta

Level of service –Ensure waters can flow without undue obstruction.	Achieved?
Measure – Difference between actual and target profiles for surface.	
Performance target –Surface of Shotover river delta is consistent with the target profile.	

The surface of the Shotover River delta is being managed through gravel extraction to ensure consistency with the target profile.

Estimated and Actual Costs – Flood protection & control works

Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Alexandra flood protection				
- Operating cost	80	131	51	249
- Capital cost	1	15	14	25
Total cost	81	146	65	274
Leith flood protection				
- Operating cost	254	273	19	403
- Capital cost	533	1,452	919	4,514
Total cost	787	1,725	938	4,917
Lower Clutha flood & drainage				
- Operating cost	549	743	194	1,216
- Capital cost	180	160	(20)	258
Total cost	729	903	174	1,474
Lower Taieri flood				
- Operating cost	290	385	95	651
- Capital cost	7	109	102	266
Total cost	297	494	197	917
East Taieri drainage				
- Operating cost	205	299	94	502
- Capital cost	0	17	17	25
Total cost	205	316	111	527
West Taieri drainage				
- Operating cost	301	405	104	591
- Capital cost	3	16	13	25
Total cost	304	421	117	616
Tokomairiro drainage				
- Operating cost	32	75	43	106
Shotover river delta				
- Operating cost	21	11	(10)	16
Land drainage response				
- Operating cost	7	40	33	60
Total for all projects	2,463	4,131	1,668	8,907

Estimated and Actual Revenue – Flood protection & control works

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spend	LTP Estimate to 30 June 2016 \$000s
Operating costs	1,739	2,361	(622)	3,794
<i>Funded by:</i>				
General rates	148	181	(33)	278
Targeted rates	1,172	1,413	(241)	2,428
Fees & charges	80	131	(51)	244
Other	301	316	(15)	511
Scheme reserve	38	320	(282)	333
Total operating funding	1,739	2,361	(622)	3,794
Capital costs				
	724	1,770	(1,046)	5,113
<i>Funded by:</i>				
Scheme reserve	(462)	579	(1,041)	3,395
Targeted rates	802	874	(72)	1,407
Other	384	317	67	311
Total capital funding	724	1,770	(1,046)	5,113
Total revenue	2,463	4,131	(1,668)	8,907

Comments:


The Leith project is under spent due to savings of approximately \$1.9 million achieved on the contract entered into for construction work between Dundas Street and St David Street. This work is funded from scheme reserves and targeted rates.

The under spend in the Lower Taieri project relates in part to the decision to deferred the construction of a weighting blanking beside the Taieri River right floodbank at Otokia, to reduce the likelihood of foundation piping and floodbank failure at that location. This work has been deferred to the 2016/17 draft annual plan.


The under spending for East and West Taieri drainage schemes are timing issues only.

SAFETY & HAZARDS

Emergency management

Level of service – Be ready and able to respond to civil defence emergencies, assist with recovery after such events, and to co-ordinate and promote reduction through group strategies and plans.	Achieved?
Measure – Timeliness in response to a civil defence event/emergency.	
Performance target – The Group Emergency Co-ordinating Centre can be fully operational within one hour of activation.	

A re design of the Emergency Co-ordinating Centre operation layout has been completed. New fixtures are due for completion in March. A test run for set up is programmed for April.

Measure – Timeliness in response to a civil defence event/emergency.	
Performance target – Respond immediately upon notification of a civil defence event / emergency.	


No emergency events occurred during the period.

Specific areas of work:


1. Complete the development of the Group Risk Reduction Strategy and implement it (through to June 2018).

This strategy development is being delayed pending the completion of a review of the Otago Group Operational structure.

Natural hazards

Level of service – Work proactively with communities to improve understanding of the risks posed by natural hazards so that informed decisions and responses can be made.	Achieved?
Measure – Information to be available.	
Performance target – Provide natural hazards information to the public via an effective web based Otago Natural Hazards database.	

Target being met. Information is continually being provided to the public. An upgrade of the website has been completed, and it will go live in March.

Level of service – Provision of accurate and timely flood warnings.	Achieved?
Measure – Warnings of flood events when alarm status is reached.	
Performance target – Provide rainfall and river flow information to the public when flood levels reach alarm status.	

No events occurred during the period, to trigger alarm status.

Specific areas of work:

1. Collate existing information and investigate to assist describing the location and characteristics of known active geological faults in Otago.

Scoping work is being undertaken by GNS who has been contracted to undertake this work for ORC.

2. Lead the development of a Natural Hazards Risk Management Strategy for South Dunedin, investigate and assess options for mitigation of groundwater and liquefaction hazards.

ORC is working with the DCC to scope the issues associated with natural hazards in South Dunedin, and is monitoring four bore locations in the area.

3. Undertake a joint ORC / QLDC flood awareness campaign in Queenstown and Wanaka.

The joint flood awareness campaign was completed in October.

Estimated and Actual Costs – Safety & hazards


Projects	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spent	LTP Estimate to 30 June 2016 \$000s
Emergency management	268	284	16	428
Natural hazards	833	945	112	1,623
Total for all projects	1,101	1,229	128	2,051


Estimated and Actual Revenue – Safety & hazards


Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spent	LTP Estimate to 30 June 2016 \$000s
Operating costs	1,101	1,229	128	2,051
Funded by:				
General rates	1,096	1,229	(133)	1,667
General reserves	0	0	0	384
Other	5	0	5	0
Total funding	1,101	1,229	(128)	2,051

TRANSPORT

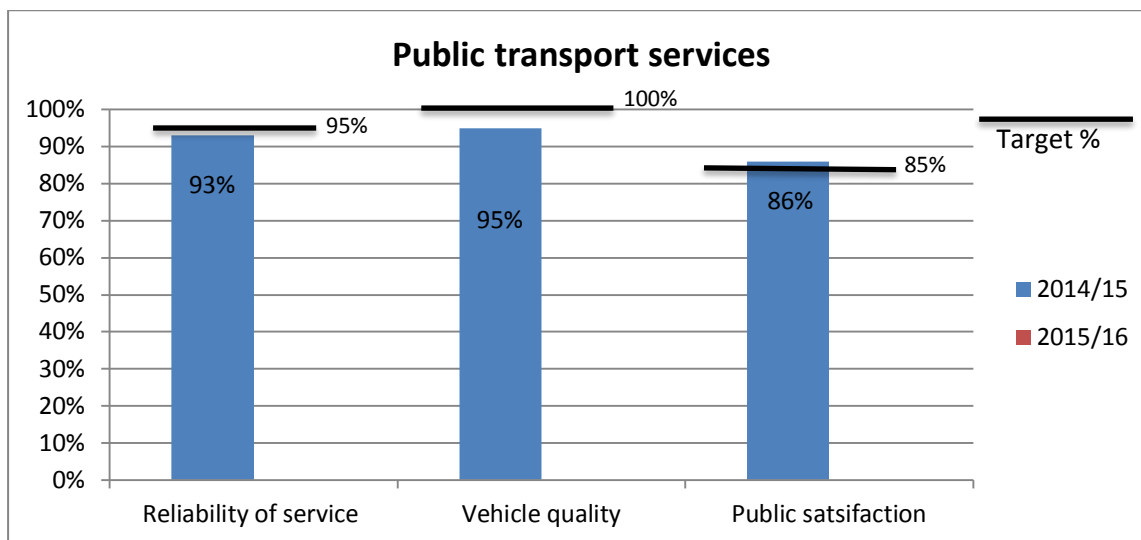
Regional transport planning & public passenger transport


Level of service –Provide passenger transport services that meet community need.	Achieved?
Measure - Reliability of service.	
Performance target – In Dunedin, 95% of services monitored depart from the terminus on time.	

Measure – Vehicle quality.	
Performance target – In Dunedin 100% of vehicles comply with Regional Passenger Transport Plan Vehicle Quality standards.	

Measure – Public satisfaction.	
Performance target – In Dunedin, survey shows at least 85% of bus users are satisfied with overall standard of service.	

A survey will be undertaken in May. The graph below shows the results for the 2014/15 year.



Measure – Patronage growth.	
Performance target – In Dunedin, 3% growth.	

Patronage will be reported on later in the year.

Specific areas of work:

1. Construct a central bus hub in Dunedin, to be completed in 2017/18.

In process of finalising the engagement of a consultant who will complete the design and quality work, and undertake project management.

2. Implement a replacement ticketing system, including a new fare structure.

The replacement ticketing system is currently delayed (NZTA issue). The existing ticketing system provider has been engaged to modify our existing systems to accommodate a new fare structure.

Other initiatives undertaken for transport include:

- A review of the Wakatipu network is in progress, and an initial network assessment should be completed by the end of April.
- Total mobility continues to be supported throughout Otago.

Estimated and Actual Costs - Transport

Project	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Over spend	LTP Estimate to 30 June 2016 \$000s
Regional transport planning	69	81	12	123
Public passenger transport	5,733	6,989	1,256	13,988
Stock truck effluent disposal	21	35	14	52
Total for all projects	5,823	7,105	1,282	14,163

Estimated and Actual Revenue- Transport

Funding sources	Actual to 29 February \$000s	LTP Estimate to 29 February \$000s	Variance () = Under spent	LTP Estimate to 30 June 2016 \$000s
Operating costs	5,823	7,105	1,282	14,163
Funded by:				
General rates	292	307	(15)	462
Targeted rates	2,235	2,231	4	3,346
Other income	577	193	384	290
Grants	3,382	3,399	(17)	8,212
Scheme reserve	(663)	975	(1,638)	1,853
Total funding	5,823	7,105	(1,282)	14,163

Comments:

Public passenger transport is under spent due to timing issues. There are delays in implementing the new electronic ticketing system and total mobility system, which are being undertaken in conjunction with NZTA. There are also delays in implementing the new bus hub, and super stops. We anticipate that overall, the budget will be under spent by around \$4 million at the year end, with around \$3.6 million of this being deferred into the 2016/17 year. Note is made that most of this under spend is funded by transport reserves and NZTA grants.