

2020-2021

ANNUAL PLAN



OTAGO REGIONAL COUNCIL

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ISBN 978-0-908324-65-1

Published June 2020

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Foreword



Cr Marion Hobbs
Chairperson

We are not the ORC of old.

Here in Otago, we're privileged to live among stunning, diverse landscapes and waterways. It is one of Aotearoa's most beautiful regions, but we've got our environmental challenges. Gritty issues that we need to sort together.

At ORC, over the 2020-21 year, we're increasing our efforts and spending because we must work faster and more effectively to address these issues—whether they relate to water, climate change, urban development, or biodiversity and biosecurity. Impacts on our environment are happening now so we must deliver effective environmental policies and rules that are robust and workable for our communities.

We're already experiencing the impacts of climate change with floods and fires. And no matter where we live, pollution in our water and how much water we use is a challenge for everyone. How do we do better?

Collectively with our communities, we're grappling with the best ways to protect and sustainably manage our water, air and land resources. On top of this, we're in the wake of the ongoing impacts from the global COVID-19 pandemic, and ORC is taking a lead role in helping our region recover.

At the time of writing, applications for funding from central government for shovel-ready projects in collaboration with Department of Conservation, Queenstown Lakes District Council and others are underway. We will keep you updated as we find out more, and hope we get approval to fund projects that will not only create jobs but also help our environment.

Through your feedback on our draft Annual Plan 2020-21, we've heard you want us to do more or make changes to our current services. You also let us know that an increase in rates isn't possible right now. We have listened, and we agree with you. We've been doing some work behind the scenes to see how we can fund the activities central to our purpose so we can continue to provide high service levels, without impacting on your back pocket too much.

Working with our iwi partners, we give effect to the Treaty of Waitangi partnership, strengthening it and acknowledging the unique, enduring relationship iwi have with this land. We are privileged to have local iwi representation on our Strategy and Planning Committee and have arrangements in place to ensure we can access important skills and advice for the work we do.

Thank you, Otago. For your advice, for your commitment to help us look after our water, land and air, and for your love of our region.

We're committed to delivering a full programme this year to support you and our environment.

A handwritten signature in blue ink that reads "Marian Hobbs".

Marian Hobbs
Chairperson

Overview

Purpose and approach

This 2020-21 Annual Plan (AP) is for the period 1 July 2020 to 30 June 2021 and shows the Council's planned activity for Year 3 of the current Long-term Plan (2018-2028). It includes changes from the activity agreed when that Long-term Plan (LTP) was consulted with the community in 2018.

The plan reflects a process where ORC staff reviewed the Year 3 forecast and reflected adjustments in the draft 2020-21 financial forecasts and revised programme. Council agreed that the changes were not significant or material difference to the LTP. This decision signalled the Council's strategic intentions, albeit accelerated, remained consistent with the LTP.

The Council decided at its 11 March 2020 meeting to consult with the community to get feedback on the changes. This included a proposal to include a trial of a Wakatipu public passenger ferry service. Community engagement began from late March.

The COVID-19 situation escalated over this time and created a great deal of uncertainty. ORC encouraged the community to provide feedback and communicated that its final decisions would take stock of the situation. By early June, the Council felt it had enough new information about this situation to revise the proposal as consulted. Feedback from the community supported the Council work programme but understandably had concerns over the affordability of the proposed level of increased rating.

The Council completed Hearings for submitters on 21, 22 and 25 May and recommended changes to the draft financial forecasts and work programme at the 3 and 10 June Finance Committee meetings. The Annual Plan 2020-21 was adopted by the Council at its 24 June 2020 meeting.

Priorities and Direction (LTP 2018-28)

When we consulted on the Long-term Plan 2018-28 (LTP) we indicated our intention to increase our service levels to the Otago community and fund this via rate increases over the three years.

- Year 1 (2018-19): increased rating requirement of \$2.26 million, equating to an average total rate increase of 10.8% (including an average general rate increase of 21.1%).
- Year 2 (2019-20): increased rating requirement of \$2.8 million, comprised \$2 million (22.8%) general rates and \$0.8million (5.7%) targeted rates.
- Year 3 (2020-21): increased rating requirement of \$1.78 million, comprised \$0.73 million (6.7%) general rates and \$1.05 million (6.9%) targeted rates.

The key priority issues that the Council signalled in its 2018 consultation included:

- The quality and management of our natural environment, particularly our freshwater, but also the region's broader natural environment
- Climate change and the region's response to this issue
- The level and impact of growth in Queenstown and more generally across Otago
- The Council's and regional community's dependence on Port of Otago dividends and the associated risk

The Council's work programme for Year 1 and two has remained on track with the intent of the LTP, albeit a 'gearing up' to tackle these issues with more urgency occurred in Year 2. This was accelerated by a government review of the Council's freshwater planning approach, including its water consenting and regional planning functions. Additional work and associated funding included:

- Work and funding to improve our freshwater science and monitoring
- Recasting our freshwater planning approach
- Accelerating work on climate change adaptation, particularly to our more vulnerable low-lying areas
- Maintain momentum on improving our biosecurity and biodiversity planning framework (Regional Pest Management Plan and operational plan)

- Maintaining the momentum on improving public passenger transport (Queenstown and Dunedin)
- New harbourmaster service to improve safety regarding the use of our waterways and harbours

Maori Participation & Decision-making

The LTP also highlighted the way in which our work was to be achieved, with closer working relationships and prudent financial management. We stated our intention to continue working alongside Ngāi Tahu, the territorial councils, and other agencies and organisations to provide a strong regional voice and alignment of thinking. The Te Rōpū Taiao hui, which involves the Mayors and Chair of Otago local authorities and local runaka, is a key body for working towards strengthening collaboration and working together.

Progress made since 2018 and plans for 2020-21 include:

- In June 2019, Council voted to invite two iwi representatives to join the Council's Policy Committee (renamed Strategy and Planning for the 2019-2022 triennium). Council are benefiting from their contributions at the decision-making table.
- ORC worked closely with Aukaha, our iwi partner, to develop freshwater management units (FMU) boundaries in 2019. The concept of ki uta ki tai (from the mountains to the sea), which recognises the movement of water through the landscape and the numerous interactions it may have on its journey, has been a key influence in the forming of FMU boundaries.
- A governance arrangement for the development of the Land and Water Regional Plan (LWRP) was recently agreed (May 2020), which includes our iwi partners from the very start of the Plan's development.
- Across the ORC, we are working with iwi on a number of important workstreams. We will be looking to establish a partnership with iwi in our biodiversity and biosecurity work and continuing our engagement on the Regional Policy Statement and the LWRP. For 2020-21, we plan to continue to look for opportunities to better support and facilitate Maori participation in our workstreams and decision making.

Port Otago Limited

The LTP recognised and maintained Council's 100% shareholding of Port Otago Limited. Council views its shareholding role as one of trustee for the people of Otago, a position widely supported throughout the region.

Council's view is that continued ownership is positively supported by:

- the key strategic nature of the port to the economy of Otago; and
- the ability to share the advantages of the port ownership with the Otago community.

Council also signalled that as a key strategic asset, this shareholding and the ownership structure of the Port should be reviewed during the LTP period to ensure the appropriate ownership structure is in place. That review was undertaken and presented to Council in March 2020. Any outcomes in relation to that review are yet to be determined. The shareholding in the Port is a strategic asset and any decisions regarding changes to the shareholding structure will require consultation with the wider community.

What has changed?

Our LTP indicated that there would be a 6.9% increase in total rates revenue (i.e. general rates everyone pays) and targeted rates (targeted to some properties/activities based on who will benefit from the service/activity) from the current year (2019/20).

Following consultation, the Council decided on total rates revenue for 2020-21 of \$27.0 million, which is an increase of 2.3% (or \$0.6 million) from the current year. Why is this less? In response to the COVID-19 situation the Council changed its approach to the funding of the work programme as consulted. The new funding approach has focused on reducing the general rate component to a zero increase via the increased use of Council reserves. It is the most expedient and equitable way for Council to immediately reflect the COVID-19 impact in its rating.

Not everyone will see a 2.3% increase in rates. Some will have less, and some will have more depending on the mix of general rates and targeted rates paid and the value and location of the property. Importantly, all rate payers benefit from investment income, including Port Otago dividends. This income offsets the level of the rates that households and businesses pay.

Community consultation

In making the final decisions on this AP the Council considered community submissions. Feedback was invited via a consultation booklet and supporting information. Submitters had the option of accessing this information in digital format (via ORC’s website). Feedback and Council decisions included:

- **97 submissions on the Annual Plan booklet:** submitters provided feedback via ORC’s digital ‘YourSay’ platform. A wide range of service requests were received and considered by Council. All submissions can be viewed on the ORC website.

The Council made final decisions on the submissions at its 3 and 10 June 2020 Finance Committee meetings. These decisions are scheduled and available via the ORC website.

- **COVID-19 and rating:** Compared to 2018 submissions, ORC noted a significant increase in the percentage of submitters commenting on the affordability of the proposed rating increase. The projected negative economic impact associated with the COVID-19 emergency was the predominant reason.

The Council instructed staff to present an alternative funding option to reduce the rating impact on households and businesses but maintain the same level of work as that proposed in the community consultation. An option for achieving this desired result was presented the 3 June Finance Committee meeting report and was approved.

- **185 submissions - Wakatipu Ferry Service Trial Proposal:** A separate consultation proposal was provided to Queenstown residents asking them about their preference to trial a service. The resounding feedback was for the inclusion of funding for a trial in the coming year’s programme of works.

The Council decided to include its share of funding to begin a trial in 2020-21.

Summary of changes

The table below shows the work plan adjustments that are included in the 2020-21 Annual Plan.

Activity	Adjustments
Freshwater Implementation	<p>What and how the Council influences and delivers ‘on the ground’ initiatives for desired freshwater outcomes needs to be refocused and retasked. This is because a new approach to freshwater planning has been adopted and this will influence how the Council and the community achieve desired results.</p> <p>The planning approach will be fully completed over the next three to five years. It is expected that ‘on the ground’ initiatives will also develop over this timeframe and as Council and communities work together.</p> <p>For 2020-2021 the approach includes:</p> <ul style="list-style-type: none"> • Rationalise what council work is included under this activity <ul style="list-style-type: none"> ○ Focus on specific and targeted ‘Good Water Programme’ initiatives (i.e. research; information and communication) ○ Shift core functions (e.g. regulatory; State of Environment [SOE] related science) to other appropriate activities • Reduce the level of funding collected from the Rural Water Quality Rate. While the Council refocuses and retasks, expenditure will be general rate funded. • Maintain momentum for the Lake Hayes restoration programme • Introduce modest level of new funding to develop the Council - catchment groups partnership. • Consider ‘on the ground’ opportunities associated with immediate plan changes • Where feasible, support high value implementation projects with science support. The priorities for Council science resource will be on developing the SOE monitoring

	<p>programme, supporting regional planning and the freshwater management unit (FMU) approach, and servicing the consents process.</p> <ul style="list-style-type: none"> • Introduce new work and potential funding as future options become clear and are developed with the community.
Biosecurity and Biodiversity	<p>Biosecurity – the new Regional Pest Management Plan (RPMP) and overarching Strategy is an important step forward and includes more effective powers to achieve desired results. What Council doesn't have and what we intend on formalising over 2020-21 is a clearer sense of what a sustainable level of service is for pest management. In the interim a modest increase in funding is included. This is in anticipation of a community desire to do more and initial work assessing the cost of implementing the new RPMP.</p> <p>Biodiversity – while this is a priority area, Council is constrained by the level of resource it can deploy given the other mandatory and necessary worked outlined in this schedule. In 2020-21, work on prioritising mapped ecosystems and developing a monitoring programme will occur. Importantly, partnering initiatives and delivery mechanisms (e.g. Regional Trust) will be also be advanced.</p> <p>Environmental Enhancement – this includes additional funding for urgent repairs to the Orokanui Sanctuary fence.</p>
Air Implementation	<p>Council's Air Quality Strategy was adopted on 27 June 2018. The 'Clean Heat Clean Air' programme anchors the implementation of this strategy.</p> <p>Council is beginning to question the effectiveness of the programme and the level of funding actually required to achieve better air quality results. While air quality is important, other activities (i.e. freshwater) are taking priority.</p> <p>Council flagged in its 2019-20 AP that a comprehensive review of alternative types of subsidies and future funding sources was required. There is also potential to review the situation through a future Regional Plan: Air review.</p> <p>As it stands, in the proposed 2020-21 AP Council maintains previous funding to deliver the LTP programme. However, the reserve funding is near depletion. A future decision will be made on whether to maintain the 'Clean Heat Clean Air' subsidy programme.</p>
State of the Environment Reporting (SOE)	<p>The Council is accelerating its efforts to develop its SOE network to:</p> <ul style="list-style-type: none"> • Appropriately report and model on Freshwater Management Units (supports regional planning process) • Meet National Policy Statement & National Environmental Monitoring Standards • Monitor regional plans and support implementation
Regional Planning and Strategy	<p>The reset of Council's regional planning programme has been well publicised during 2019. In 2020-21, resource is included to advance:</p> <ul style="list-style-type: none"> • The review of the Regional Plan: Water and Land, with notification planned in 2023 • Complete a range of immediate water plan changes to improve rules and provisions (i.e. Water Quality (Omnibus) Plan Change) • Complete the review of the Regional Policy Statement, with notification planned during 2020-21. • The development of an Urban Development Strategy – this includes completing an assessment of highly productive land to inform the strategy • Our contribution to the District Planning reviews occurring in the Councils of the Otago region <p>New work will include:</p> <ul style="list-style-type: none"> • Scoping the development of the Regional Plan: Coast
Governance and Community Engagement	<p>This activity includes additional funding for supporting an Otago Mayoral Forum. It provides secretariate support and a base level of advisory support that enables this group to discuss and explore matters that provide benefit for the region.</p>
Consenting, monitoring, investigations and enforcement	<p>Council has responded to recent external reviews and its own understanding of the community's needs. This has resulted in:</p> <ul style="list-style-type: none"> • Additional consent processing staff

	<ul style="list-style-type: none"> • Increased level of service for incident response (pollution hotline) to improve the coverage across the region • Increase in compliance monitoring resources
Flood Protection	<p>The Council has a planned asset maintenance, renewal and development programme. Council has been focusing on identifying and catching up on the deferred work associated with this programme. It is also completing two key scheme reviews that are essential for supporting the consideration of future asset development options. The latter will occur in partnership with property owners.</p> <p>Additional work included for 2020-21 includes:</p> <ul style="list-style-type: none"> • Development of asset management systems and data • Lower and West Taieri Schemes - increase programme and support with a new Project Manager role • Coastal Hazards – follow up on completed Hazard Risk Report • Improve work on designations, bylaws and compliance with additional resource
River Management	Additional expenditure is included for Albert Town rock work, Rees and Dart river works.
Emergency Management	Additional funding is included for an increase in emergency management staff (fixed term) associated with the Queenstown area.
Natural Hazards	<p>The 2020-21 AP includes additional expenditure for:</p> <ul style="list-style-type: none"> • Further investigation of mitigation for Roxburgh debris flow hazard • Rees/Dart river management (Glenorchy/Kinloch) • Albert Town rock work and land instability mitigation • Geological hazard investigations to support district planning
Flood and Low Flow Risk Management	<p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> • Operationalise use of the Otago weather radar data
Climate Change Adaptation	<p>No significant change from the LTP programme</p> <ul style="list-style-type: none"> • Assessments for climate change adaptation work • Assessment work to be completed on greenhouse gas emissions both at a Council organisation level, feasibility of low emission public transport, and for the Otago region
Transport Planning	<p>Additional funding has been included to:</p> <ul style="list-style-type: none"> • Ensure an appropriate level of resource to complete a review of the Regional Land Transport Plan. The Council's expanded interests in urban development require more or improved transport planning input
Passenger Transport (Dunedin & Queenstown)	<p>Additional funding has been included for:</p> <ul style="list-style-type: none"> • Trialling the implementation and operation of a small passenger ferry service on Lake Wakatipu. • Reviewing and trialling fare structures for Dunedin • Re-tendering of expiring contracts. Council will change services where viable and appropriate as part of any tendering process and discussion • Feasibility of moving to a low emissions transport system • Regional Passenger Transport Plan – will be reviewed during 2020-21. • New requirements of the Employment Relations Act (Dunedin and Queenstown services) • Way2Go and Connecting Dunedin programme
Passenger Transport Regional	<p>Additional funding has been included to:</p> <ul style="list-style-type: none"> • Ensure an appropriate level of resource to complete a full review of the Regional Passenger Transport Plan • Host the regional consortium ticketing operations office

Stock Truck Effluent Disposal Sites (STEDS)	No significant change from the LTP programme
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Financial summary

There are different perspectives for considering the financial and funding impacts that the proposed 2020-21 adjustments tabled above.

Comparing the 2020-21 adjustments to the LTP Year 3 forecasts that were approved in June 2018

This comparison provides a sense of how the Council has 'tracked' financially to its LTP programme. The adjustments above result in increased expenditure of \$12.55 million and reduced rates funding of \$823,000 compared to that forecast in the LTP Year 3.

The large difference in expenditure reflects increases in the delivery of our Planning and Consenting activities that were subject to external reviews. Additional funding sources from dividends and reserves have reduced the impacts on the general rate increase.

Comparing the 2020-21 adjustments to the 2019-20 Annual Plan

This comparison provides a perspective of the change from the current to the new financial year.

The change in expenditure and rates funding between the 2019-20 and 2020-21 Annual Plans is \$9.6 million and \$594,000 respectively. The \$594,000 rate funding increase relates to targeted rates and results in a 3.9% increase on 2019-20. There is no rate increase to general rates.

Council Activity

This section describes Council significant activity, the work programmes (activities) that are carried out, a summary of expenditure and the key changes that are proposed.

The Council groups its twelve significant activities under the following six result areas. The bullet points show the significant activities that contribute to the result areas.

Environmental

'On the ground' action related to Otago's natural environment

- Freshwater implementation
- Biosecurity and biodiversity
- Air Strategy implementation
- State of the Environment reporting (SOE)

Regional Leadership

Supporting informed decision making and an engaged community

- Regional planning and strategy
- Governance and community engagement

Regulatory

Professional service and action supporting the sustainable management of Otago's natural resources

- Consenting, monitoring, investigations and enforcement

Flood and River Management

Professional services, action and infrastructure to protect

- Flood and drainage schemes
- Rivers and waterway management

Safety and Hazards

Professional services, planning and action to protect

- Natural hazards and climate change adaptation
- Emergency management

Transport

Planning, contract management and action to provide choice and support the regional economy

- Transport planning and public passenger transport

Summary of Council Expenditure and Revenue (\$000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
12,043	Environmental	11,535	11,719
8,741	Regional Leadership	8,295	11,686
6,654	Regulatory	6,306	8,904
10,154	Flood and River Management	9,400	11,371
4,272	Safety and Hazards	3,754	4,789
25,838	Transport	25,438	28,809
67,702	Expenditure	64,728	77,278
11,180	General Rates	11,546	11,180
15,183	Targeted Rates	16,234	15,777
12,133	Grants	9,145	11,474
3,556	Fees and Charges	3,395	5,042
10,959	Other Income	11,308	11,693
7,900	Dividends and Investments	8,100	10,100
6,791	Reserves	5,000	12,012
67,702	Revenue	64,728	77,278

Environmental

Council has a critical role in supporting the communities of Otago to manage and care for the natural resources in a responsible and reasonable way. The intent of the activity in this section of the plan is to provide support via 'on the ground' actions to assist individuals, groups and businesses to do the 'right thing'.

This supporting role works in conjunction with our Regulatory activities that focus on compliance and enforcement.

Guiding the above activity are the strategies and plans developed under our Regional Leadership group activity.

The significant Council activities and work programmes that contribute to Environmental are outlined below.

Significant Activity	Activities
<p>Freshwater Implementation</p>	<p>The Good Water Programme (GWP) This significant activity engages with 'on the ground' action to influence freshwater quality. This action is collectively captured under the Council's 'Good Water Programme' that sits within the context of Council's:</p> <ul style="list-style-type: none"> • Freshwater planning approach • Knowledge and understanding of the freshwater resource and what it supports • Role and relationships with individuals, groups and organisations with an interest in freshwater <p>Improving these elements will better support 'on the ground' results achieved under the Good Water Programme'. The significant changes in Council's freshwater planning approach (as discussed under the Regional Leadership section) has required a rethink of the GWP during this LTP cycle. The planning programme is on track and is providing more certainty.</p> <p>For 2020-21 the approach includes:</p> <ul style="list-style-type: none"> • Rationalise the work that occurs in GWP to: <ul style="list-style-type: none"> ○ Focus on specific and targeted initiatives (i.e. research, information and communication) ○ Shift core functions (e.g. regulatory and State of Environment Reporting (SOE) related science) to more appropriate activities • Reduce the level of funding collected from the Rural Water Quality rate. While the Council refocuses and retasks, expenditure will be general rate funded. • Resource to maintain momentum for the Lake Hayes restoration programme • Introduce new funding (\$200k) to assist in developing the Council - catchment groups partnership. • Consider 'on the ground' opportunities associated with immediate plan changes • Where feasible (i.e. noting Council science priorities), high impact implementation projects will receive science support
<p>Biosecurity and Biodiversity</p>	<p>There are four activities associated with Biosecurity and Biodiversity. They include:</p> <p>Biosecurity – pest management ORC currently delivers a substantive biosecurity programme that is directed by the Regional Pest Management Plan (RPMP) and Regional Pest Operational Plan (RPOP).</p> <p>The management of plant and animal pests under this framework has a positive impact on both commercial production values (agri-related pests) and biodiversity values. The latter has really occurred as a secondary, albeit positive, consequence of a commercial/production focus.</p>

	<p>The 2020-21 AP includes: What ORC doesn't have and what we intend on formalising over 2020-21 is a clearer sense of what a sustainable level of service is for pest management. In the interim, a modest increase in funding for achieving RPMP and RPOP objectives is included. The increase in 2020-21 reflects a community desire to do more and some initial work assessing the cost of implementing the new RPMP.</p> <p>Funding for Lagarosiphon control in Lake Dunstan has been increased. In addition, a review of the effectiveness of the current LINZ operational plan will be completed with a view to gaining additional government funding to intensify Lagarosiphon control in Lakes Wanaka and Dunstan, and the Clutha and Kawarau rivers.</p> <p>Biodiversity ORC's work programme is in a developmental phase. While ORC has completed a Strategy and Implementation Plan, how results are delivered has yet to be decided. The Council is mindful of current changes associated with national regional policy statements on biodiversity and freshwater. These will no doubt influence decisions taken in 2020-21 and beyond.</p> <p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> • Prioritising mapped ecosystems • Developing a monitoring programme • Developing key partnerships and delivery mechanisms • Preparatory work for informing the costs of a Tomahawk Lagoon Management Plan <p>Environmental Enhancement The Council supports external groups that achieve results aligned with our biodiversity strategy. We provide funding through different methods including:</p> <ul style="list-style-type: none"> • The ECO Fund - a biannual contestable process. • Established partners - grant funding to select and proven organisations including contribution to Predator Free Dunedin (PFD) and Yellow Eyed Penguin Trust (YEPT) <p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> • Maintaining the \$250k contestable ECO Fund • Maintaining existing grant funding to established partners • Additional grant funding for the Orokanui Sanctuary to assist with urgent predator fence repairs <p>Wilding Pine Control The Otago region has an iconic landscape that, in places, is under threat from wilding conifer and pine trees. This is occurring on land in both private and public ownership. The Ministry for Primary Industries (MPI) provides annual grant funding to Otago Regional Council to administer on its behalf. The Otago Regional Council also supplements the grant via an annual uniform rate across the region. The grant varies from year to year and an estimate is made for the purposes of this AP.</p>
<p>Air</p>	<p>Air Strategy Implementation Within Otago, there are certain areas where air emissions in winter, predominantly from home heating, cause air quality to breach the national standards set for healthy living. The Council has a role in working with communities to reduce emissions and ensure compliance with the National Environmental Standard for Air Quality (NESAQ). Under the Resource Management Act 1991 (RMA), Council is also responsible for controlling other discharges of contaminants to air. The Regional Plan: Air sets out the rules for this as well as for the home heating discharges.</p>

	<p>In 2016, Council commissioned an emissions inventory to understand the sources and magnitude of emissions in four Otago towns - Alexandra, Arrowtown, Milton and Mosgiel – and compared the results with 2005 emissions estimates to identify any changes. In brief, while this work showed improvement in air quality, it still does not meet national standards.</p> <p>An Air Quality Strategy was adopted in June 2018 and the Council ‘Clean Heat Clean Air’ programme has been an important part of delivering that strategy.</p> <p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> • We plan to maintain our current programme, which includes ‘Clean Heat Clean Air’, engaging with communities on good practice. • With reserve funding for this programme now exhausted, it is sensible to reflect on the past results and the approach. This programme will be reviewed with the aim of maximising impact. The requirement to comply with the NESAQ provides an opportunity to review direction alongside funding considerations.
<p>State of Environment Reporting (SOE)</p>	<p>Monitoring and reporting air and water quality and quantity is the role and a requirement of regional councils and unitary authorities in their regions. The data collected is used at both a national level and regional level. It is crucial for developing policy and planning, compliance with plans, and evaluating how Council is doing in maintaining or improving our environment.</p> <p>The Council is presently gearing-up its science capacity. Its priorities over 2020-21 include SOE activity as well as supporting regional planning (i.e. freshwater management unit (FMU) approach, and regulatory (i.e. servicing the consents process)) and notifying water parameter exceedances.</p> <p>There are three activities associated with SOE. They include:</p> <p>Ambient Air Quality Monitoring</p> <p>The Government has set a National Environmental Standard for Air Quality that sets a maximum allowable daily concentration for PM₁₀ of 50 micrograms per cubic metre of air. PM₁₀ refers to particulate matter less than 10 microns in diameter and is measured in micrograms per cubic metre of air. The National Environmental Standard allowed up to three exceedances per year of the PM₁₀ standard to 2016, and full compliance (i.e. no more than one exceedance per year) is required by 2020.</p> <p>Monitors have been installed in selected Otago towns so that Council can measure and report air quality. The 2020-21 AP has appropriate resource to ensure our investment in the monitoring assets and programme is sufficient to meet National Policy Statement requirements and National Environmental Monitoring Standards.</p> <p>Freshwater Monitoring</p> <p>The 2020-21 AP introduces capacity to deliver more, at a faster pace, to look after Otago’s freshwater. We’re hiring more people with the science expertise to expand our monitoring, analysis, reporting and issue identification capabilities, from Mountains to the Sea (ki uta ki tai).</p> <p>We are working to establish a robust and flexible network of monitoring sites that will provide better information to determine the health of our lakes, rivers, streams, estuaries and coast.</p> <p>This includes two lake buoys for Lakes Wanaka and Wakatipu, along with maintaining the momentum on our monitoring programme in the Upper Clutha Lakes region.</p>

In addition, we are developing a coastal monitoring and research programme for committee consideration in 2020-21.

Environmental Monitoring and Reporting (Land Air Water Aotearoa - LAWA)

The Environmental Monitoring and Reporting project is a joint project with regional councils across New Zealand, Ministry for the Environment and the Cawthron Institute. It involves developing and operating regional and national environmental data collection and providing information for all New Zealanders. Council administers the project on behalf of the other partners in Otago. The 2020-21 AP maintains our service.

Environmental – Expenditure, Revenue and Key Changes (\$000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
223	Air	220	222
5,083	Biodiversity/Biosecurity	3,194	4,153
4,010	State of Environment	4,584	5,017
2,728	Water	3,537	2,327
12,043	Expenditure	11,535	11,719
5,813	General Rates	7,258	7,953
1,347	Targeted Rates	1,652	890
2,605	Grants	0	905
85	Fees and Charges	331	5
635	Other Income	642	629
1,558	Reserves	1,652	1,338
12,043	Revenue	11,535	11,719

Reasons for changes in expenditure include:

- Freshwater Implementation – a decrease in expenditure reflects Council's review of earlier financial forecasts and confidence that planned work and acceptable progress can be made.
- State of the Environment – the LTP forecasts have been refined, resulting in a modest increase in funding requirements.
- Biodiversity and Biosecurity – the large increase is due to the addition of government grant funding for wilding pines eradication and increased resources in the Biosecurity activity.

Measures and Targets – Environmental

Fresh water	
Service statement 1: Water quality across Otago is maintained and improved	
Measure	Target
Develop an integrated freshwater management unit (FMU) based research programme to inform the Land and Water Plan, and report progress.	Research programme is presented to committee by 30 June 2021
Water quality attributes are assessed by FMU annually.	Report annually against national standards, indicate trends and identify issues
The Catchment Advisory Group will adopt a position on how ORC will support groups.	The Catchment Advisory Group makes recommendations to Council by December 2020
Support Catchment Groups in Otago to deliver their environmental outcomes and objectives.	Areas of support are identified and progress reported
Work with Friends of Lake Hayes and other stakeholders to review the Lake Hayes Management Strategy and develop a programme of work for managing the water quality and flood hazard of Lake Hayes.	Complete the Review and prepare the programme no later than 31 March 2021
Water Plan/s Implementation Action Plan and National Direction is progressed.	Implementation Plan is finalised in line with Plan Changes being made operative
	Actions are implemented according to approved timeframes once Water Plan/s are operative

Biodiversity and Biosecurity	
Service statement 2: Collaborate with the regional community to potentially invest and fund environmental enhancement projects that deliver good environmental and social outcomes	
Measure	Target
The ECO Fund is administered to support community-led projects across Otago that protect and enhance the environment and the allocation of the fund, status of fund recipients and project outcomes are reported twice a year.	The agreed funding of \$250,000 for the 2020-21 year is fully allocated to approved projects
	Report to Council twice yearly on the allocation of the fund, status of fund recipients and summary of project outcomes
Service statement 3: Implement the Biodiversity Action Plan	
Measure	Target
Implement the Biodiversity Strategy and Action Plan and review actions as required.	Priority targets within the Biodiversity Strategy and Action plan are identified and achieved as scheduled

Service statement 4: Establish controls over animal and plant pests to maintain and enhance biodiversity, protect productive capacity and community health	
Measure	Target
Implement the current Biosecurity Operational Plan.	All targets within the Biosecurity Operational Plan are achieved
Review the Biosecurity Operational Plan	Complete a review of the Biosecurity Operational Plan no later than 31 March 2021

Air	
Service statement 5: In targeted towns we work to reduce PM10 emissions for ambient air quality	
Measure	Target
Review Air Strategy implementation approach.	Programme review reported to Committee by 30 June 2021

State of the Environment Reporting	
Service statement 6: Provide high quality and timely environmental information, indicators and advice to key decision makers and the community	
Measure	Target
Monitor air quality to assess compliance with the National Environmental Standard requirement of no more than one daily average reading of PM10 per annum to be higher than 50 micrograms per cubic metre.	Regulatory obligations met and annual report presented to committee by December 2020
Data quality and data availability is monitored quarterly reports show compliance to relevant standards for sites defined in the "Monitoring Schedule for 2018-29 Long-term Plan".	90% of data has a Quality Code of fair or better 95% of all data has been captured 95% of data shall be quality assured within three months of collection
Changes and trend in natural resource availability and quality are analysed and reported to the Council as per the schedule entitled "Monitoring Schedule for 2018-28 Long-term Plan".	Reports are provided to Council as per the schedule entitled "Monitoring Schedule for 2018-28 Long-term Plan"

Assumptions

- Technology solutions will enable landholders and Council to improve our approaches to achieving desired water quality and quantity results.
- Suitable and qualified people (external and internal) will be available to advise on regulatory functions at ORC.
- There will be continued, and more likely increasing pressure on freshwater resources.
- The Regional Pest Management Plan and Operational Plan will influence consideration of service levels in future long-term and annual plans.
- There are proposed changes to the National Environmental Standard for Air Quality that will require implementation.

Regional Leadership

Our democratic decision-making process and the community-elected councillors ensure everyone's voices around Otago are heard and that leadership is provided for the benefit of the region.

The Regional Leadership group of activities ensures that an effective framework is in place so that the Council's elected representatives can conduct their duties to the best of their ability on behalf of the community.

Significant Activity	Activities
<p>Governance and Community Engagement</p>	<p>Governance and democracy This programme of work supports the elected councillors, the running of meetings, and the democratic process. Underpinning this programme is the requirement to provide information in a timely and accessible way.</p> <p>The 2020-21 AP includes additional funding for supporting the newly established Otago Mayoral Forum Secretariat.</p> <p>Public awareness Engaging and communicating with the communities of the region and the Council's partners.</p> <p>The 2020-21 AP includes additional funding to improve communications at a region-wide level. It also supports community understanding and connection with changes resulting from the new freshwater framework (e.g. water consenting, Land and Water Plan, new policies and rules).</p> <p>Response to external proposals A large component of work in this activity relates to our input into the district plan reviews occurring at Dunedin City and District Councils of Otago. A regional perspective to these planning processes is expected and necessary. Importantly, ensuring the plans give effect to the Reional Policy Statement is a core part of this activity.</p> <p>The 2020-21 AP includes a budget that more accurately reflects our recent historical and current understanding of the level of support required for these plan reviews.</p>
<p>Regional Planning and Strategy</p>	<p>The Council has four activities that for the most part support work required under the Resource Management Act (RMA).</p> <p>Planning freshwater and land The regional planning framework supports the management of the region's freshwater and land resource and is currently the Council's top priority.</p> <p>Since the adoption of the LTP in June 2018, there have been several developments nationally and internally that shift the way in which we think about our work on freshwater. They are:</p> <ul style="list-style-type: none"> • The new government policy framework, 'Action for Healthy Water' that is requiring maintenance or improvement in water quality and quantity through setting quality and quantity limits. There are also provisions that target known high risk activities. • New government expectations for improved water quality in five years (2023) • New commitments by Council regarding the quality of rivers and lakes for swimming • A revised position on the compliance of our current Regional Plan:Water. The full water plan review and Progressive Implementation Plan were approved in October 2018. It was superseded by the work programme as agreed with the Minister in November 2019. • Rethink of the Good Water Programme required • Process development for deemed permit renewals (water consents) • New risks emerging for water quality such as <i>E. coli</i> contamination

These points have resulted in Council changing its approach to planning and consenting regarding freshwater. We are building and accelerating off the work achieved in the previous 2019-20 year. As part of that work we have kept momentum on the critical availability of water issue and its allocation for irrigation. This involves the priority catchments of the Arrow, Cardrona and Manuherekia rivers.

The 2020-21 AP includes:

- Continuing the review of Regional Plan:Water and Regional Plan:Waste, with the aim of incorporating into the new Land and Water Regional Plan which is to be notified in 2023.
- Completion of a range of immediate water plan changes to improve rules and provisions (i.e. Water Quality (Ombus) Plan Change)

Air, Coast, and Regional Policy Statement

The Council's Regional Policy Statement (RPS) is being fully reviewed in line with Ministerial recommendations. It provides the umbrella under which all the regional plans are developed to support the achievement of the sustainable management of Otago's natural and physical resources. Along with land and water, other regional plans include air, waste and biodiversity.

The 2020-21 AP includes:

- Complete the review of the Regional Policy Statement, with notification planned during 2020-21
- Work to review Regional Plan: Air will be progressed within the resource constraints and priority to the extent practicable

Urban Development

While the Council's Regional Policy Statement includes direction for urban development, it does not fully implement the National Policy Statement for Development Capacity. This activity was established in 2019-20 in recognition that urban development is an important emerging issue. That first year was about:

- Fully understanding gaps in our Regional Policy Statement
- Review capability
- Determine shared responsibilities
- Increase capacity to manage land use change and growth

Our Regional Land Transport Planning activity is an important instrument available to the Council and its partners in achieving objectives as they are formalised.

The 2020-21 AP includes the completion of an assessment of highly productive land and applying results to inform policy on urban development. A proposed National Policy Statement for Highly Productive Land and national direction requires improved protection for HPL. This work sits within a broader context of a need to balance against other requirements under the National Policy Statement Urban Development Capacity (NPSUDC) and proposed National Policy Statement Urban Development (NPSUD).

This activity will also integrate with/provide input to Transport Planning 2020-21 deliverables and the Regional Policy Statement.

Strategy

This activity supports the development of strategy, plans and policy that sit outside of the Resource Management Act framework. There is a need to strengthen the rationale for what the Council delivers and that it aligns with community priorities. Examples include; the over-arching organisation strategy, Long-term Plan priorities and service statements, Biosecurity and Biodiversity Strategies.

Regional Leadership – Expenditure, Revenue and Key Changes (\$000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
5,337	Governance	4,368	6,418
3,404	Planning	3,927	5,268
8,741	Expenditure	8,295	11,686
8,591	General Rates	8,198	11,625
0	Targeted Rates	0	0
0	Grants	0	0
121	Fees and Charges	136	121
10	Other Income	10	10
20	Reserves	(49)	(70)
8,741	Revenue	8,295	11,686

Key changes to expenditure include:

- Governance and community engagement – this increase is offset by decreases in other activities. It reflects an expenditure reallocation for the purpose of consolidating and improving reporting for this type of activity.
- The underlying resource for community engagement activity has not changed.
- Regional Planning and Strategy - key changes include:
 - Increase in expenditure for improving Otago's Regional Water Plan.
 - Increase in expenditure for activity associated with developing the Urban Development Strategy.
 - Reallocation of Long-term and Annual Plan process expenditure from Regional Leadership to all Council activity via overhead costs. Importantly, the underlying expenditure for developing these plans has not changed.
- Otago Regional Council Head Office – no expenditure is currently budgeted for the replacement of the head office. Reserve funding exists and is tagged to a future Council decision on this matter.

Measures and Targets – Regional Leadership

Governance and Community Engagement	
Service statement 1: Governance support and process that enables a robust and transparent democratic practice for Council's elected members and the community	
Measure	Target
Percentage of official information requests responded to within 20 working days of request being logged.	100%
Percentage of council agendas that are publicly available two working days or more before a meeting.	100%
All meetings conducted in accordance with Standing Orders and the Local Government Official Information and Meetings Act 1987 (LGA).	All meetings
Service statement 2: Council has clearly articulated policy, purpose and activity to encourage participation in decision-making by the community	
Measure	Target
Council's Long-term Plan, Annual Plan and Annual Report are fit for purpose and accessible, receiving unmodified audit opinions and meeting LGA02 requirements and financial reporting standards.	All Local Government Act statutory planning requirements and financial reporting standards are met

Hosting Mayoral Forum secretariat to coordinate Triennial agreement between Otago Territorial Local Authority mayors and ORC chair under section 15 of the LGA.	Four meetings per year
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Regional Planning and Strategy	
Service statement 3: Establish and maintain a robust, integrated and consistent environmental planning framework	
Measure	Target
Complete review of existing Regional Policy Statement (RPS) and notify the new one.	Ministerial target Nov 2020
Deliver against the Land and Freshwater programme as agreed with the Minister for the Environment to implement the National Policy Statement for Freshwater Management.	Report to Committee on progress against work programme (adopted November 2019)
Service statement 4: Develop with our key partners an Urban Development Strategy	
Measure	Target
Provide region-wide direction on urban development in conjunction with the Territorial Local Authorities.	Report to Committee on the preparation of an urban work programme

Assumptions

- There are likely to be appeals on plan changes and the proposed Regional Policy Statement.
- National planning standards will need to be reflected in our RMA planning processes.

Regulatory

This group of activities enables Council to carry out tasks that assist in achieving the intent of plans and bylaws that have been prepared under empowering legislation. They include:

- Regional plans prepared under the Resource Management Act
- Regional Pest Management Plan prepared under the Biosecurity Act
- Navigational Safety Bylaw prepared under the Maritime Transport Act

Importantly, these activities use the powers, duties and functions within legislation in combination with other approaches and tools (e.g. education, awareness campaigns and incentive programmes). When used together they enable Council to find an acceptable balance between achieving positive results and the costs and impacts associated with changing practice.

The significant Council activity and work programmes that contribute to Regulatory are outlined below.

Significant Activity	Programmes
<p>Consenting, Monitoring and Enforcement</p>	<p>Consents processing Resource consents are issued by Council, allowing the use of our natural resources, or discharging into water, air, coast and land resources. Council strives to issue consents that are consistent with the intent of regional plans and to meet the processing timeframes as set out in the Resource Management Act.</p> <p>Consents for water use are included in the programme and tied closely to the review of the Regional Plan:Water. For example, as policy and rules for minimum river and aquifer flows are reviewed, existing resource consents with a relevant review clause may need to be reviewed. Priority catchments have been identified to escalate work and to provide certainty to communities and the region about water use and the quality of Otago’s natural environment.</p> <p>The 2021 AP includes additional consent processing staff that reflects the recommendations of the external 2019-20 Consents Review. This enables Council to meet statutory timeframes.</p> <p>Compliance monitoring After resource consents are issued, Council audits and monitors that resource use to ensure consent conditions are being complied with. Consent conditions often include the need for monitoring to be carried out by the consent holder and for the monitoring information to be sent for Council review. Certain consents also require an audit of consent conditions by Council.</p> <p>Monitoring is also carried out on activity associated with the Regional Pest Management Plan (e.g. compliance with plant and animal pest management requirements).</p> <p>Council’s activities in respect of dam safety are carried out under the Building Act and include having an adopted policy on dangerous dams, earthquake-prone and flood-prone dams, maintaining a register of dams in Otago, and processing building consent applications for building associated with dams. Council is accredited and registered as a Building Consent Authority. In addition to Otago, Council carries out certain dam safety and building control functions for dams in the Southland and West Coast regions under transfer agreements.</p> <p>The 2020-21 AP includes expenditure for additional staff resource to increase compliance audits and input into plan changes.</p> <p>There has also been a shift in the component of this activity funded via the rural water quality rate. That portion of expenditure is now funded as per general compliance costs (i.e. general rate).</p>

Incident response, investigation and enforcement

Environmental incidents and other resource management complaints are considered and where appropriate investigated. Action is taken where remedial measures are required. In serious cases enforcement action will be carried out.

Regulatory action can also occur from Council compliance monitoring activity associated with resource consents and pest management.

The 2020-21 AP provides budget for additional staff resource recruited during the 2019-20 year. This resource has enabled the incident response coverage to better reflect the demand being experienced across the region.

Contaminated sites

Managing contaminated sites involves investigating and managing historic and active industrial and trade-use sites that manufacture, use, or store hazardous substances and may be contaminated. Where necessary, enforcement, clean-up or remedial work is also carried out.

Harbours and waterway management

We are responsible for the regulation of ports, harbours, waters and maritime-related activity in Otago under the Maritime Transport Act. In some districts this responsibility is delegated to other councils who are responsible for the waters in their patch, like Queenstown Lakes District Council.

The Central Otago District Council has requested we take back responsibility over Lake Dunstan in 2020-21. This means that we will extend our current Harbourmaster activity to include Lake Dunstan.

To prepare for this change we have changed our Revenue and Financing Policy. This will enable us to fairly allocate rating for this activity in the future. At this stage it's unclear what or if there's additional cost associated with this change in delegation—we will come back to the community with an update.

Regulatory – Expenditure, Revenue and Key Changes (\$000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
1,672	Incidents	1,503	1,819
127	Contaminated Sites	201	114
2,205	Consents Processing	1,915	3,162
1,842	Compliance Monitoring	1,483	3,070
0	Regulatory Effectiveness	381	0
809	Harbour and Waterway Management	822	739
6,654	Expenditure	6,306	8,904
2,992	General Rates	2,948	3,805
188	Targeted Rates	188	188
60	Grants	55	75
2,865	Fees and Charges	2,581	4,427
570	Other Income	543	293
-21	Reserves	(9)	(117)
6,654	Revenue	6,306	8,904

Key changes to expenditure include:

- Council is experiencing additional demand across most of its regulatory activity and this is expected to continue into the foreseeable future. The AP includes resource for additional staff to assist with managing additional workload.
- Regulatory effectiveness – this activity has been subsumed into the Regional Leadership group of activity.
- Harbour and waterway management – the Council continues to make positive progress with a change in the level of service it provides. Options and expenditure associated with the operation of a new Harbourmaster vessel are becoming clear and will be considered in future planning processes.

Measures and Targets – Regulatory

Regulatory	
Service statement 1: Deliver consenting processes efficiently and effectively under the Resource Management Act 1991 to enable the lawful use of natural and physical resources	
Measure	Target
Percentage of resource consent applications processed within the timeframe prescribed in the Resource Management Act 1991.	100%
Service statement 2: Administering and assessing performance monitoring data provided by consent holders	
Measure	Target
Percentage of performance monitoring returns received this year that will be assessed for compliance with consent conditions and rules within the year.	85%
Service statement 3: Acting on non-compliances identified through consent audit or performance monitoring returns	
Measure	Target
Percentage of significant non-compliance found that has been followed up by staff.	100%
Service statement 4: Investigations and response to notifications of non-compliance and incidents	
Measure	Target
Maintain 24-hour/7-day a week response* for environmental incidents.	100%
Facilitate/carry out appropriate response training for staff and contractors.	Hold at least one pollution incident response training exercise for each of the following annually: <ul style="list-style-type: none"> • desktop exercise; • a field exercise for pollution incident response; and • an equipment training day
	Hold at least one marine oil spill incident response training for each of the following annually: <ul style="list-style-type: none"> • desktop exercise; • field exercise for marine oil incident response
Service statement 5: Enable safe use and navigation for all users of Otago Harbour. Take appropriate action in response to notifications of non-compliance and incidents	

Measure	Target
Major incidents on Otago's harbours and waterways will be responded to promptly and appropriately.	Average response time after notification is no more than one hour for Otago Harbour and within four hours for other locations
	Major incidents and Harbourmaster's response will be reported to council quarterly

*Options for responses:

- Desktop response
- Immediate site inspection
- Planning site inspection
- Phone call only
- Referred to external contractor
- Referred to investigations
- Referred to other

Assumptions

- The level of consent processing will continue to increase for the foreseeable future with the expiry of mining privileges and the introduction on Plan Changes and new National Environmental Standards.
- Council consideration of its systems and processes (or tools) used to deliver regulatory services is likely to result in options and costs that will be considered in future planning processes.

Flood Protection and River Management

Council operates and maintains flood protection and drainage schemes across Otago. Flood protection schemes are intended to protect people and property from flooding events. Drainage schemes are intended to maintain productive capability of land. Council's infrastructure strategy looks out at least 30 years and highlights the requirement to think long-term when planning and implementing work.

This activity also includes rivers and waterway management across the city and districts within Otago.

The significant activities and work programmes contributing to Flood Protection and River Management are outlined below.

Significant Activities	Programmes
<p>Flood and Drainage Schemes</p>	<p>Large developed areas of Otago are low-lying river flats, often close to sea level. Continued safe occupation and use of these areas is important to the wellbeing of its communities and so protection from flooding is important. In some locations, the productive use of land relies on drainage and control of groundwater levels. The Council manages eight flood and drainage schemes across the region.</p> <p>Flood protection works carried out by Council include constructing and maintaining flood banks, swales, bunds and spillways. Some works are necessary to ensure the safety and integrity of the scheme. Drainage scheme works also include the review and maintenance of drainage pumps and outfall structures.</p> <p>The record of significant and recent flooding has impacted both flood and drainage assets. This serves as a tangible reminder that climate change has very real implications for our communities. Predicted sea level rise over the next 30 years will influence the performance of flood and drainage systems, particularly for the Taieri and Lower Clutha schemes. Council has completed work investigating this risk, via its Climate Change Adaptation Programme. It is also completing reviews of these two flood schemes, the results of which will inform further work on the consequences for levels of service and future infrastructure requirements.</p> <p>Across Council's flood and drainage schemes, there are many bridges that were built around 85 years ago. Some are reaching the end of their useful lives. Council is undertaking a programme of bridge inspections that look at safety standards, load capacity, railings and signage. A maintenance replacement programme for these bridges is provided for in the LTP.</p> <p>The 2020-21 AP maintains focus on delivering the Council's planned asset maintenance, renewal and development programme. Council has been focusing on identifying and catching up on the deferred work associated with this programme. It is also completing two key scheme reviews that are essential for supporting the consideration of future asset development options. The latter will occur in partnership with property owners.</p> <p>Additional work included for 2020-21 includes:</p> <ul style="list-style-type: none"> • Continued development and implementation of asset management process, systems and data • Project Manager to be recruited in Engineering team • Improve process on designations, bylaws and compliance with additional resource to coordinate and lead response • Focus on Lower Clutha Flood Repairs • Review and consult with communities on capital program of works across all schemes • Complete the Taieri Scheme performance review • Pump Station and drainage catchment review across schemes <p>Pump station technology to be assessed and improved to a consistent level of monitoring</p>
<p>River and Waterway Management</p>	<p>River and waterway management works are carried out to maintain river and stream channel capacity, channel stability and environmental outcomes in scheduled rivers and waterways. While a balance is sought, a primary purpose of this work is to prevent the loss of channel</p>

	<p>capacity and managing channel instability, so should a flood event occur, waters can flow without undue obstruction. This type of work includes willow maintenance, vegetation control and removing obstructions and blockages, and repairing critical erosion works.</p> <p>Importantly our intervention in river management issues is broader than simply managing for floods. For example, maintaining river form and riparian margins is needed to meet community expectations, demand for community safety and public enjoyment of rivers and streams.</p> <p>In response to this, river morphology and riparian management plans have been developed for many of the major rivers in Otago, which set out river values, management objectives and the roles of Council, landholders and other stakeholders. Implementation of those plans is underway.</p> <p>The maintenance of flood protection and river control assets owned by Council that are not part of a flood and drainage scheme are also carried out under this activity. Examples include the Albert Town rock work bank protection and Lindsay Creek flood protection assets (non-scheme management).</p>
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Flood Protection – Expenditure, Revenue and Key Changes (\$'000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
7,289	Flood Protection	7,014	8,725
2,865	River Management	2,387	2,646
10,154	Expenditure	9,400	11,371
682	General Rates	636	921
5,995	Targeted Rates	6,213	6,190
0	Grants	0	0
239	Fees and Charges	208	249
245	Other Income	245	245
2,992	Reserves	2,098	3,766
10,154	Revenue	9,400	11,371

Key changes in expenditure include:

- Flood protection and control works – the expenditure increase is related to revised forecasts for the following projects:
 - Lower Clutha Flood and Drainage Scheme – additional expenditure to complete flood forecasting and reassessment of the flood protection scheme.
 - Lower Taieri Flood Protection Scheme – additional expenditure to complete work on the Riverside Road Spillway.
 - West Taieri Drainage Scheme – additional expenditure related to various engineering projects (e.g. bridge repair, contour drain, Waipori pump station drives, drainage or channel improvements).
 - Leith Flood Protection Scheme - complete approved Lower Leith amenity work and develop Upper Leith amenity proposals.
- River Management – additional expenditure is included for Albert Town rock work, Rees and Dart river works.

Measures and Targets – Flood and River Management

Flood and Drainage Schemes	
Service statement 1: Manage flood risk to people and property. Maintain, repair and renew drainage assets to maintain and improve the productive capacity of land	
Measure	Target
Flood protection, control works and assets are maintained, repaired and renewed in line with the Infrastructure Strategy and defined standards set out in the operations and maintenance manuals for each scheme and primary assets.	Performance against defined standards are reported by 30 June 2021
	Planned renewal works completed to programme and budget
	Planned maintenance works completed to programme and budget
	Complete the Performance Review of the Lower Taieri River
	The Shotover River delta is managed to ensure the surface profile of the river is consistent with the target profile for the delta
Drainage assets are maintained and renewed in line with defined standards set out in the operations and maintenance manuals for each asset.	Performance against defined standards reported by 30 June 2021
	Planned renewal works completed to programme and budget
	Planned maintenance works completed to programme and budget

River and Waterway Management	
Service statement 2: Achieve a balance between maintaining channel capacity, channel stability and environmental outcomes in scheduled rivers and waterways	
Measure	Target
Investigate all reported blockages and obstructions along scheduled rivers and waterways and determine appropriate action.	Report annual status of scheduled rivers and waterways by 30 June 2021
	100% of investigations have action determined within 20 days

Safety and Hazards

Council, along with territorial authorities, has responsibilities under the Civil Defence Emergency Management Act 2002 to maintain an effective Civil Defence Emergency Management (CDEM) group plan and provide CDEM services in Otago.

The Resource Management Act requires Council to investigate and provide information on natural hazards in our region.

The significant activities and work programmes contributing to Safety and Hazards are outlined below.

Significant Activities	Programmes
<p>Emergency Management</p>	<p>Emergency Management Council, together with the Otago territorial authorities and emergency services, plan for and provide civil defence emergency management programmes across the region to ensure continued public safety of our communities. This is achieved through a wide range of activities focused on the national priorities of Reduction, Readiness, Response and Recovery. Programmes include identifying and reducing risks, broad based community planning, maintaining effective communication links across all sectors of CDEM, conducting training exercises and contributing towards the welfare of our community in a meaningful way.</p> <p>All emergency management staff are employed by Council, which enables Council to be better prepared to respond, both locally and regionally, to emergency situations with greater efficiency and effectiveness.</p>
<p>Natural Hazards</p>	<p>Natural Hazards Work involves identifying and assessing the scale and significance of natural hazards in Otago. The information obtained is published in the Otago Natural Hazards database, which is maintained by Council.</p> <p>Council assists territorial authorities with managing natural hazards in their areas through collaborative initiatives such as: the flood risk management strategy for the communities of Lakes Wakatipu and Wanaka, the Milton 2060 Strategy, working with the Dunedin City Council on the South Dunedin Future programme, and assisting with developing district plans.</p> <p>Community feedback to the LTP highlighted perceived natural hazard issues associated with the Dart and Rees Rivers. In response the Council, in collaboration with Queenstown Lakes District Council and affected communities and stakeholders, is preparing a long-term natural hazards adaptation strategy for the wider area located at the northern end of Lake Wakatipu. This two-year project (2019-20 and 2020-21) is considering the area in a strategic and holistic way including; future climate change, multiple hazards, and pressure for land use intensification.</p> <p>The 2020-21 AP includes additional expenditure for:</p> <ul style="list-style-type: none"> • Further investigation of mitigation for Roxburgh debris flow hazard • Geological hazard investigations to support district planning • Coastal Hazards – follow up on completed hazard risk report <p>Flow forecasting Flood events are a key focus for Council. It has systems in place to continually monitor and provide warnings and information on rainfall and river and lake levels. In the case of an event, interested and potentially affected parties are provided direct information in a timely manner.</p>

	<p>As low flows and drought situations are becoming more frequent, the LTP provides for a new initiative to monitor and provide forecast information on low flow situations. This activity is planned to commence in the 2021-22 year with a pilot study in a test catchment.</p> <p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> Operationalise use of the Otago weather radar data <p>Climate change adaptation was a new initiative included in the LTP and considers the physical, economic and social impacts associated with climate change. This work focuses on improving the understanding of risk and will provide information to assist local authorities, communities and others to make informed decisions about preparing and adapting for the effects of climate change.</p> <p>The 2020-21 AP includes:</p> <ul style="list-style-type: none"> Utilising completed risk assessments for climate change adaptation work Increased coastal hazards monitoring Coastal hazards and risks investigations, in particular the Clutha Delta Continuing the work programme to better understand the physical environment in South Dunedin and the collaboration with the Dunedin City Council on the South Dunedin Future programme Establish benchmark for Council's CO2 emissions Undertake regional assessment of emissions
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Safety and Hazards – Expenditure, Revenue and Key Changes (\$'000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
2,425	Emergency Management	2,460	2,658
699	Natural Hazards	584	826
212	Flow Forecasting	199	294
937	Climate Change Adaptation	510	1,012
4,272	Expenditure	3,754	4,789
1,579	General Rates	1,136	2,031
2,425	Targeted Rates	2,460	2,658
0	Grants	0	0
5	Fees and Charges	0	0
15	Other Income	15	
248	Reserves	143	100
4,272	Revenue	3,754	4,789

Key changes in expenditure include:

- Climate change adaptation – increase in expenditure reflecting the Council's desire and community concern to speed-up our understanding of how climate change will impact, what are the risks, and what can be done to manage, avoid or mitigate those risks. The Council is speeding up the delivery of the work programme agreed in the LTP.
- A fixed term role for an additional emergency management officer based in Queenstown Lakes District.

Measures and Targets – Safety and Hazards

Emergency Management	
Service statement 1: Provide a region-wide coordinated response in the event of civil defence emergency to reduce the impacts on people	
Measure	Target
ORC has suitably trained staff available to respond for any activation of the Group Emergency Coordination Centre at the direction of the group controller in response to a civil defence event or emergency.	At least one function manager trained in each of the six Coordinator Incident Management Systems (CIMS) areas at all times
	Group CDEM controller or alternate controller is available
CDEM is available to respond appropriately to foreseeable and sudden onset events.	Duty officer on call 24 hours, 7 days a week, 365 days a year
Service statement 2: Prepare and implement robust integrated suite of issue-focused and community-based plans and strategies	
Measure	Target
An operative Group CDEM Plan is reviewed within statutory timeframes and fully implemented.	Achieved
Full suite of community plans across the region is in place and remain under continuous review.	Status and progress on the plans are reported to the Coordinating Executive Group (CEG) and Council
Region-wide issues plans in place and reviewed according to each plan. Status and progress reported to the CEG and Council on the following: <ul style="list-style-type: none"> Regional Dam Failure Plan Regional Animal Welfare Plan South Island Alpine Fault Response Plan Coastal Tsunami Plan 	Status and progress on the agreed issues plans are reported to the Coordinating Executive Group (CEG) and Council

Natural Hazards	
Service statement 3: Investigate and respond to priority natural hazard events	
Measure	Target
Natural hazards events and consequences are properly and timely* investigated and reported on so that appropriate measures to reduce risk are taken. <i>* Timeliness of the reporting depends on the nature of the natural hazard event and may vary from few days to few months.</i>	All priority natural hazards events are investigated and reported on
Service statement 4: Delivering information to the community and decision-makers about natural hazards	
Measure	Target
Natural hazard information is available to the public and to communities via an effective web-based Otago Natural Hazards Database.	Otago Natural Hazards Database is available 24 hours a day, 7 days a week

Service statement 5: Provide timely warnings of potential flood events	
Measure	Target
<p>Accurate and reliable rainfall, lake levels, and river flow information is provided* to potentially affected groups and communities and is provided in an efficient and timely fashion.</p> <p><i>* Agreed trigger levels determine when flood alerts and warnings are required/notified.</i></p>	<p>All flood warnings that exceed trigger levels are published on Otago Regional Council's website when notified</p>
Service statement 6: Assist communities to understand and adapt to the effects of climate change	
Measure	Target
<p>Establishment of a Climate Change Adaptation Programme.</p>	<p>Progress on programme development is reported to council by 30 June 2021</p>
<p>Complete assessments of current CO₂ emissions in Otago, which can inform communities and decision makers.</p>	<p>Complete Otago region emissions footprint inventory and report to Council by 30 June 2021</p>
	<p>Complete ORC emissions footprint inventory and report to Council by 30 June 2021</p>
	<p>Complete feasibility study of lower emission public transport and report to council by 30 June 2021</p>

Transport

Council is responsible for implementing the public transport provisions of the Land Transport Management Act 2003, and its amendments.

Public passenger transport services are provided in Dunedin and Queenstown and Council contracts the provision of those services. It aims to ensure a viable, affordable, quality service that will attract patronage growth.

Providing public transport services, including total mobility, is undertaken with the financial assistance of the Waka Kotahi NZ Transport Agency.

The significant activities and work programmes contributing to Transport are outlined below.

Significant Activity	Description
<p>Public Passenger Transport</p>	<p>Public Transport Dunedin and Wakatipu Council committed to consider increasing the level and frequency of services, particularly in the first three years of this LTP. While the COVID-19 situation has changed core planning assumptions (e.g. passenger numbers) particularly for Queenstown, the Council is working closely with its local authority partners on initiatives for 2020-21. They include:</p> <ul style="list-style-type: none"> • Trialling the implementation and operation of a small passenger ferry service on Lake Wakatipu • Reviewing and trialling fare structures for Dunedin • Re-tendering of expiring contracts. Council will change services where viable and appropriate as part of any tendering process and discussion • Feasibility of moving to low emissions transport system • Regional Passenger Transport Plan – will be reviewed during 2020-21. • New requirements of the Employment Relations Act (Dunedin and Queenstown services) • Way2Go and Connecting Dunedin programme <p>Public Transport Regional Council administers the Total Mobility Scheme in Otago to meet the transport needs of those with disabilities that are unable to access public transport.</p> <p>The 2020-21 AP includes additional funding to reflect higher demand for the Total Mobility Scheme.</p>
<p>Regional Transport Planning</p>	<p>Regional Land Transport Plan Will be prepared in collaboration with Environment Southland, to produce a single document for both regions. This will be completed during 2020-21.</p> <p>Stock Truck Effluent Disposal (STED) The Council has installed a small number of STED sites in strategic points around the region. They enable a potential environmental and safety hazard to be managed.</p>

Transport – Expenditure, Revenue and Key Changes (\$'000's)

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
235	Regional Land Transport Plan	396	403
17,136	Public Passenger Transport Dunedin	16,800	17,584
1,522	Public Passenger Transport Regional	1,446	2,281
6,855	Public Passenger Transport Wakatipu	6,673	7,814
90	Stock Truck Effluent Disposal Sites	123	726
25,838	Expenditure	25,438	28,808
595	General Rates	691	743
5,229	Targeted Rates	5,722	5,852
9,468	Grants	9,090	10,493
241	Fees and Charges	139	241
8,312	Other Income	8,632	9,600
1,993	Reserves	1,165	1,879
25,838	Revenue	25,438	28,808

Key changes in expenditure include:

- Stock Truck Effluent Disposal Sites (STED) – expenditure is included to complete a new STED situated on the Tarris-Lindis Peaks straight, State Highway 8
- Public Transport Wakatipu – includes expenditure to trial a ferry service

Measures and Targets – Transport

Public Passenger Transport	
Service statement 1: To provide efficient and reliable public transport services that meet community needs	
Measure	Target
Reliability of services - at least 95% of monitored services leave the terminus on time* (as defined by NZTA).	Average of at least 95% per month
Vehicle quality - 100% of vehicle fleet complies with Regional Passenger Transport Vehicle quality standards at annual audit.	100%
Public satisfaction – at least 85% of bus users surveyed annually for each network are satisfied with the overall standard of service.	85%
Patronage recovery, post COVID-19 in Dunedin and Queenstown, will be reported to Council quarterly for 2020-21.	Reported quarterly
Implement a trial Lake Wakatipu Ferry service as per community consultation feedback and Council directive.	Trial commences in 2020-21 financial year
The Regional Public Transport Plan (RPTP) is prepared in accordance with the Land Transport Management Act 2003 and any guidance issued by the Waka Kotahi New Zealand Transport Agency (NZTA).	Regional Public Transport Plan (RPTP) completed and adopted by Council by 30 June 2021

Regional Transport Planning	
Service statement 2: Facilitate and support prioritised investment in Otago’s transport network by local and central government	
Measure	Target
The Regional Land Transport Plan (RLTP) is prepared and submitted in line with the Land Transport Management Act 2003 and any guidance issued by Waka Kotahi New Zealand Transport Agency (NZTA).	Regional Land Transport Plan (RLTP) completed and adopted by Council by 30 June 2021
Collaborate with South Island local authorities to establish and deliver on pan-regional priorities for transport investment	Pan-regional priorities presented to government/NZTA

Assumptions

- Collaborative planning with Environment Southland will continue and potentially grow.
- The Council will retain responsibility for the provision of bus services in Dunedin and Queenstown.
- Growth in passenger transport patronage will not reach pre COVID-19 levels for Queenstown for the medium-term.

Financial Information

Assumptions

The significant forecasting assumptions made in preparing this Long-term Plan are set out below. Actual results achieved are likely to vary from the information presented and these variations may be material.

Sources of Funds for Future Replacement of Significant Assets

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

Growth Change Factors

Economic growth in Otago is dominated by tourism, primary production and education. The economy has been impacted negatively by the COVID-19 situation.

Pre COVID-19 the population within certain areas of Otago was forecast to grow over the next ten years, the most significant being in the Queenstown Lakes district. Resident population in Queenstown is forecast to grow by 2.6% each year over the next ten years, and visitor numbers to grow by 2.4% per annum. This projection will be revised as part of the LTP 2021-31 process.

There is currently a high level of uncertainty on growth over medium term and how that might impact on Council activity.

Medium to longer term changes in the economy and population are likely to impact on the level of many activities carried out by Council, such as transport, demand on resource use, environmental incidents, civil defence and emergency management. The Council's immediate short-term response is to maintain Council's service for 2020-21 and seek revised forecasts on the impacts of COVID-19.

Inflation

The financial information is based on the following adjustments for inflation, the BERL forecasts being used as the basis for price level changes:

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Staff rates	-	2.5%	2.3%	2.4%	2.4%	2.5%	2.6%	2.6%	2.7%	2.8%
Other	-	2.5%	2.3%	2.4%	2.4%	2.5%	2.6%	2.6%	2.7%	2.8%

The risk of this assumption is assessed as having a medium level of uncertainty. Reliance is placed on the Reserve Bank's use of monetary controls to keep inflation within 3%.

Waka Kotahi NZ Transport Agency Subsidy Rates

The following rates of subsidy used are based on rates currently advised by the Waka Kotahi NZ Transport Agency:

1. Transport planning and public passenger transport to receive 51% subsidy
2. New bus ticketing system to receive 65% subsidy
3. Total Mobility to receive 60% subsidy
4. Total Mobility flat rate payments to receive 100% subsidy

The risks of these assumptions are assessed as having a low to medium level of uncertainty. The NZ Transport Agency has given no indication that the rates may change during the period. If the subsidy for total mobility was to decrease, the impact would be directly on general rates. Any changes in subsidy for public passenger transport would impact directly on targeted rates.

Useful Lives of Significant Assets

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

Revaluation of Non-Current Assets

The non-current assets that are revalued annually are Council's investment properties and its shareholding in Port Otago Limited. With respect to the Port Otago Limited investment, the actual results are dependent on factors outside the control of Council and the management of Port Otago Limited. For the purposes of this plan, an assumption has been made that the value of Council's investment in Port Otago will grow in value by around 2% every year of the plan.

Investment properties are assumed to increase in value by 3%.

The risk of these assumptions is assessed as having a high level of uncertainty. However, the revaluation of non-current assets does not directly impact rates.

Forecast Return on Investments

Forecast returns used in the estimates are as follows:

1. Rate of return and internal borrowing rate of between 3.1 and 4.1% per annum on cash balances and the managed fund.
2. All Port Otago Limited dividends will be received fully imputed and accordingly no taxation liability will arise in respect of them.

The risk of this assumption is assessed as having a low to medium level of uncertainty because Port Otago Limited has a stable trade base. Shipping trends over past years have been consistent, as are predictions for future trade, allowing for stable dividend payments. With respect to earning rates, the Statement of Investment Policy and Objectives for Council's managed fund estimates Council's rate of return at between 1.5% - 2.3% plus inflation. As investment income is used to reduce general rates, any change in return on investments will impact directly on the level of general rates.

Capital Expenditure

Various projects require spending of a capital nature. The estimates are prepared using actual costs, adjusted for inflation, where known, or “Rough Order of Costs”. These have been determined using methods such as current known costs and the Rawlinson’s Guide where appropriate.

The risk of the assumptions made on capital expenditure are assessed as having a medium level of uncertainty due to risks outside of Council control, such as the cost of construction materials, freight etc. over long timeframes.

Capital purchases in respect of flood and drainage schemes are funded by those schemes and so any variation in costs will impact on their depreciation and reserves. Variations in other capital expenditure will impact on Council’s Asset Replacement Reserve.

Investment Properties

This plan assumes that Council will not sell any of its investment properties over the next ten years.

Legislation

This plan assumes that there will be some changes in the legislation under which Council operates that will impact on its work programmes over the next ten years. Council is aware of new requirements from central government such as new national policy statements for biodiversity and natural hazards. Council’s work programme has taken account of the known changes coming. The risk of this assumption is low. Changes in Government policy may directly impact the responsibilities of Council.

Climate Change

The assumption is made that climate change will have impacts on parts of Otago over the next ten years. The infrastructure strategy notes that there will be a possible sea level rise of between 0.3 and 0.5 metres over the next 30 years. To help address this assumption, Council has incorporated some work programmes in the Flood Protection and Control works activity, and in the Safety and Hazards activity to address the risk of potential additional flooding. A new Climate Change Adaption activity is also included in the work programme, which looks at understanding the effects of climate change on Otago. The risk of this assumption being incorrect is low.

Natural Disasters

The assumption is made that there could be major natural disasters over the next ten years that could cause widespread and significant damage to Council’s infrastructural assets, i.e. our flood and drainage schemes. What, when, where and how big are impossible to predict, but the Long-term Plan provides for Council to be ready to respond. Such initiatives include Council’s civil defence and emergency management work programme, the retention of Council’s Emergency Response Fund and a proactive approach to managing asset resilience through renewals.

This assumption has a high level of uncertainty.

Financial Statements
(all amounts \$000's)

Statement of Comprehensive Revenue and Expense

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	REVENUE:		
	<i>Revenue from non-exchange transactions</i>		
26,363	Rates Income	27,780	26,957
12,133	Grant Income	9,145	11,474
11,385	Other Income	11,455	14,074
	<i>Revenue from exchange transactions</i>		
7,900	Dividends	8,100	10,100
1,512	Interest & Investments	1,512	1,000
2,678	Other Income	2,815	2,678
61,971	Total Revenue	60,807	66,282
	EXPENDITURE:		
	<i>Operating Expenditure:</i>		
18,496	Employee Benefits	18,404	22,743
2,531	Depreciation	2,534	2,967
2	Finance Costs	2	2
43,561	Operating Expenses	40,793	46,156
64,590	Total Operating Expenditure	61,733	71,868
335	Other Gains(Losses)	345	417
(2,284)	Surplus/(Deficit) for the Period	(581)	(5,168)
	OTHER COMPREHENSIVE REVENUE & EXPENSES		
7,000	Revaluation Gain(Loss)	7,000	7,000
4,716	TOTAL COMPREHENSIVE REVENUE & EXPENSES	6,419	1,832

Depreciation by Activity

Annual Plan 2019-20	Activity	Long-Term Plan 2020-21	Annual Plan 2020-21
234	Environment	284	271
831	Flood Protection	885	898
20	Safety & Hazards	10	13
212	Regulatory	15	206
72	Transport	36	282
1,163	Corporate	1,303	1,297
2,531	Total	2,534	2,967

Statement of Financial Position

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	Current Assets:		
432	Cash & cash equivalents	523	6,985
34,811	Other financial assets	35,557	17,502
8,697	Trade & other receivables	3,544	9,591
0	Inventories	0	0
214	Property intended for sale	1,093	0
231	Other current assets	261	442
44,385	Total current assets	40,978	34,520
	Non-current assets:		
95,505	Property, plant & equipment	96,910	98,254
11,816	Investment property	12,193	14,323
502,508	Shares in Port Otago Ltd	472,037	548,235
4,252	Intangible assets	5,071	5,326
98	Deferred tax asset	98	98
614,179	Total non-current assets	586,309	666,237
658,564	Total assets	627,287	700,756
	Current liabilities:		
9,019	Accounts payable	7,159	12,503
1,701	Employee entitlements	1,665	1,639
10,720	Total current liabilities	8,824	14,142
	Non-current liabilities:		
0	Other financial instruments	0	0
0	Total non-current liabilities	0	0
10,720	Total liabilities	8,824	14,142
647,844	Net assets	618,463	686,614
	Equity:		
126,078	Public equity	127,491	117,370
482,507	Available for sale reserve	452,036	528,235
4,224	Asset replacement reserve	2,089	3,811
14,192	Building reserve	15,531	13,768
228	Environmental enhancement reserve	200	4
4,480	Emergency response reserve	4,628	4,544
71	Water management reserve	77	354
6,309	Kuriwao endowment reserve	6,279	6,266
9,755	Asset revaluation reserve	10,132	12,262
647,844	Total equity	618,463	686,614

Statement of Changes in Net Assets / Equity

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
643,119	Balance at 1 July		684,782
4,725	Net comprehensive income	8,429	1,832
647,844	Balance at 30 June	618,463	686,614
	Net movements		
(2,619)	Net surplus transferred to public equity	(926)	(5,586)
637	Public equity	573	389
7,000	Available for sale revaluation reserve	9,000	7,000
(749)	Asset replacement reserve	(1,081)	(434)
480	Building reserve	525	336
(66)	Environmental enhancement reserve	(67)	(176)
151	Emergency response reserve	157	111
(386)	Water management reserve	(50)	(145)
(68)	Kuriwao reserve	(57)	(80)
345	Asset revaluation reserve	355	417
4,725	Net comprehensive income	8,429	1,832
647,844	Balance at 30 June	618,463	686,614

Statement of Reserves

Reserve	Opening Balance 1 July 2020 \$000s	Transfers In \$000s	Transfers Out \$000s	Closing Balance 30 June 2021 \$000s
Public Equity	141,885	7,316	(7,028)	142,173
Available for Sale Revaluation Reserve	521,235	7,000	0	528,235
Asset Replacement Reserve	4,246	1,633	(2,067)	3,811
Emergency Response Reserve	4,433	111	0	4,544
Emergency Mgt Reserve	0	0	0	0
Kuriwao Reserve	6,346	270	(350)	6,266
Asset Revaluation Reserve	11,845	417	0	12,262
Water Mgt Reserve	499	9	(154)	354
Building Reserve	13,433	336	0	13,768
Environmental Enhancement Reserve	(0)	250	(426)	(176)
River Mgt - Dunedin	1,278	279	(482)	1,075
River Mgt - Clutha	(120)	330	(421)	(211)
River Mgt - Central	358	308	(393)	273
River Mgt - Wakatipu	623	163	(333)	453
River Mgt - Wanaka	595	193	(330)	458
River Mgt - Waitaki	302	408	(386)	323
Alexandra Flood Protection	82	256	(254)	84
Leith Flood Protection	(15,341)	1,641	(1,644)	(15,345)
Lower Clutha Flood Protection & Drainage	(392)	1,299	(2,027)	(1,121)
Lower Taieri Flood Protection	145	1,135	(2,642)	(1,361)
West Taieri Drainage	(2,287)	815	(1,369)	(2,842)
East Taieri Drainage	(65)	565	(803)	(303)
Tokomairiro	74	141	(193)	22
Shotover River	131	85	(66)	150
Lower Waitaki River Control	(10)	166	(166)	(10)
Clean Heat Clean Air	68	1	(95)	(26)
Public Transport Dunedin	(4,001)	16,358	(17,584)	(5,227)
Public Transport Wakatipu	(598)	7,460	(7,834)	(971)
Compliance Dairy Monitoring	97	190	(185)	103
Wilding Pines - Steering Groups	(146)	210	(214)	(150)
Rural Freshwater Implementation	69	2,027	(2,093)	3
Total Reserves	684,783	51,369	(49,538)	686,614

Statement of Cashflows

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	CASHFLOW FROM OPERATING ACTIVITIES		
	<i>Cash provided from:</i>		
26,363	Rate Receipts	27,780	26,957
14,070	Other Receipts	14,276	16,759
12,133	Grant Income	9,145	11,474
7,900	Dividends	8,100	10,100
1,512	Interest	1,512	1,000
61,978	Total Income	60,813	66,290
	<i>Cash Applied to:</i>		
62,057	Payments to Employees & Suppliers	59,197	68,899
2	Interest Expense	2	2
62,059	Total Payments	59,199	68,901
(81)	NET CASH FROM OPERATING ACTIVITIES	1,614	(2,611)
	CASHFLOW FROM INVESTING ACTIVITIES		
	<i>Cash provided from:</i>		
410	Property, Plant & Equipment Sales	419	410
0	Term Investment Maturity	0	0
0	Deferred Tax Asset realised	0	0
5,000	Managed Fund Withdrawal	3,000	0
5,410	Total Cash	3,419	410
	<i>Cash Applied to:</i>		
4,313	Property, Plant & Equipment	4,379	5,401
960	Intangible Assets	1,049	900
5,273	Total	5,428	6,301
137	NET CASH FROM INVESTING ACTIVITIES	(2,009)	(5,891)
	CASHFLOW FROM FINANCING ACTIVITIES		
	<i>Cash provided from:</i>		
0	Borrowings	0	0
	<i>Cash Applied to:</i>		
0	Repayment of Borrowings	0	0
0	NET CASH FROM FINANCING ACTIVITIES	0	0
56	Net Increase/(Decrease) in Cash Held	(395)	(8,502)
377	Cash at 1 July 2020	918	15,487
433	Cash at 30 June 2021	523	6,985

Reconciliation of Net Surplus to Net Cash from Operating Activities

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	RECONCILIATION OF NET SURPLUS TO NET CASH		
(2,284)	Net Surplus (deficit) from Activities	(581)	(5,168)
	Add (deduct) non cash items:		
2,531	Depreciation	2,534	2,967
(335)	Other (gains)/losses	(345)	(417)
7	Bad Debts	6	7
(81)	Net Cash from Operating Activities	1,614	(2,611)

Schedule of Capital Expenditure

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	Environmental		
51	Air monitoring		60
5	Pest management	5	5
445	Water monitoring sites	493	525
	Harbour Management		30
	Transport		
0	Stock truck effluent disposal sites	0	600
	Flood protection & control works		
0	Alexandra flood		
68	Lower Clutha flood & drainage		740
802	Lower Taieri flood protection	1,597	1,600
450	West Taieri drainage	463	563
339	East Taieri drainage	218	218
95	Tokomairiro	53	80
1,202	Leith flood protection	584	680
	Council		
50	Property		100
677	Vehicles	692	675
1,017	Computers & software	1,107	955
21	Plant	42	20
51	Sundry	52	50
5,273	Total capital expenditure	5,429	6,901

Accounting Policies

Overview

Reporting Entity

The Council is a regional local authority governed by the Local Government Act 2002.

The Council Group (Group) consists of the Council and its subsidiary Port Otago Limited (100% owned). The Port Otago Limited Group consists of Port Otago Limited, its subsidiaries, associates and joint ventures.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the Group as public benefit entities for financial reporting purposes.

The prospective financial information contained in the Long-term Plan relates to the Council only as the group parent. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Long-term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rate funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from those subsidiaries. Distributions from the Council's subsidiary Port Otago Limited are included in the prospective financial statements of the Council.

The Prospective Financial Statements of Council are to be adopted by Council on 24 June 2020.

Statement of Compliance

The prospective financial statements have been prepared in accordance with PBE FRS 42, Prospective Financial Statements, and in accordance with Tier 1 PBE Standards appropriate for public benefit entities, as it relates to prospective financial statements.

The actual financial results are likely to vary from the information presented in these prospective financial statements, and the variations may be material.

No actual results have been incorporated in these prospective financial statements.

Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

Basis of Accounting

The prospective financial statements have been prepared on the historical cost basis, except for the revaluation of certain assets. They are presented in New Zealand dollars, rounded to the nearest thousand.

Revenue Recognition

Revenue from Exchange Transactions

Fees received for the following activities are recognised as revenue from exchange transactions.

- Resource consent processing
- Audits of resource consent conditions
- Pest animal contract work
- Grazing leases and licenses
- Enforcement work
- Dividends, interest and rental income

All other revenue is recognised as revenue from non-exchange transactions.

Rates Revenue

Rates are recognised as income when levied.

Other Revenue

(a) Rendering of Services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Fees and charges are recognised as income when supplies and services have been rendered.

Revenue relating to contracts and consent applications that are in progress at balance date is recognised by reference to the stage of completion at balance date.

(b) Interest Revenue

Interest revenue is recognised on a time proportionate basis using the effective interest method.

(c) Dividend Revenue

Dividend revenue is recognised when the right to receive payments is established on a receivable basis.

Other Gains and Losses

(a) Sale of Investment Property, Property, Plant and Equipment, Property Intended for Sale and Financial Assets

Net gains or losses on the sale of investment property, property plant and equipment, property intended for sale and financial assets are recognised when an unconditional contract is in place and it is probable that the Council will receive the consideration due and significant risks and rewards of ownership of assets have been transferred to the buyer.

(b) Assets Acquired for Nil or Nominal Consideration

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.

Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(a) Council as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(b) Council as Lessee

Assets held under finance leases are recognised at their fair value or if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

(c) Lease Incentives

Benefits received and receivable as an incentive to enter an operating lease are also spread on a straight-line basis over the lease term.

Goods and Services Tax

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Statement of Cash Flows

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

The following terms are used in the statement of cash flows:

- Operating activities are the principal revenue producing activities of Council and other activities that are not investing or financing activities;
- Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents; and
- Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Financial Instruments

Financial assets and financial liabilities are recognised on the Council's Statement of Financial Position when the Council becomes a party to contractual provisions of the instrument.

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss which are initially valued at fair value.

Financial Assets

Financial Assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(a) Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period.

(b) Financial Assets at Fair Value through Surplus or Deficit

Financial assets are classified as financial assets at fair value through surplus or deficit where the financial asset:

- Has been acquired principally for selling in the near future;
- Is a part of an identified portfolio of financial instruments that the Council and Group manages together and has a recent actual pattern of short-term profit-taking; or
- Is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Revenue and Expense. The net gain or loss is recognised in the Statement of Comprehensive Revenue and Expense and incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described later in this note.

Council has classified its managed funds as financial assets held for trading. This fund includes cash, fixed interest deposits, bonds and equities. Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in the surplus/(deficit).

(c) Available-for-Sale Financial Assets

Shares in subsidiary (Port Otago Limited) and certain equity investments held by the Council are classified as being available-for-sale and are stated at fair value. Fair value is determined in the manner described later in this note. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, except for impairment losses which are recognised directly in the surplus/(deficit). Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in the surplus/(deficit) for the period.

(d) Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is

established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is expensed in the surplus/(deficit).

Deposits are included within this classification.

(e) Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each Statement of Financial Position date. Financial assets are impaired where there is objective evidence that because of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets, except for trade receivables, where the carrying amount is reduced via an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus/(deficit).

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the surplus/(deficit) to the extent the carrying amount of the investment at the date of impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial Liabilities

(a) Trade and Other Payables

Trade payables and other accounts payable are recognised when the Council becomes obliged to make future payments resulting from the purchase of goods and services.

Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

(b) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs. Borrowing costs attributable to qualifying assets are capitalised as part of the cost of those assets.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the surplus/(deficit) over the period of the borrowing using the effective interest method.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as available-for-sale equities) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Council is the current bid price; the appropriate quoted market price for financial liabilities is the current offer price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing as each balance date. The fair value of Shares in Port Otago Limited is determined by a valuation performed at each balance date by an independent professional firm with the relevant expertise and experience in performing such valuations. Quoted market prices or dealer quotes for similar instruments are used for long-term investment and debt instruments held. The fair value of interest rate swaps is the estimated amount that the Council would receive or pay to terminate the swap at the reporting date, taking

into account current interest rates. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance date.

Property Held for Sale

Property classified as held for sale is measured at:

- fair value for items transferred from investment property, and
- fair value less estimated costs of disposal, measured at time of transfer for items transferred from property, plant and equipment.

Property is classified as held for sale if the carrying amount will be recovered through a sales transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the property is available for immediate sale in its present state. There must also be an expectation of completing the sale within one year from the date of classification. Property is not depreciated or amortised while it is classified as held for sale.

Property, Plant and Equipment

Property, plant and equipment consist of the following.

Operational Assets

Operational assets include Council owned land, endowment land, buildings, and plant and vehicles.

Infrastructural Assets

Infrastructural assets deliver benefits direct to the community and are mostly associated with major flood protection and land drainage schemes. Infrastructural assets include flood banks, protection works, structures, drains, bridges and culverts, and in the passenger transport, Dunedin bus hub and associated shelters.

Restricted Assets

Endowment land is vested in the Council by the Otago Regional Council (Kuriwao Endowment Lands) Act. The Act restricts disposition of this land to freeholding initiated by lessees.

(a) Cost

Land and Buildings are recorded at cost or deemed cost less accumulated depreciation and any accumulated impairment losses.

Other property, plant and equipment are recorded at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Where an asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition. When significant, interest costs incurred during the period required to construct an item of property, plant and equipment are capitalised as part of the asset's total cost.

(b) Depreciation

Operational assets, excluding land, are depreciated on a straight-line basis to write-off the cost of the asset to its estimated residual value over its estimated useful life.

Infrastructural assets including flood banks, protection works, and drains and culverts are constructions or excavations of natural materials on the land and have substantially the same characteristics as land, in that they are considered to have unlimited useful lives and in the absence of natural events, these assets are not subject to ongoing obsolescence or deterioration of service performance and are not subject to depreciation. Other infrastructural assets are depreciated on a straight-line basis to write off the cost of the asset to its estimated residual values over its estimated useful life.

Expenditure incurred to maintain these assets at full operating capability is charged to the surplus/(deficit) in the year incurred.

The following estimated useful lives are used in the calculation of depreciation:

Asset	Life
Operational Assets	
Buildings – Council	10-50 years
Plant and vehicles – Council	3-20 years
Infrastructural Assets	
Floodbanks	Unlimited
Protection works	Unlimited
Drains	Unlimited
Culverts	Unlimited
Structures	33-100 years
Bridges	33-100 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

(c) Disposal

An item of property, plant and equipment is derecognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus/(deficit) in the period the asset is derecognised.

Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at cost and subsequently at fair value. Fair value is determined annually by independent valuers. Revaluation gains or losses arising from changes in the fair value of investment property are reported in the surplus/(deficit) in the period in which they arise.

Intangible Assets

Computer Software

Computer software assets are stated at cost, less accumulated amortisation and impairment. The amortisation periods range from 1 to 10 years.

Other Intangible Assets

Other intangible assets represent the excess of the cost of acquisition of the cost of Council’s interest in the fair value of assets of any jointly controlled entity. Other intangibles are reassessed and reclassified to the cost of investment property and investment property inventories.

Impairment of Non-Financial Assets

At each reporting date, the Council reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential. In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than it's carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in the surplus/(deficit) immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the surplus/(deficit) immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Council in respect of services provided by employees up to reporting date.

Superannuation Schemes

Defined Contribution Schemes

Contributions to defined contribution superannuation schemes are expensed when incurred.

Defined Benefit Schemes

The Council belongs to the Defined Benefit Plan Contributors Scheme (the Scheme), which is managed by the Board of Trustees of the National Provident Fund. The Scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting as it is not possible to determine from the terms of the Scheme the extent to which the surplus/(deficit) will affect future contributions by individual employers, as there is no prescribed basis for allocation. The Scheme is therefore accounted for as a defined contribution scheme.

Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into various reserves.

Reserves are a component of equity generally representing a use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted and Council Created Reserves

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Allocation of Overheads

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on the cost drivers and related activity/usage information.

Direct costs are those costs that are directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Other Disclosures

Balancing of Budget

The Council has resolved, under section 100(2) of the Local Government Act 2002, that it is financially prudent to not balance its operating budget in the first 3 years. The primary reason is to allow Council to use reserves to fund certain one-off operating expenditure.

Council also resolved to use a rate offset to reduce the burden of a general rates increase due to the economic pressures of the covid-19 pandemic.

Reserves are to be used to fund Environmental Enhancement initiatives, research and development for improving Otago's water quality, water management initiatives, climate change adaptation and flood protection designations.

The impact of this decision is that general rates will be kept at appropriate levels, as reserves are available to fund these activities.

Rating base Information

The projected rating base information for the Otago region is as follows:

Financial year	Projected Rating Units
2020-21	120,000
2021/22	121,000
2022/23	122,000
2023/24	123,000
2024/25	124,000
2025/26	125,000
2026/27	126,000
2027/28	127,000

Prudence Disclosures

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The statement is contained in the Long-term Plan 2018-28 in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rate Funding and Funding Impact Statements

Funding Impact Statement

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
	Sources of operating funding:		
11,180	General rates, UAGC & rate penalties	11,546	11,180
15,183	Targeted rates	16,234	15,777
12,133	Subsidies & grants	9,145	11,474
3,570	Fees & charges	3,407	5,050
9,412	Interest & dividends from investments	9,612	11,100
10,493	Fines, infringement fees & other receipts	10,862	11,702
61,971	Total operating funding	60,807	66,282
	Applications of operating funding:		
61,903	Payments to staff & suppliers	59,009	68,732
104	Finance costs	129	104
(391)	Other operating funding applications	(201)	651
61,616	Total applications of operating funding	58,938	69,487
355	Surplus(deficit) of operating funding	1,869	(3,204)
	Sources of capital funding:		
0	Subsidies & grants for capital expenditure	0	0
0	Financial contributions	0	0
0	Increase(decrease) in debt	0	0
410	Gross proceeds from sale of assets	419	410
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
410	Total sources of capital funding	419	410
	Application of capital funding:		
	<i>Capital expenditure:</i>		
(0)	- to meet demand	(0)	0
1,933	- to improve level of service	1,367	1,965
3,341	- to replace existing assets	4,062	4,936
(4,508)	Increase(decrease) in reserves	(3,140)	(9,695)
	Increase(decrease) in investments		
765	Total applications of capital funding	2,288	(2,794)
(355)	Surplus(deficit) of capital funding	(1,869)	3,204
0	Funding balance	0	(0)

Reconciliation of Funding Impact Statement to Statement of Comprehensive Revenue and Expense

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
355	Surplus(deficit) of operating funding per funding Impact statement	1,869	(3,204)
	<i>Add/(deduct):</i>		
(2,531)	Depreciation	(2,534)	(2,967)
335	Other gains/(losses)	345	417
(443)	Other	(261)	586
(2,284)	Adjusted Surplus/(Deficit) from Funding Impact Statement	(581)	(5,168)
(2,284)	Surplus/(Deficit) from activities per Statement of Comprehensive Revenue & Expense	(581)	(5,168)

Funding Impact Statement – Calculation of Rates for the 2020-21 Financial Year

Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2020-21 including GST	Estimated rates payable including GST			
				Capital Value	Capital Value	Capital Value	
				\$250,000	\$500,000	\$4,000,000	
General rates:							
General rates							
- contributes to all activities of council.	Capital value	Where the property is situated.	Allocated as:	\$9,642,000			
			Central Otago	\$1,070,000	\$21.76	\$43.51	\$348.09
			Clutha	\$891,000	\$27.59	\$55.18	\$441.42
			Dunedin	\$4,022,000	\$32.35	\$64.69	\$517.54
			Queenstown	\$3,017,000	\$21.78	\$43.55	\$348.44
			Waitaki	\$642,000	\$25.98	\$51.96	\$415.72
Uniform Annual General Charge							
- contributes to all activities of council.	Fixed charge per rating unit.		Calculated as \$28.57 per rating unit.	\$3,214,000	\$28.57	\$28.57	\$28.57
Targeted rates – refer to maps of targeted rating areas							
Dairy monitoring	Fixed charge per rating unit.	The activity of being a dairy farm	Calculated as \$503.96 per dairy shed.	\$216,000	\$503.96	\$503.96	\$503.96
Flood protection and control works							
- Leith flood protection scheme	Capital value	Where the property is situated within the defined scheme area.	Allocated as:	\$1,680,000			
			Direct benefit zone:				
			* Forsyth Barr Stadium	\$34,000	\$43.84	\$87.69	\$701.50
			* Excluding stadium	\$806,000	\$191.49	\$382.98	\$3,063.84
			* Indirect benefit zone	\$840,000	\$10.06	\$20.12	\$161.00

Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Estimated rates payable including GST				
			Est. Revenue sought for 2020-21 including GST	Capital Value	Capital Value	Capital Value	
				\$250,000	\$500,000	\$4,000,000	
Lower Clutha flood and drainage Scheme	Capital value	Where the property is situated using approved classifications.	Allocated as:	\$863,000			
			Flood Protection & Drainage A	\$62,000	\$1,521.17	\$3,042.34	\$24,338.68
			Flood Protection & Drainage B	\$156,000	\$603.99	\$1,207.98	\$9,663.82
			Flood Protection & Drainage C	\$309,000	\$570.44	\$1,140.87	\$9,126.96
			Flood Protection & Drainage D	\$53,000	\$357.92	\$715.85	\$5,726.78
			Flood Protection & Drainage E	\$48,000	\$190.14	\$380.29	\$3,042.31
			Flood Protection & Drainage F	\$27,000	\$22.37	\$44.74	\$357.92
			Flood Protection & Drainage U1	\$3,000	\$603.94	\$1,207.88	\$9,663.08
			Flood Protection & Drainage U2	\$156,000	\$201.33	\$402.66	\$3,221.29
			Flood Protection & Drainage U3	\$9,000	\$44.74	\$89.48	\$715.83
			Flood Protection & Drainage U4	\$40,000	\$33.55	\$67.11	\$536.88
			- Lower Taieri flood protection scheme	Capital value	Where the property is situated using approved classifications.	Allocated as:	\$977,432
Lower Taieri Flood Protection WF1	\$430,000	\$532.24				\$1,064.49	\$8,515.89
Lower Taieri Flood Protection WF2	\$429,000	\$314.93				\$629.86	\$5,038.90
Lower Taieri Flood Protection WF3	\$225	\$4.97				\$9.93	\$79.46
Lower Taieri Flood Protection WF4	\$197	\$7.78				\$15.56	\$124.49
Lower Taieri Flood Protection WF5	\$1	\$0.75				\$1.51	\$12.05
Lower Taieri Flood Protection WF6	\$6	\$1.08				\$2.17	\$17.34
Lower Taieri Flood Protection WF7	\$1	\$0.38				\$0.75	\$6.01
Lower Taieri Flood Protection WF8	\$1,000	\$37.41				\$74.82	\$598.58
Lower Taieri Flood Protection WF9	\$2	\$0.40				\$0.80	\$6.42
Lower Taieri Flood Protection EF1	\$26,000	\$286.85				\$573.70	\$4,589.64
Lower Taieri Flood Protection EF2	\$34,000	\$300.06				\$600.12	\$4,800.94
Lower Taieri Flood Protection EF3	\$1,000	\$298.55				\$597.10	\$4,776.79
Lower Taieri Flood Protection EF4	\$10,000	\$242.35				\$484.70	\$3,877.57
Lower Taieri Flood Protection EF5	\$2,000	\$6.73				\$13.47	\$107.74
Lower Taieri Flood Protection EF6	\$1,000	\$297.89				\$595.79	\$4,766.28
Lower Taieri Flood Protection EF7	\$1,000	\$4.10				\$8.19	\$65.54
Lower Taieri Flood Protection EF8	\$33,000	\$3.87				\$7.73	\$61.87
Lower Taieri Flood Protection EF9	\$3,000	\$1.79				\$3.59	\$28.69
Lower Taieri Flood Protection EF10	\$1,000	\$2.23				\$4.46	\$35.70
Lower Taieri Flood Protection EF12	\$2,000	\$352.07	\$704.13	\$5,633.04			
Lower Taieri Flood Protection EF13	\$3,000	\$352.16	\$704.32	\$5,634.56			

Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2020-21 including GST	Estimated rates payable including GST			
				CV	Capital Value / Hectare	Capital Value / Hectare	Capital Value / Hectare
				Ha	\$250,000	\$500,000	\$4,000,000
				0.07	2.00	20.00	
East Taieri drainage scheme	Fixed charge per hectare	Where the property is situated within the defined scheme area.	Allocated as:	\$431,000			
			East Taieri Drainage - ED1	\$157,000	\$12.39	\$354.13	\$3,541.31
			East Taieri Drainage - ED2	\$105,000	\$9.49	\$271.00	\$2,710.01
			East Taieri Drainage - ED4	\$17,000	\$10.45	\$298.56	\$2,985.57
			East Taieri Drainage - ED5	\$62,000	\$4.71	\$134.68	\$1,346.78
			East Taieri Drainage - ED7	\$18,000	\$15.84	\$452.55	\$4,525.51
			East Taieri Drainage - ED8	\$35,000	\$3.13	\$89.35	\$893.52
			East Taieri Drainage - ED9	\$26,000	\$2.71	\$77.50	\$774.99
			East Taieri Drainage - ED10	\$11,000	\$2.41	\$68.86	\$688.58
		Fixed charge per hectare	Where the property is situated within the defined scheme area.	Allocated across ED1, ED2, ED4, ED5, ED8, ED9 and ED10	\$144,000	\$2.41	\$68.86
West Taieri drainage scheme	Fixed charge per hectare	Where the property is situated within the defined scheme area.	Allocated as:	\$523,190			
			West Taieri Drainage - WD1	\$413,000	\$7.52	\$214.90	\$2,149.04
			West Taieri Drainage - WD2	\$74,000	\$2.07	\$59.05	\$590.48
			West Taieri Drainage - WD3	\$24,000	\$5.61	\$160.35	\$1,603.48
			West Taieri Drainage - WD4	\$12,000	\$7.52	\$214.90	\$2,149.01
			West Taieri Drainage - WD5	\$190	\$0.03	\$0.87	\$8.71
		Fixed charge per hectare	Where the property is situated within the defined scheme area.	Allocated across WD1, WD2, WD3 and WD4.	\$224,000	\$2.32	\$66.23
Tokomairi drainage scheme	Capital value	Where the property is situated within the defined scheme area.	Allocated as:	\$161,000			
			Tokomairi Drainage A	\$10,000	\$210.29	\$420.59	\$3,364.70
			Tokomairi Drainage B	\$19,000	\$157.72	\$315.44	\$2,523.51
			Tokomairi Drainage C	\$23,000	\$126.18	\$252.35	\$2,018.82
			Tokomairi Drainage D	\$32,000	\$94.63	\$189.26	\$1,514.11
			Tokomairi Drainage E	\$16,000	\$52.57	\$105.15	\$841.19
			Tokomairi Drainage F	\$24,000	\$21.03	\$42.06	\$336.46
			Tokomairi Drainage U1	\$37,000	\$31.54	\$63.09	\$504.69
Shotover Delta	Capital Value	Where the property is situated within the defined scheme area.		\$92,000	\$1.14	\$2.29	\$18.30

Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2020-21 including GST	Estimated rates payable including GST		
				Capital Value	Capital Value	Capital Value
				\$250,000	\$500,000	\$4,000,000
River Management						
City and district river management	Capital value	Where the property is situated	Allocated as:	\$1,852,000		
			Central Otago	\$345,000	\$7.01	\$14.03
			Clutha	\$379,000	\$11.76	\$23.51
			Dunedin	\$288,000	\$2.31	\$4.62
			Waitaki	\$460,000	\$18.60	\$37.20
			Wakatipu	\$173,000	\$1.82	\$3.65
			Wanaka	\$207,000	\$4.71	\$9.42
Lower Waitaki	Capital value	Where the property is situated within the defined scheme area	Allocated as:	\$171,000		
			Lower Waitaki A	\$106,000	\$311.18	\$622.36
			Lower Waitaki B	\$65,000	\$155.59	\$311.18
Water quality	Capital value	Land use type being:	Allocated as:	\$782,000		
		- Rural arable farming	Central Otago	\$166,000	\$8.66	\$17.31
		- Rural dairy	Clutha	\$217,000	\$8.98	\$17.96
		- Rural forestry	Dunedin	\$114,000	\$8.66	\$17.31
		- Rural market gardens and orchards	Queenstown	\$165,000	\$9.88	\$19.77
		- Rural mineral extraction	Waitaki	\$120,000	\$9.10	\$18.20
		- Rural multi use within rural industry				
		- Rural specialist livestock				
		- Rural stock finishing				
		- Rural store livestock				
		- Rural vacant				
		- Lifestyle 2 hectares and above				
Wilding trees	Fixed charge per rating unit		Calculated as \$2.15 per rating unit	\$241,000	\$2.15	\$2.15

Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2020-21 including GST	Estimated rates payable including GST			
				Capital Value	Capital Value	Capital Value	
				\$250,000	\$500,000	\$4,000,000	
Emergency Management	Fixed charge per rating unit		Allocated as \$27.18 per rating unit	\$3,057,000	\$27.18	\$27.18	\$27.18
Transport							
Dunedin passenger transport	Capital value	Where the property is situated within the defined scheme area, and differentiated on basis of land use –	Allocated as:	\$5,591,000			
		Class A – non-residential	Class A	\$1,530,000	\$160.21	\$320.42	\$2,563.34
		Class B – others	Class B				
			* Dunedin	\$4,039,000	\$42.72	\$85.44	\$683.56
			* Waitaki	\$22,000	\$44.91	\$89.82	\$718.54
Wakatipu passenger transport	Capital value	Where the property is situated within the defined scheme area, and differentiated on basis of land use –	Allocated as:	\$1,139,000			
		Class A – non-residential	Class A	\$291,000	\$23.56	\$47.13	\$377.04
		Class B – others	Class B	\$848,000	\$11.78	\$23.56	\$188.52

The Otago Regional Council does not require a lump sum contribution for any of its targeted rates.

Effect of Rating (\$000's)

The rating implications (GST exclusive) of the activities included in this plan are estimated as follows:

Annual Plan 2019-20		Long-Term Plan 2020-21	Annual Plan 2020-21
11,180	General rates	11,546	11,180
-	Targeted air quality rates	-	-
1,138	Rural water quality rate	1,442	680
188	Dairy inspection rate	188	188
	Targeted River Management rates:		
300	- Central Otago District	300	300
330	- Clutha District	360	330
250	- Dunedin City	300	250
146	- Lower Waitaki River	148	149
150	- Wakatipu	150	150
180	- Wanaka	180	180
400	- Waitaki District	400	400
	Targeted Passenger Transport services rate:		
4,384	- Dunedin	4,774	4,862
845	- Queenstown	948	990
	Targeted Catchment rates:		
475	- East Taieri Drainage	500	500
1,461	- Leith Flood Protection	1,461	1,461
700	- Lower Clutha	750	750
800	- Lower Taieri	800	850
80	- Shotover Delta	80	80
124	- Tokomairiro	134	140
600	- West Taieri Drainage	650	650
	Targeted Wilding Tree rates:		
25	- Central Otago District	26	25
18	- Clutha District	18	18
100	- Dunedin City	102	98
46	- Queenstown Lakes District	47	49
20	- Waitaki District	20	20
	Emergency Management rates:		
287	- Central Otago District	287	314
211	- Clutha District	211	230
1,163	- Dunedin City	1,155	1,244
528	- Queenstown Lakes District	528	619
236	- Waitaki District	236	251

Schedule of Fees and Charges

Scale of Charges

The following Scale of Charges is to be applied where indicated to activities includes in this Schedule of Fees and Charges:

Charge	\$
Staff time per hour:	
- Management	190
- Team Leader/Principle	170
- Senior Technical	135
- Technical	115
- Field staff	115
- Administration	85
Disbursements	Actual
Additional site notice	Actual
Advertisements	Actual
Vehicle use per kilometre	0.70
Travel and accommodation	Actual
Testing charges	Actual
Consultants	Actual
Commissioners	Actual
Photocopying and printing	Actual
Councillor Hearing fees per hour:	
- Chairperson	\$100
- Member	\$80
- Expenses	Actual

Resource Management Act – Section 36 Charges

Set out below are details of the amounts payable for those activities to be funded by fees and charges, as authorised by Section 36(1) of the Resource Management Act 1991.

Resource Consent Application Fees

Note that the fees shown below are a deposit to be paid on lodgement of a consent application and applications for exemptions in respect of water measuring devices. The deposit will not usually cover the full cost of processing the application, and further actual and reasonable costs are incurred at the rate shown in the scale of charges. GST is included in all fees and charges.

Pre-Application Work

Fees payable for pre-application work carried out before a consent application is lodged with Council will be incurred at the rates shown in the scale of charges.

Publicly Notified Applications Deposits: ³	\$
First application	5,000
Non-Notified Applications and Limited Notification Applications Deposits: ³	\$
First application (except those below)	1,750
Multiple Applications	2,300
Variation to Conditions – s127	1,750
Administrative Variation – s127	1,750

Fixed Fees

Exemptions from water metering regulations	400
Bores	600

Hearings

Payment for Commissioner request – s100A Per Note 2 below

Per Note 4 below

Objections

Payment for Commissioner request – s357AB Per Note 4 below

Transfer of Consent Holder and Certificates Deposits:

	\$
Transfer of permits and consents	200
Priority Table	200
Section 417 Certificate	500
Certificate of Compliance	1,750
All Other Costs	As per Scale of Charges

Notes:

1. For additional permits in respect of the same site, activity, applicant, time of application, and closely related effect as the first application.
2. The deposit payable shall be 90% of the cost of a hearing as calculated by Council in accordance with information contained in the application file and using the scale of charges. The amount payable will be due at least 10 working days before the commencement of the hearing. If the amount is not paid by the due date, then the Council reserves the right under S36(7) of the Resource Management Act to stop processing the application. This may include cancellation of the hearing.

Should a hearing be cancelled or postponed due to the non-payment of the charge, the applicant will be invoiced for any costs that arise from that cancellation or postponement.

Following completion of the hearing process, any shortfall in the recovery of hearing costs will be invoiced, or any over recovery will be refunded to the applicant.

3. Where actual and reasonable costs are less than the deposit paid, a refund will be given.
4. Where an applicant requests under s100A (for a consent hearing) or under s357AB (for the hearing of an objection) an independent commissioner(s); the applicant will be required to pay any increase in cost of having the commissioner(s).

Where a submitter(s) requests under s100A an independent commissioner(s) any increase in cost that is in addition to what the applicant would have paid shall be paid by the submitter. If there is more than one submitter who has made such request the costs shall be evenly shared.

Review of Consent Conditions

Following the granting of a consent, a subsequent review of consent conditions may be carried out at either the request of the consent holder, or as authorised under Section 128, as a requirement of Council. Costs incurred in undertaking reviews requested by the consent holder will be payable by the consent holder at the rates shown in the Scale of Charges above.

Reviews initiated by Council will not be charged to consent holders.

Compliance Monitoring

Performance Monitoring

The following charges will apply to the review of performance monitoring reports for all consent holders, except those listed in section 1.6 below. The charges shown are annual fixed fees per performance monitoring report or plan, and are inclusive of GST.

1.1 Discharge to Air Consent	\$
Measurement of contaminants from a Stack report	95
Ambient air quality measurement of contaminants report	110
Management plans and maintenance records	38
Annual Assessment report	75
1.2 Discharge to Water, Land and Coast	
Effluent Systems	\$
- Environmental Quality report	50
- Installation producer statements	66
- Return of flow/discharge records	66
Active Landfills	\$
- Environmental Quality report	63
- Management Plans	140
Industrial Discharges	\$
- Environmental quality report	46
- Environmental report	101
- Return of flow/discharge records	66
Annual Assessment report	55
Management Plans – minor environmental effects	140
Management Plans – major environmental effects	280
Maintenance records	33
1.3 Water Takes	\$
Verification reports	66
Annual assessment report	56
Manual return of data per take	87
Data logger return of data per take sent to Council	55
Telemetry data per take	38
Administration fee – water regulations	100
Low flow monitoring charge*	
- Kakanui at McCones*	350
- Unnamed Stream at Gemmels*	1,550
1.4 Structures	\$
Inspection reports for small dams	135
Inspection reports for large dams	270
Structural integrity reports	85
1.5 Photographs	\$
Provision of photographs	65

1.6 Fees for Specific Consent Holders

Performance monitoring fees will be charged as 75% of actual costs for the following consent holders:

- Dunedin City Council
- Central Otago District Council

- Clutha District Council
- Queenstown Lakes District Council
- Waitaki District Council
- Ravensdown
- Contact Energy
- Trustpower
- Pioneer Generation
- Oceana Gold
- Port Otago

Additional charges may be incurred for new consents granted during the year.

Audit of Consents

Audit of consents will be charged at the actual cost incurred, with the actual costs being calculated using the Scale of Charges.

Other Compliance Activities

The following activities will be charged at the actual cost incurred, using the Scale of Charges:

- Performance monitoring of permitted activities under a National Environmental Standard
- Monitoring Compliance Certificates

Non-Compliance, Incidents and Complaints

Enforcement work on consent conditions and remedying negative effects – Scale of Charges.

Gravel Inspection and Management

Gravel extraction fee – \$0.66 per cubic metre (incl. GST). Where more than 10,000 cubic metres of gravel is extracted within a prior notified continuous two-month period, the actual inspection and management costs will be charged, as approved by the Director Corporate Services.

Resource Monitoring

Water or air monitoring work carried out for external parties – Scale of Charges.

Private Plan Changes

Work carried out on privately initiated plan changes – Scale of Charges.

Contaminated Sites Management

Clean up and remediation works – Scale of Charges.

Incident and Complaint, Non-Compliance with Permitted Activity Rules

Dealing with pollution incidents and enforcement work including investigating, monitoring, reporting, remediation and clean-up. The 'Scale of Charges' applies.

Bioresecurity Act – Section 135 Charges

Pest Management Strategy Implementation

Work carried out resulting from inaction of landowners not complying with Council's Pest Management Strategy for Otago. The 'Scale of Charges' applies.

Review of Rabbit Control Programmes from non-compliant farms, and work associated with ensuring implementation of those programmes – Scale of Charges.

Local Government Act – Section 150 Charges

Transport Licensing Exempt Services

Apply to register or vary an existing registration - Scale of Charges; deposit payable of \$575.

Bylaw Application Processing

Processing bylaw applications with the 'Scale of Charges' applying and deposit payable of \$300.

Local Government Official Information and Meetings Act – Section 13 and Resource Management Act Section 36(1)

Information Requests

Information requests that require more than half an hour to respond to, and multiple copies of Council reports. The 'Scale of Charges' applies.

Building Act – Section 243 Charges

Dam Safety and Building Control

The following table of charges and deposits will apply to the Dam Safety and Building Control activity. Amounts stated include GST.

Activity	Deposit	Processing Fee	MBIE and BRANZ Levies (at rates as advised to Council)*
Review of Potential Impact Classifications submitted by dam owners	Nil	Time and disbursements – scale of charges.	Nil
Review of Dam Safety Assurance Programmes	Nil	Time and disbursements – scale of charges.	Nil
Reviewing Building Warrants of Fitness	Nil	Time and disbursements – scale of charges.	Nil
Property Information Memorandums	Nil	Time and disbursements – scale of charges.	Nil
Building consent applications – estimated value of building work is \$20,000 or less	\$2,000	Time and disbursements – scale of charges.	Nil
Building consent applications – estimated value of building work greater than \$20,000	\$2,000	Time and disbursements – scale of charges.	MBIE levy - \$1.75 for every \$1,000 (or part of \$1,000) of the estimated value of the building work. BRANZ levy - \$1.00 for every \$1,000 (or part of \$1,000) of the estimated value of the building work – if required.
Issuing Certificates of Acceptance – estimated value of building work is \$20,000 or less	\$2,000	Time and disbursements – scale of charges.	
Issuing Certificates of Acceptance – estimated value of building work greater than \$20,000	\$2,000	Time and disbursements – scale of charges.	MBIE levy - \$1.75 for every \$1,000 (or part of \$1,000) of the estimated value of the building work – if required. BRANZ levy - \$1.00 for every \$1,000 (or part of \$1,000) of the estimated value of the building work – if required.
Issuing of Code Compliance Certificates for building consent applications	Nil	Time and disbursements – scale of charges.	Nil
Maintaining Register of Dams	Nil	Nil	Nil
Any other activity under the Building Act	Nil	Time and disbursements – scale of charges.	Nil

* Figures for the MBIE and BRANZ levies are as required by regulation on 1 March 2008. These levies may change in accordance with amendments made to regulations. The Council is required to collect and pay MBIE and BRANZ levies as regulated.

Bus Services

Dunedin Bus Services

Bus fares for Dunedin bus services are:

Zones Travelled	Go Card			Cash	
	Adult	Child	Super Gold Card Off Peak and Go Card Extra	Adult	Child
1	\$1.92	\$1.15	\$1.73	\$2.60	\$1.60
2	\$2.53	\$1.52	\$2.28	\$3.40	\$2.10
3	\$4.44	\$2.66	\$4.00	\$6.00	\$3.60
4	\$7.58	\$4.55	\$6.82	\$10.20	\$6.10
5	\$11.41	\$6.85	\$10.27	\$15.30	\$9.20

Fare zones are detailed on Council's website and defined in the Regional Public Transport Plan.

Wakatipu Basin Bus Services

Bus fares for Wakatipu Basin bus services are:

Zones Travelled	Go Card		Cash	
	Child	Adult	Child	Adult
Zone 1 and 2	\$1.50	\$2.00	\$4.00	\$5.00
Zone 3 (Airport)	\$1.50	\$2.00	\$8.00	\$10.00

Fare zones are detailed on Council's website and defined in the Regional Public Transport Plan.

Disclaimer: Council may change fares during the year due to operational or other needs. Significant fare changes will be consulted on.