

Council Meeting Agenda - 9 December 2020

Meeting will be held in the Harvest Hotel Conference Centre
6 Barry Ave, Cromwell



Members:

| | |
|-------------------------------------|-----------------------|
| Cr Andrew Noone, Chairperson | Cr Carmen Hope |
| Cr Michael Laws, Deputy Chairperson | Cr Gary Kelliher |
| Cr Hilary Calvert | Cr Kevin Malcolm |
| Cr Michael Deaker | Cr Gretchen Robertson |
| Cr Alexa Forbes | Cr Bryan Scott |
| Hon Cr Marian Hobbs | Cr Kate Wilson |

Senior Officer: Sarah Gardner, Chief Executive

Meeting Support: Liz Spector, Committee Secretary

09 December 2020 01:00 PM

| Agenda Topic | Page |
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| 1. APOLOGIES No apologies were noted at the time of publication of the agenda. | |
| 2. CONFIRMATION OF AGENDA Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting. | |
| 3. CONFLICT OF INTEREST Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. | |
| 4. PUBLIC FORUM Members of the public may request to speak to the Council. 4.1 Kevin Allan (Maniototo Pest Management) has requested to speak to the Council about wallabies. | |
| 5. CONFIRMATION OF MINUTES The Council will consider minutes of previous Council Meetings as a true and accurate record, with or without changes. 5.1 Minutes of the 25 November 2020 Council Meeting | 3 3 |
| 6. ACTIONS (Status of Council Resolutions) The Council will review outstanding resolutions. | 10 |
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| | This paper seeks Council endorsement of the proposed approach to reviewing the Regional Public Transport Plan, including timelines and engagement. . | |
| 7.2.1 | Attachment 1: Services Feedback, 1/12/20 | 30 |
| 7.3 | PHASE 2 BUS FARES FOR DUNEDIN AND QUEENSTOWN | 33 |
| | This paper seeks decisions from Council on bus fares that will apply in Dunedin and Queenstown in 2021, following the end of the Phase 1 (transitional) fare period that was put in place in both centres to enable deployment of the new electronic ticketing system. | |
| 7.4 | SHAPING FUTURE DUNEDIN TRANSPORT BUSINESS CASE | 50 |
| | This report presents Otago Regional Council projects, within the wider Shaping Future Dunedin Transport Programme to consider for inclusion within the 2021-2031 Long Term Plan. | |
| 7.5 | COUNCILLOR APPOINTMENT TO OTAGO CATCHMENT COMMUNITY GOVERNANCE GROUP | 58 |
| | To consider appointment of Cr Bryan Scott to the Otago Catchment Community Governance Group. | |
| 8. | RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS | 60 |
| 8.1 | Strategy and Planning Committee Recommendations | 60 |
| | Resolutions passed at the 1 December 2020 Strategy and Planning Committee are presented for adoption. | |
| 8.2 | Finance Committee Recommendations | 62 |
| | Resolutions passed at the 25 November 2020 Finance Committee are presented for adoption. | |
| 9. | RESOLUTION TO EXCLUDE THE PUBLIC | 64 |
| | That the public be excluded under LGOIMA Sec 48(1)(a) from discussions on the following items: | |
| | <ul style="list-style-type: none"> • Consideration of minutes of the public-excluded Council Meeting of 25 November 2020 • Lake Wakatipu Ferry Service Trial Procurement Approval • Chief Executive Key Performance Indicators Update | |
| 9.1 | Public Excluded Reason and Grounds | 64 |
| 10. | CLOSURE | |



Minutes of an ordinary meeting of Council
held in the Council Chamber on
Wednesday 25 November 2020 at 1:00 PM

Membership

Cr Andrew Noone *(Chairperson)*
Cr Michael Laws *(Deputy Chairperson)*
Cr Hilary Calvert
Cr Alexa Forbes
Cr Michael Deaker
Hon Cr Marian Hobbs
Cr Carmen Hope
Cr Gary Kelliher
Cr Kevin Malcolm
Cr Gretchen Robertson
Cr Bryan Scott
Cr Kate Wilson

Welcome

Cr Andrew Noone welcomed Councillors, members of the public and staff to the meeting.

Staff present included: Sarah Gardner (Chief Executive), Nick Donnelly (GM Corporate Services), Gwyneth Elsum (GM Strategy, Policy and Science), Gavin Palmer (GM Operations), Amanda Vercoe (Executive Advisor), Liz Spector (Committee Secretary), Anita Dawe (Manager Policy and Planning), Euan Hind (Partnership Lead - Biodiversity), Andrea Howard (Manager Biosecurity and Rural Liaison), Eleanor Ross (Manager Communications Channels), Ryan Tippet (Media Communications Lead), Tami Sargeant (Manager Compliance), Kyle Balderston (Team Leader Urban Growth and Development), Marianna Brook (Senior Advisor - Mayoral Forum), and Melanie Heather (Senior Environmental Officer)

For our future

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1. APOLOGIES

Resolution

That the apologies for Cr Deaker, Cr Hobbs be accepted.

Moved: Cr Noone

Seconded: Cr Hope

CARRIED

Cr Noone noted that Councillor Forbes and Councillor Laws were present on Zoom.

2. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

3. CONFLICT OF INTEREST

Cr Calvert indicated she would not participate in item 7.1 of the agenda due to a potential conflict.

4. PUBLIC FORUM

Bryce McKenzie, Laurie Paterson, Jamie Chittock and Paul Butson, representing the rural community and farming families, spoke to the Council regarding new freshwater regulatory changes recently proposed by Central Government. They asked that the ORC work with Southland District Council and Environment Canterbury to address the changes collaboratively. Cr Noone said conversations were ongoing between the Councils and on matters of common interest, they would work together to lobby Central Government where appropriate. After further discussion, Cr Noone thanked the gentlemen for speaking to the Council.

5. CONFIRMATION OF MINUTES

Resolution

That the minutes of the public portion of the Council meeting held on 28 October 2020 be received and confirmed as a true and accurate record.

Moved: Cr Calvert

Seconded: Cr Scott

CARRIED

6. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

Outstanding Actions were reviewed.

7. MATTERS FOR CONSIDERATION

7.1. Current Responsibilities in Relation to Drinking Water

Cr Calvert left the meeting at 01:28 pm. due to a possible conflict of interest.

Cr Kelliher left the meeting at 01:28 pm. due to a possible conflict of interest.

The report was provided to inform the Council on ORC's current responsibilities in relation to drinking water which generally relate to managing takes, land uses and discharges with a focus on maintaining and enhancing the quality of source (or raw) waters.

Kyle Balderston (Team Leader Urban Growth and Development) and Gwyneth Elsum (GM Strategy, Policy and Science) were present to speak to the report and respond to questions from Councillors. Melanie Heather (Senior Environmental Officer) was also present on Zoom. Following discussion of the informational paper, Cr Wilson moved the recommendation.

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Wilson

Seconded: Cr Hope

CARRIED

Cr Kelliher returned to the meeting at 02:06 pm.

Cr Calvert returned to the meeting at 02:06 pm.

7.2. Three Waters Delivery Reforms

Central Government is progressing a programme of reforms to the regulation and delivery of three waters services. This paper provided an update on Otago and Southland's collaborative response to the structural reform proposed for service delivery components of the Three Waters Reform Programme.

Marianna Brook (Senior Advisor - Mayoral Forum), Kyle Balderston (Team Leader Urban Growth and Development) and Gwyneth Elsum (GM Strategy, Policy and Science) were present to speak to the report and respond to questions. Ms Brook noted the work underway was in an information gathering phase, with a primary focus on implications of the potential changes for Otago. After a discussion of the report, Cr Kelliher moved the recommendation.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** that Otago and Southland local authorities continue to work together to support both regions' interests in the Three Waters Reform Programme.

Moved: Cr Kelliher

Seconded: Cr Hope

CARRIED

7.3. Water Services Bill Submission

Cr Kelliher did not participate in discussions or voting on this item due to a potential conflict.

Cr Calvert did not participate in discussions or voting on this item due to a potential conflict.

The paper was provided to advise the Council on the general intent and content of the Water Services Bill, and its potential implications for ORC and the region and to seek approval to

prepare a written submission to the appropriate select committee on the Water Services Bill. Kyle Balderston (Team Leader Urban Growth and Development) and Gwyneth Elsum (GM Strategy, Policy and Science) were present to speak to the report and respond to questions.

After an in depth discussion, Cr Wilson moved:

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the Chair and/or CEO to sign a submission on behalf of the Council on the Water Services Bill in line with the points raised in this paper as amended by feedback received.
- 3) **Approves** the Chairperson to speak at Select Committee to the submission if provided the opportunity.

Moved: Cr Hope

Seconded: Cr Malcolm

CARRIED

7.4. ECO Fund Applications - October 2020 Funding Round

The ECO Fund was established in 2018 to support community driven projects that protect, enhance and promote Otago's environment. The ORC provides \$250,000 to the ECO Fund each year, split into two funding rounds of \$125,000 each, one in March and one in October. Thirty applications were submitted during the October funding round and the Decision Panel comprised of Councillors Deaker, Kelliher and Robertson met on 4 November 2020 to assess the applications. Following their assessment, the Decision Panel recommended ten applications to Council for funding.

Euan Hind (Partnership Lead - Biodiversity) and Gavin Palmer (GM Operations) were present to speak to the report and respond to questions. Mr Hind noted the strong applications coming in from the community and acknowledged the work of all the applicants for their submissions. Cr Robertson noted the process was challenging due to the high quality of applicants. She stated there was a rigorous scoring process to assess the applications and wondered whether some of the criteria and processes could be improved. She indicated a paper from staff investigating potential improvements to the programme would be useful. Cr Kelliher agreed and said the process was very robust. He noted a discussion about how to assess smaller applications separately from large applications would be helpful and indicated he would like to see more money available for the Fund.

After further discussion, Cr Robertson moved the recommendation.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the funding recommendations of the ECO Fund Decision Panel for the October 2020 round to a total value of \$124,743.

Moved: Cr Robertson

Seconded: Cr Kelliher

CARRIED

7.5. ORC Greenhouse Gas Emissions Inventory

As part of the Annual Plan 2020-21, Council agreed an assessment of its organisational greenhouse gas (GHG) emissions would be performed. That assessment has been completed and the report *Otago Regional Council Greenhouse Gas Emissions 2018/19 Tax Year* was provided to Councillors for review.

Nick Donnelly (GM Corporate Services) was present to speak to the report and respond to questions. Mr Donnelly stated the Executive Leadership Team (ELT) reviewed and discussed the report and agreed to work through the recommended action plan in the report and also agreed to implement those recommendations to reduce ORC's emissions wherever possible. He also noted that the team agreed purchases of carbon offsets should be considered to move ORC to a net carbon zero position and to have these discussions with Councillors during the LTP 2021-31 process.

Several Councillors indicated they did not think purchasing carbon offsets was the direction they wanted ORC to go. Chief Executive Sarah Gardner said purchasing offsets would allow ORC to reduce its emissions in the short term and give staff time to come up with a plan to find other ways to reduce carbon emissions. After further discussion, Councillor Wilson moved:

Resolution

- 1) **Receives** this report and the *Otago Regional Council Greenhouse Gas Emissions 2018/19 Tax Year* report.
- 2) **Notes** that the *Otago Regional Council* will work towards being net carbon zero.
- 3) **Notes** the recommended action plan included in the report and that staff and Council will work through those actions and consider the process and cost for inclusion in the LTP 2021-31.

Moved: Cr Wilson

Seconded: Cr Malcolm

CARRIED

Chairperson Noone adjourned the meeting for a 15-minute break at 3:20 p.m.

The meeting reconvened at 3:35 p.m.

7.6. Queenstown Lakes Appeals Update

The ORC appealed, or joined other appeals, on a wide range of topics related to the review of the Queenstown Lakes District Council's District Plan. Staff have been involved in mediation and Environment Court hearings over the last 12 months. This report was provided to update the Council on progress towards resolving those appeals. Anita Dawe (Manager Policy and Planning) and Gwyneth Elsum (GM Strategy, Policy and Science) were present to speak to the report and respond to questions. A discussion was held about the report and then Cr Wilson moved the recommendation.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the progress on resolving appeals on the Queenstown Lakes District Plan.

Moved: Cr Wilson
Seconded: Cr Hope
CARRIED

8. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS

8.1. Recommendations of the 12 Nov 2020 Strategy and Planning Committee

Resolution

That the resolutions of the Strategy and Planning Committee made at the 12 November 2020 meeting be adopted by Council.

Moved: Cr Calvert
Seconded: Cr Robertson
CARRIED

8.2. Recommendations of the 26 August 2020 Finance Committee

Recommendation

Resolution

That the resolutions of the Finance Committee made at the 26 August 2020 meeting be adopted by Council.

Moved: Cr Calvert
Seconded: Cr Robertson
CARRIED

9. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

9.1. Chairperson's Report

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Calvert
Seconded: Cr Hope
CARRIED

9.2. Chief Executive's Report

Cr Calvert requested a summary of issues staff have gone back to the Ministry for clarification on, or provided feedback to on related to upcoming freshwater changes. CE Gardner said she

would have staff gather that information for Councillors would provide answers after the Christmas break.

A discussion was also had about facilitating a meeting between ORC, Southland District Council and Environment Canterbury Councillors to discuss collaborating on freshwater changes. Cr Noone said that was a good idea and Mrs Gardner said she would bring that up in the upcoming meeting of Regional Chairs, Deputy Chairs and CEs. Cr Robertson said it would be difficult to arrange for all of the Councillors to meet in person and suggested the meeting could be conducted electronically.

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Noone
Seconded: Cr Scott
CARRIED

10. REPORT BACK FROM COUNCILLORS

Councillors Forbes and Calvert updated the meeting on recent regional council-related activities.

11. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

That the Council excludes the public from the following part of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987) Sec 48(1)(a) namely:

- 1.1 Confirmation of Minutes of the 28 October 2020 Council Meeting 7(2)(a), 7(2)(f)(ii), 7(2)(h), 7(2)(i)
- 2.1 Amendments to the ORC Delegations Manual (7(2)(g)
- 2.2 Draft Regional Policy 7(2)(f)(i) and 7(2)(j) and 48(1)(d)

Moved: Cr Noone
Seconded: Cr Hope
CARRIED

12. CLOSURE

The public meeting was declared closed at 04:07 pm.

Chairperson

Date

Action Register – Outstanding Resolutions of Council (Public) at 9/12/2020

| Meeting Date | Document | Item | Status | Action Required | Assignee/s | Action Taken | Due Date | Completed (Overdue) |
|--------------|----------------------------|--|-------------|--|-----------------------------|---|------------|---------------------|
| 12/08/2020 | Council Meeting 2020.08.12 | PT1912 Hearing Panel Recommendation on Interim Trial Simplified Dunedin Fares Consultation | Completed | Produce a report to enable Council to further consider options for what happens following end of simplified fare trial. | Garry Maloney, Gavin Palmer | <p>19/10/2020</p> <p>Report is being prepared.</p> <p>1/12/2020</p> <p>Report provided on the 9 December 2020 Council agenda.</p> | 31/12/2020 | 03/12/2020 |
| 30/09/2020 | Council Meeting 2020.09.30 | GOV1946 COVID-19 Councillor Working Group Update | Completed | Produce a one-page report summarising outcomes related to ORC strategic priorities we are seeking between now and 2023 that may be enabled by the investment opportunities provided by the COVID-19/Jobs for Nature funds. | Sarah Gardner | <p>3/11/2020</p> <p>Report provided to Council at 12 November Strategy and Planning Committee meeting.</p> | 18/11/2020 | 03/12/2020 |
| 26/08/2020 | Council Meeting 2020.08.26 | GOV1937 Electoral System for 2022 and 2025 Local Body Elections | In Progress | Work with Electoral Officer to include a poll asking for voter preference for STV/FPP alongside voting papers for the 2022 local elections. | Amanda Vercoe, Liz Spector | <p>1/09/2020 Liz Spector</p> <p>Contacted Electoral Officer Anthony Morton of Electionz for information. He will update our file, noting the request to conduct the poll with the 2022 election. He indicated additional cost of approx \$75,000, not including additional comms that will be necessary.</p> <p>14/09/2020 Liz Spector</p> <p>Public Notice in ODT on 12/9/20 to meet legislative requirements and to advise ORC intends to conduct a poll on voting systems alongside the 2022 local body elections.</p> | 01/01/2022 | |

7.1. ORC Involvement in QLDC Spatial Planning

| | |
|----------------------|---|
| Prepared for: | Council |
| Report No. | P&S1883 |
| Activity: | Governance Report |
| Author: | Kyle Balderston, Team Leader, Urban Development |
| Endorsed by: | Gwyneth Elsum, General Manager Strategy, Policy and Science |
| Date: | 9 December 2020 |

PURPOSE

- [1] To present a request from Queenstown Lakes District Council to contribute to funding part of a Housing Capacity Assessment for the Queenstown-Lakes area.

EXECUTIVE SUMMARY

- [2] The National Policy Statement on Urban Development 2020 (**NPS-UD**) requires local authorities with jurisdiction over Tier 1 and Tier 2 urban areas to jointly prepare a Future Development Strategy (**FDS**) by 2024, in time to inform the preparation of that year's Long Term Plan (**LTP**). The 2024 FDS must be informed by a 'full' Housing and Business Capacity Assessment (**HBA**). The NPS-UD also requires preparation of a housing only HBA by 31 July 2021 to be used as a basis for a range of other responsive planning and forecasting requirements, ahead of the full HBA assessment.
- [3] Otago Regional Council (**ORC**) and Queenstown Lakes District Council (**QLDC**) are jointly responsible for Queenstown, which is identified as a Tier 2 Urban area in the NPSUD¹.
- [4] QLDC are currently in the process of commissioning the July 2021 housing HBA and are seeking a contribution of fifty percent of the cost of the assessment from ORC. Subject to agreeing terms with a provider, this is expected to amount to an ORC contribution of no more than \$50,000, with the anticipated total cost being approximately \$100,000. This work will also be used as part of the full 2024 Housing and Business Assessment.
- [5] Queenstown Lakes District Council is intending to undertake the procurement process, and will invite tenders from experienced external providers working in this area due to the tight timeframe, the specialised nature of the work and the extent of competing priorities for limited in-house staff capacity in both ORC and QLDC. QLDC have invited ORC staff to have both input into the tender request documentation, on the selection panel, and an ongoing role in the assessment's development.

RECOMMENDATION

That the Council:

¹ Dunedin City is also a Tier 2 Urban area, with Dunedin City Council and ORC jointly responsible for similar requirements. Discussions with DCC are underway but arrangements are yet to be formally determined.

- 1) **Receives** this report;
- 2) **Notes** the funding request from QLDC for a Housing Assessment delivered by 31 July 2021;
- 3) **Approves** the funding of 50% share, up to \$50,000 as detailed in Option A;
- 4) **Notes** that the requested funding is unbudgeted for this Financial Year; and
- 5) **Notes** that a proposed funding envelope to meet ORCs obligations to all of the region's Tier 2 and 3 Councils will be part of the upcoming LTP proposals, which would provide certainty around funding and associated work programmes from July 2021.

BACKGROUND

Spatial Plan Partnership

- [6] The National Policy Statement on Urban Development 2020 states that local authorities that share jurisdiction over an urban area are jointly responsible for preparing a Future Development Strategy completed in time to inform the 2024 LTP, and also requires that this be informed by an assessment of demand for both housing and business and the potential supply possible within the district plan and other plans. A housing only assessment must also be completed by 31 July 2021.
- [7] Development in the Queenstown Lakes area has historically been developer led, resulting in relatively ad hoc and sometimes poorly integrated rural and urban development that has challenged the capacity of local and central government to provide adequate infrastructure of all types, and has resulted in a range of impacts on the local community and the outstanding environment of the area.
- [8] Queenstown Lakes is expected to be among the areas of New Zealand that is hardest-hit by the economic impacts of COVID-19. While the long-term impacts are uncertain, the underlying drivers of demand to live or visit the Queenstown Lakes remain strong, and growth is likely to return in the future. The long-term vision and direction of the spatial plan will help to guide both short-term decisions about recovery and prioritisation of investments that will support a more managed and sustainable approach to growth when demand returns in the future.
- [9] In response to the need for better co-ordination between central and local government regarding future urban growth and infrastructure, an urban growth partnership, Grow Well Whaiora, is being developed between Kai Tahu, central government agencies, and QLDC to provide a forum for central government, local government and mana whenua to align decision making processes and collaborate on the strategic direction for the Queenstown Lakes area – similar to existing partnerships in Greater Christchurch, Auckland, Tauranga-Western Bay of Plenty and Hamilton-Waikato, and developing Urban Growth partnerships in several other regions.

National Policy Statement Urban Development 2020

- [10] The National Policy Statement on Urban Development 2020 (NPS UD) was gazetted on 23 July 2020 and came into effect on 20 August 2020, replacing the National Policy Statement on Urban Development Capacity 2016 (NPS UDC).
- [11] QLDC and ORC are listed as Tier 2 local authorities in the NPS UD in relation to Queenstown's urban area. QLDC and ORC are jointly responsible for preparing an FDS by 2024. Further discussions on the detail and specific responsibilities will emerge as the relationship and process develops from 2021.

- [12] The FDS sets out the long-term strategic vision for accommodating urban growth (at least every 6 years) and in time to inform the next long-term plan and regional land transport plan. It has to set out how the local and regional authority intend to achieve well-functioning urban environments and provide at least sufficient development capacity for business land and housing over the next 30 years to meet expected demand. An FDS must spatially identify, amongst other matters:
- a. the constraints on development;
 - b. the general locations in which development capacity will be provided; and
 - c. the general location and nature of development infrastructure and other infrastructure required to support development capacity.
- [13] An FDS requires engagement with other local authorities with shared infrastructure and community connections, government agencies, providers of infrastructure, the development sector and must include a statement of hapu and iwi values and aspirations for urban development. The Grow Well Whaiora Partnership between Kai Tahu, the New Zealand Government and QLDC has been formed to develop a Queenstown Lakes Spatial Plan and this relationship will continue to develop and enable development of the FDS by 2024.

Grow Well Whaiora

- [14] ORC have been invited to join the Grow Well Whaiora Partnership in person by Queenstown-Lakes Mayor Jim Boulton at the ORC Council workshop on the Queenstown Spatial Plan on 24 September 2020. Subsequent correspondence (see Attachment 1) reconfirms that invitation and clarifies that this will occur post the finalisation of the current Spatial Plan. ORC has responded to that invitation with nominations for ORC Councillor membership on the Governance arm of the Partnership (Attachment 2). Confirmation of formal membership and specific roles and responsibilities are anticipated to be finalised by the existing and new Partnership members early in 2021. The correspondence also confirms that a close working relationship at the staff level is encouraged and expected to continue to work constructively towards completion of the current Spatial Plan by the existing Partnership, and cooperatively on the joint development of the FDS to meet the mid 2024 deadline.
- [15] The Queenstown Lakes Spatial Plan (QLSP) is a vision and framework for how and where the communities of the Wakatipu and Upper Clutha can Grow Well and develop to ensure wellbeing and prosperity and for local governments, community, iwi, business and industry to work together to deliver a shared vision. Current timeframes are that public consultation on the Spatial Plan will commence early in 2021. It is anticipated that the 2024 FDS will build on the foundation and direction of the Spatial Plan.
- [16] Key emerging themes of the QLSP were discussed in more detail at the 24 September 2020 workshop, and include:
- a. Consolidating future growth in and around the existing urban area of Queenstown and Wānaka and settlements to protect areas of high landscape and environmental value.
 - b. Increasing density around improved and expanded public transport networks to improve housing and transport choices.

- [17] The QLSP is currently in the final stages of refinement prior to release for public consultation early in 2021 with formal hearings to follow.

ISSUE

- [18] The NPS UD requires preparation of a 'housing only' HBA by 31 July 2021. This assessment will be an important component of the work to prepare the 2024 FDS. A contribution of 50% of the cost of preparing this initial housing assessment is being sought, pursuant to a more formal partnership with ORC and other partners to develop the 2024 FDS once the 2021 Spatial Plan is completed.
- [19] These funds are not currently budgeted, and the Spatial Plan is not part of ORC's Urban Work Programme, as such, any funding requires Council approval. The funding will assist in meeting ORC's joint responsibilities with QLDC and provides a demonstration of ORC's commitment to the developing partnership and to our role in managing urban development.
- [20] A suggested funding package to meet ORC's NPS UD responsibilities including future contributions to other joint processes with all the region's Tier 2 and 3 councils has been developed for inclusion in the upcoming LTP, but that budget will not be available, until the 2021-2022 Financial year, and has yet to be approved.

[21] DISCUSSION

Housing and Business Capacity Assessments

- [22] An update of the Housing component of the Housing and Business Capacity Assessments for the Queenstown Lakes Area is timely. QLDC have produced HBA reports under the NPS Urban Development Capacity 2016, which were adopted in 2017. These assessments have been updated through statements of evidence for the current QLDC district plan review in 2018 (in relation to housing) and 2020 (in relation to business capacity). However, rapid development in the district, significant changes to the Proposed District Plan, and changes to population projections following COVID-19 mean these assessments are just recent concrete examples of why they require regular updating and review, for use in short, medium and long term strategic planning purposes. In addition, a housing assessment is also now required to be updated by 31 July 2021 by the NPS UD.
- [23] The outputs of the Housing assessment will be set out in a suite of reports and datasets that will build a highly detailed understanding of demand for residential capacity as well as the needs of the community, the property and development market and consideration of competitive market factors and the impact and interactions of planning and infrastructure on this. This will help inform assessments of likely housing supply responses. The outputs of the Housing Assessment 2021 will form a solid foundation for the full 2024 HBA including consideration of business needs that will contribute to and form a key building block for the development of the Future Development Strategy due in 2024.
- [24] By participating in the development of the HBA for Queenstown Lakes, the ORC can increase its capacity and capability and ensure the assessments for the wider region

undertaken with other Territorial Authorities also benefit from the approaches developed in Queenstown alongside Central Government and Kai Tahu, and have a level of regional consistency and usability, including for use in ORC's own planning, strategy and operational purposes.

OPTIONS

- [25] This paper outlines a request from QLDC for funding towards meeting QLDC and ORC's joint legislative requirements to produce specialist technical input in a short timeframe. This contribution is in addition to ongoing staff involvement in the current Spatial Plan processes, and in anticipation of future, more formal partnership arrangements (and funding) including membership of the Whaiora Growth Partnership Governance arrangements for delivering the 2024 FDS.
- [26] The request is for a 50% contribution towards the cost of a jointly commissioned Housing Capacity Assessment for the Queenstown urban area, with a maximum contribution of \$50,000, to be completed by 31 July 2021.
- [27] The range of reasonable options are:
- a. Contribute to funding the Housing Capacity Assessment as requested (a 50% contribution, up to \$50,000);
 - b. Contribute to funding the Housing Capacity Assessment to some other proportion and/or maximum value;
 - c. Contribute no funding towards the Housing Capacity Assessment.
- [28] Staff's recommendation is that option A is adopted.

CONSIDERATIONS

Policy Considerations

- [29] Agreeing to this request from QLDC will be consistent with the policy requirements of the NPS UD and is the first step to the joint responsibility for development of FDS/Spatial plan for 2024 at both a staff and governance level.
- [30] The Queenstown Lakes Spatial Plan, the first ever joint spatial plan for Queenstown Lakes, is still under development but is consistent with a range of ORC strategies and objectives including the Partially Operative RPS 2019 (which was developed under the NPDU DC, 2016) which anticipates Future Development Strategies.

Financial Considerations

- [31] The total cost estimate for the Housing Assessment work is approximately \$100,000. This request is for ORC to contribute 50% towards this HBA, assessment up to a maximum of \$50,000.
- [32] There is no budget identified for a contribution of this type or purpose in the current financial year.

- [33] A suggested funding package to meet ORC's NPSUD responsibilities including future contributions to other joint processes with all of the region's Tier 2 and 3 councils have been developed for inclusion in the upcoming LTP, but that budget will not be available, until the 2021-2022 Financial year, and has yet to be approved.

Significance and Engagement

- [34] There are no relevant Significance and Engagement policy considerations. It is important however to note that making the QLSP available for public consultation will satisfy the policy.

Legislative Considerations

- [35] This proposal is consistent with ORC's obligations under the NPSUD.
- a. Tier 1 and 2 Councils (QLDC and ORC in this particular case) must complete the housing assessment aspect of the new HBAs by 31 July 2021.
 - b. Every tier 2 local authority must prepare, and make publicly available, a Housing and Business Development Capacity Assessment for its tier 2 urban environments every 3 years, in time to inform the relevant authorities next Long Term Plan.
 - c. Every Tier 1 and Tier 2 local authority must prepare, and make publicly available, an FDS for the Tier 1 or 2 urban environment every 6 years and in time to inform, or at the same time as, preparation of the next long term plan of each relevant local authority (no later than June 2024).

Risk Considerations

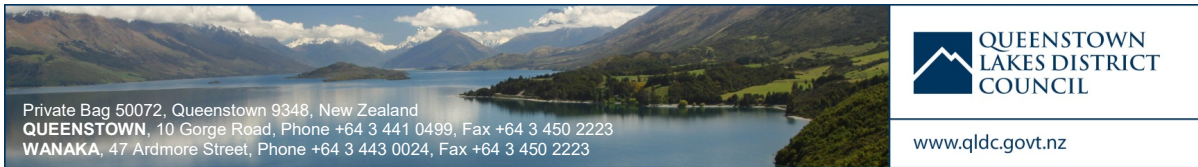
- [36] There are no relevant risk considerations.
- [37] Additional clarity around ORC's ability to access and use the data and information in the report, and the process for and timing of any payments are still to be resolved but would be guided by ORC's normal procurement policies.

NEXT STEPS

- [38] The next steps are:
- a. Agreement is executed for ORC to contribute to Housing Assessment costs to be procured by QLDC;
 - b. QLDC proceeds with procurement of consultant services for the Housing Assessment as soon as possible;
 - c. Completion of the Housing Assessment by 31 July 2021.
- [39] Parallel with the Housing Assessment work:
- a. The QLSP will be finalised and opened for public consultation early in 2021 followed by hearings, with final adoption anticipated mid 2021;
 - b. Grow Well Whaiora Partnership will be expanded to formally include ORC as a partner, including Councillor membership of governance arms to jointly develop the FDS by 2024. This will likely occur mid to late 2021.

ATTACHMENTS

1. 11 November 2020 Letter to Cr Andrew Noone re ORC involvement in QLDC Spatial Plan [7.1.1 - 2 pages]
2. 16 November 2020 ORC Reply to QLDC Invitation [7.1.2 - 1 page]



11 November 2020

Councillor Andrew Noone
Chair
Otago Regional Council

Via email: Andrew.Noone@orc.govt.nz

OFFICE OF THE MAYOR

Dear Andrew,

Thank you for the opportunity Mike Theelen and I had to address your Council on 24 September 2020. We outlined the programme, both underway and planned, for the Queenstown Lakes Spatial Plan and the new proposed Future Development Strategy (FDS) due in 2024.

I would like to formally confirm in writing the invitation for the ORC to nominate two Councillors to join the Grow Well Whaiora Partnership Governance Group which will meet biannually to provide guidance on the implementation of the Urban Growth Agenda. I would note that we have yet to see how the new Minister proposes to operate this but in the meantime the nomination of two Regional Councillors will be gratefully received.

As part of our presentation we also commented on the technical work commencing on the FDS24, which will begin early next year which is the jointly required the housing capacity assessment. We thank you for the cooperation shown by yourself in working with QLDC to update this work.

I want to talk briefly on the current Spatial Plan under development by the Crown and QLDC. We continue to have support for this work which we intend to release for public comment early in 2021. We consider that completing this will enable ourselves and the Regional Council to have a strong platform for the FDS24. We wish to encourage you and your staff to continue to take a positive interest in this work as we consult to show technical support for the project as required.

Kind regards,

Jim Boulton ONZM
MAYOR

Cc:
Sarah Gardiner – ORC
Mike Theelen – QLDC

Michelle Morss – QLDC
Caroline Dumas - QLDC



From the Office of the Chairperson

Our Ref: A1413989

16 November 2020

Jim Boulton ONZM
Mayor
Queenstown Lakes District Council
Private Bag 50072
Queenstown 9348

Dear Jim

Grow Well Whaiora Partnership Governance Group: Nominations

Thank you for your letter of 11 November 2020 inviting Otago Regional Council to nominate two Councillors to join the Grow Well Whaiora Partnership Governance Group which will meet biannually to provide guidance on the implementation of the Urban Growth Agenda.

The two Councillors nominated by Otago Regional Council to join the above Governance Group are Councillor Alexa Forbes and myself.

Thank you for the invitation; we look forward to working with you into the future.

Kind regards

A handwritten signature in black ink, appearing to read "Andrew Noone".

Cr Andrew Noone
Chairperson

cc: *Mike Theelen, CEO of QLDC*
Sarah Gardner, CEO of ORC



7.2. Regional Public Transport Plan - Scope

| | |
|----------------------|--|
| Prepared for: | Council |
| Report No. | PT1913 |
| Activity: | Transport - Public Passenger Transport |
| Authors: | Letitia McRodden, Public Transport Planner Garry Maloney, Manager Transport |
| Endorsed by: | Gavin Palmer, General Manager Operations |
| Date: | 2 December 2020 |

PURPOSE

- [1] To seek Council endorsement of the proposed approach to reviewing the Regional Public Transport Plan, including timelines and engagement.

EXECUTIVE SUMMARY

- [2] The ORC currently contracts for public transport services in Dunedin and Queenstown and as such is required to have a Regional Public Transport Plan (a requirement of the Land Transport Management Act 2003).
- [3] The current Regional Public Transport Plan (RPTP or Plan) was adopted in 2014 and was prepared to give effect to the new Public Transport Operating Model (PTOM). Since 2014, the Plan has been amended several times to reflect changes to policy and other changes within the region. In addition, the current operating environment is significantly different to 2014 and together are the reasons why a full review, rather than an update of the Plan will be delivered.
- [4] The contents of the Plan are prescribed by the Act and by Waka Kotahi NZ Transport Agency (WKNZTA) guidance and that forms the scope of the review.
- [5] A key part of the review (as it was for the current Plan) will be to describe how Council intends to deliver a successful public transport network across the Region, including principles, objectives and policies to achieve that. Policies will at a minimum address:
- network integration, structure, and services (including how we address perceived needs for wider intra/inter-regional services);
 - service quality and performance;
 - fleet and vehicle quality (including decarbonisation of the public transport fleet);
 - fares and ticketing;
 - bus infrastructure;
 - information, timetables and journey planning; and
 - procurement.
- [6] In terms of Council's public transport investment, it is important to note that the RPTP is given effect through Council's Long Term and Annual Plans. That is, the RPTP is not a commitment to fund, nor does it provide funding.
-

- [7] The Plan will be developed in collaboration with stakeholders (especially the region's territorial authorities) through a technical working group, targeted engagement, reporting to ORC and public consultation.
- [8] Key governance decision points are:
- 9 December 2020 – Council endorses the approach to review the RPTP, timeline and broad approach to stakeholder engagement.
 - 10 February 2021 – Strategy and Policy Committee workshop's Draft Plan principles, objectives and policies. Currently, this date is scheduled for a Strategy and Policy Committee meeting and it may require a workshop to also be scheduled.
 - 24 March 2021 - Strategy and Policy Committee approves the Draft Plan for public consultation, including the process for hearings and deliberations.
 - 23 June 2020 – Council approves the Final Plan following hearings and deliberations.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Notes** Council has already received feedback to be considered in the development of the Plan through Annual Plan processes, community input and councillor engagement with territorial authorities to date on public transport.
- 3) **Endorses** the proposed scope, approach to engagement and timeline for the review of the Regional Public Transport Plan, noting these will be refined through development of the Review.

BACKGROUND

- [9] The Regional Council's public transport network comprises two integrated public transport networks in the metropolitan areas of Dunedin and the Wakatipu Basin. There is currently a service extending to the north of Dunedin servicing Waitati, Evansdale, Karitane, Waikouaiti and Palmerston, linked to the Dunedin integrated public transport network.
- [10] In the 2019/20 financial year, the Dunedin public transport service carried about 2.2 million passengers, while Queenstown carried about 1.2 million (down on the year before due to Covid-19).
- [11] Public transport services are operated by buses, ferry (Queenstown) and small passenger vehicles/shuttles for Total Mobility services. Service levels vary by route, day of the week and time of day, in response to the different use patterns and demand.
- [12] Total Mobility services currently operate in Dunedin, Oamaru, Queenstown and Wanaka. For the last financial year, over 100,000 rides were recorded from a client base of about 3,500 people.

- [13] As the ORC contracts for public transport services in its region, it is required by Part 5 of the LTMA to prepare an RPTP. The purpose of the Plan is to provide a:
- means for councils and operators to work together to develop public transport;
 - means for engaging with the public on the design and operation of the public transport network; and
 - statement of the public transport services that are integral to the region’s public transport network, the policies and procedures that apply and the information and infrastructure that support those services.
- [14] It is important to note that the Plan is given effect through Council’s Long Term and Annual Plans. These are the means to fund the direction (for example policies) of the Plan. That is, the Plan is not a commitment to fund, nor does it provide funding.
- [15] The Act requires the Plan to be kept current for a period of not less than three years in advance, but not more than ten years in advance. It can be reviewed from time to time, but must be reviewed and, if necessary, renewed or varied at the same time as, or as soon as practicable after, the public transport service components of a regional land transport plan are approved or varied.
- [16] The Plan must contribute to the purpose of the LTMA (i.e. contribute to an effective, efficient, and safe land transport system), be consistent with the RLTP and take into account any national energy efficiency and conservation strategy and relevant Resource Management Act (RMA) regional/district plan/strategy (see Figure 1 below).

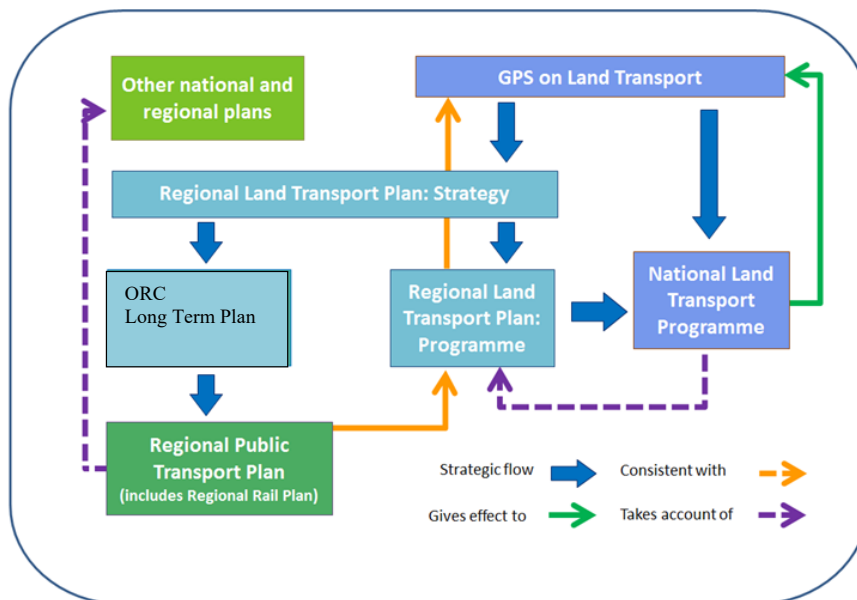


Figure 1: Planning Framework

- [17] The current RPTP was adopted in 2014 and was undertaken primarily to take account of the changes introduced by the new Public Transport Operating Model (PTOM). Since 2014, the Plan has been amended several times to reflect changes to policy and other changes within the Region such as the Concord to Green Island Community Link addendum, Wakatipu Basin addendum, and change for the Lake Wakatipu ferry service.

- [18] The Plan is currently scheduled for review in the current financial year (there is a target to this effect in the 2020/21 Annual Plan). A review of the current Plan is triggered by several key drivers, including:
- the need to ensure it is consistent with the 2018 and new 2021 GPS;
 - the global Covid-19 pandemic and associated challenges to public transport such as maintaining patronage and funding services;
 - recent operational and service changes brought in by the Connecting Dunedin and Way to Go workstreams, which have led to changes to fares, branding, and demand for services; and
 - a desire for the Plan to support an increased focus on public transport enabling patronage growth and mode shift, enabling growth and economic development, reducing the reliance on single occupant vehicles and to support greater transport choice and access in our urban and rural areas.
- [19] Given how much change there has been since 2014, a full review is required of the Plan, rather than updating the current document.

SCOPE

- [20] There are several key features that must be included in an RPTP and these are set out in the Land Transport Management Act and WKNZTA Guidelines for preparing regional public transport plans (2013). At a minimum, the RPTP must:
- identify the services integral to the network;
 - provide an outline of routes, frequency, hours of operation, of services;
 - arrange all services into units;
 - indicate the date the unit is expected to start operating;
 - indicate the date exempt services to be replaced by a unit will be deregistered;
 - identify any units or taxi/shuttle services for which council intends to provide financial assistance;
 - contain objectives and policies applying to the units or taxi/shuttle services;
 - contain policies for units on:
 - accessibility, quality and performance;
 - fares and setting/reviewing fares;
 - process for establishing units;
 - approach taken to procuring delivery of services in a unit;
 - how procurement of units will be phased in over time;
 - managing, monitoring and evaluating performance of units
 - contain a description of how services will assist the transport-disadvantaged; and
 - contain a significance policy
- [21] An RPTP may state or describe any other matter that the Council thinks fit, but they should be relevant to the overall purpose of the RPTP.
- [22] Other proposed key content or features of the reviewed RPTP will include:
- The purpose of the Plan, noting that it is a statutory document prepared by ORC to specify the public transport services that Council proposes for the Region and the policies that apply to those services.

- The strategic case/content will clearly outline the strategic context and key problems for the public transport network in the region and the potential benefits of addressing them.
- An overview of the statutory requirements and the national and regional policy context for public transport.
- A description of how ORC intends to deliver a successful public transport network across the Region, including principles, objectives and policies to achieve that. Policies will at a minimum address:
 - network integration, structure, and services (including how we address perceived needs for wider intra/inter-regional services);
 - service quality and performance;
 - fleet and vehicle quality (including decarbonisation of the public transport fleet);
 - fares and ticketing;
 - bus infrastructure;
 - information, timetables and journey planning; and
 - procurement.
- A description of the region's units (i.e. current network).
- An outline of how the network may change over the next ten years. This section will draw from current business case, spatial plan and master plan work from across the region. It will also reflect feedback that Council has received to date for new services through Annual Plan processes, community requests and engagement with the region's district councils (appended).
- Consideration of future public transport investment and funding in the region.
- A description the processes for monitoring and review of the Plan.

[23] It is envisaged that the structure and content outside of the above will take shape through development of the Review, as new information comes to light and through engagement with our key stakeholders and community.

[24] The following features are proposed to be out of scope and will not be included as part of this review:

- review of the legislative framework and PTOM;
- details of programmes already under the scope of parallel projects (through Connecting Dunedin and Wakatipu Way to Go);
- contractual requirements;
- a full network review of either the Dunedin or Queenstown bus services and infrastructure;
- review of Otago public transport units; and
- the transfer of statutory functions.

[25] The last bullet point above was requested as part of Dunedin City Council's (DCC) submission to the Council's 2020/21 Annual Plan. Staff are proposing that it be excluded from the Plan review process, primarily as legislation (LTMA and Local Government Act) now enables local government to pursue such an outcome unrelated to preparation of an RTP.

REVIEW PROCESS AND STAKEHOLDER ENGAGEMENT

- [26] The review is to be guided by the WKNZTA Business Case Approach and guided by the policy direction of the 2021 Government Policy Statement and Otago Southland RLTP’s 2015-2021 and 2018 update.

- [27] As part of its development, ORC officers will consult and work in close collaboration with staff from WKNZTA, the Otago territorial authorities, public transport operators, industry stakeholders and key interest groups.

- [28] Prior to preparation of this paper, Council staff have engaged on several occasions with staff at Dunedin City and Queenstown Lakes District Councils on this matter. Latterly, staff have also commenced engagement with the remaining district councils.

- [29] It is envisaged that stakeholder engagement will be composed of three key phases:
 - Phase 1: focussing on opportunities to introduce and educate stakeholders on the role and scope of the RPTP;
 - Phase 2: will seek input from stakeholders on the key direction for the future Otago public transport network; and
 - Phase 3: will provide a formal chance for stakeholders and the community to provide feedback on the draft RPTP.

- [30] The table below outlines an indicative list of key stakeholders that will be engaged through development of the RPTP. Please note this represents an indicative list and will be refined through development of the review.

| Stakeholder |
|-----------------------------------|
| Dunedin City Council |
| Queenstown Lakes District Council |
| Waitaki District Council |
| Central Otago District Council |
| Clutha District Council |
| Waka Kotahi NZ Transport Agency |
| Aukaha |
| Ritchies |
| Go Bus |
| BUS GO |
| Disabled Person Association |
| OUSA |
| Otago University |
| Otago Polytechnic |
| Community Boards |
| Elderly user groups |
| Citizens Advice Bureau |
| Light Foot |
| Schools |
| Automobile Association |
| Key employers |

[31] Engagement will be through a mix of face-to-face and other more remote engagement tools.

TIMELINE

[32] The indicative timeframe for the above is shown in the table below. It should be noted that the respective Plan parts are not all required to be completed sequentially. Technical work will be completed concurrently, depending resource availability.

| Target completion date | Stage of work |
|-------------------------|--|
| Nov 2020 | Technical Officer ILM workshop to identify draft problems, and benefits |
| 9 Dec 2020 | Council endorses the RPTP review approach |
| Dec 2020 | Territorial authority face-to-face engagement to set expectations on scope, engagement, and timeframes |
| Dec 2020 | Development and finalization of the Stakeholder and Communications Plan |
| Dec 2020 | Preparation of early engagement material |
| Dec 2020 – Jan 2021 | Preparation and drafting of the following section of the RPTP: Vision and Objectives, Strategic Context, and Current Network |
| Jan – Feb 2021 | Develop draft principles, objectives and policies |
| Feb 2021 | Engagement with partners and stakeholders on principles, objectives and policies |
| Feb 2021 | Draft principles, objectives and policies workshopped with Strategy and Policy Committee |
| Feb – mid-Mar 2021 | Drafting of RPTP |
| 24 Mar 2021 | Strategy and Policy Committee approves Draft Plan for consultation |
| Mid-Mar to Mid-Apr 2021 | Public consultation on draft RPTP – 4 weeks |
| Late May 2021 | Hearings and deliberations |
| 23 Jun 2021 | Council adopts Final RPTP 2021-2031 |

Table 1: Proposed Timeline:

GOVERNANCE DECISION POINTS

[33] Table 1 outlines the timeline for reviewing the Plan and in particular, Council’s decision points. In summary they are:

- 9 December 2020 – Council endorses the approach to review the RPTP, timeline and broad approach to stakeholder engagement.
- 10 February 2021 – Strategy and Policy Committee workshop’s Draft Plan principles, objectives and policies. Currently, this date is scheduled for a Strategy and Policy Committee meeting and it may require a workshop to also be scheduled.
- 24 March 2021 - Strategy and Policy Committee approves the Draft Plan for public consultation, including the process for hearings and deliberations.
- 23 June 2020 – Council approves the Final Plan following hearings and deliberations.

CONSIDERATIONS

Policy Considerations

[34] The RPTP review is an action in the 2020/21 Annual Plan.

Financial Considerations

[35] Development of the Plan is a required activity part-funded by the National Land Transport Fund.

[36] Policies and investment objectives in the Plan should guide future investment decisions and do not on their own right commit ORC to funding specific projects and interventions however if the objective of the plan steers towards an enhanced and level of service and increased capacity over time, then future investment in the network will be required.

Significance and Engagement

[37] In preparing the draft Plan, the LTMA requires the council to consult with:

- its regional transport committee;
- Waka Kotahi NZ Transport Agency;
- every operator of a public transport service in the region;
- every person who has notified the regional council of a proposal to operate an exempt service in the region;
- the Minister of Education;
- the territorial authorities in the region;
- the relevant railway line access provider; and
- Kāinga Ora – Homes and Communities, if there are any specified development projects in the region.

[38] As can be seen from the proposed timeline, consultation is indicatively scheduled for Quarter 4 of the financial year and will also be the opportunity for the public at large to have input.

[39] In addition to legislative requirements and in keeping with current collaborative partnerships (Way to Go, Connecting Dunedin), engagement is proposed with partners and wider stakeholders as the Plan develops.

[40] A full communication and engagement plan will be developed and reported back to Council to provide greater detail on how that engagement will take place. It will also identify how we will engage within our current collaborative structures (Way to Go and the Wakatipu Transport Governance Group and Connecting Dunedin).

Legislative Considerations

[41] The review of the RPTP is a requirement of the Land Transport Management Act 2003.

Risk Considerations

- [42] Engagement and consultation with partners and key stakeholders should result in a robust, integrated, regional Plan. However, that is not to say that points of difference may not arise throughout its development and they will need to be managed.

NEXT STEPS

- [43] Council endorsement of the proposed approach to reviewing the RPTP will immediately enable:
- direct engagement with the region's territorial authorities to set expectations on scope, engagement, and timeframes;
 - further development of the Stakeholder and Communications Plan; and
 - preparation of early engagement material.
- [44] As the above activity is taking place, staff will also begin preparing and drafting the following sections of the RPTP:
- Vision and Objectives;
 - Strategic Context; and
 - current network.

ATTACHMENTS

1. 2020 12 01 Services Feedback [7.2.1 - 3 pages]

Annual Plan Submissions, Community Requests and Engagement with the Region's District Councils

Annual Plan Submissions

- [1] During preparation of the Council's current Annual Plan it received a submission from the Waikouaiti Coast Community Board (WCCB) seeking an increase in service levels for its community.
- [2] Currently the WCCB is serviced by one route and has access to three return trips per weekday (one each morning, inter and afternoon peaks; no service at weekends/public holidays).
- [3] The WCCB is seeking an increase to five return trips per weekday and four on both Saturday and Sunday. Council staff have estimated the cost to provide this level of service would be about \$440,000 per annum (a similar level of service but different to the WCCB proposed timetable could be delivered for about half the price).
- [4] Given the 2021-24 National Land Transport Programme is running ahead of Council's Long Term Plan process, staff have at this time included the WCCB request in Council's draft Low Cost Low Risk programme submission to Waka Kotahi New Zealand Transport Agency (NZTA) as a placeholder (as the programme had to be submitted on 30 October 2020). This action does not commit Council or the Agency to invest in this activity at this time as ultimately, Council's land transport programme must align with its Long Term Plan.

Community Feedback

- [5] Council staff have also received requests for services linking the Clutha District with Dunedin City (and Councillors and staff attended a meeting in Balclutha on 3 November 2020 to discuss community transport aspirations).
- [6] To provide a similar level of weekday service to Balclutha and Milton as that currently provided to the WCCB is estimated to cost about \$275,000 per annum. In comparison, a 60 minute peak and 120 minute interpeak weekday service is estimated to cost about \$625,000 per annum.
- [7] To provide a similar level of weekday service to Milton as that currently provided to the WCCB is estimated to cost about \$210,000 per annum. In comparison, a 60 minute peak and 120 minute interpeak weekday service is estimated to cost about \$530,000 per annum.
- [8] Staff have also included both service requests in Council's draft Low Cost Low Risk programme.

Governance Feedback – Queenstown Lakes District Council

- [9] In August 2020 Regional Councillors met with Queenstown Lakes District Council (QLDC) to discuss opportunities for broader public transport; what benefits and what issues might arise and how we would be best to progress if necessary a broader community discussion. From that meeting came the following list of opportunities:

- Improving the attractiveness of Orbus by providing direct services from Queenstown's densely populated suburbs and increase headway frequency on key routes (e.g. 5 minutes at peak).

Patronage of the Queenstown network is currently tracking at just over 60% of pre-Covid-19 patronage. The Queenstown Transport Business Case also projects that patronage will

not recover until 2024. On this basis therefore, it is more cost-effective and efficient to continue the level of investment in the current service and not invest in additional direct services in the 2021-24 Long Term Plan (LTP) period. Both the LTP and RPTP should signal this.

- Implementation of a Wanaka urban service with early route introduction in growth areas to promote PT based commuting options.

The Wanaka Masterplan proposes better public transport in this area in the long term (ten years plus). On this basis it is proposed that both the LTP and RPTP should signal Council will plan for Wanaka services post the 2021-24 LTP.

- Provide a service for commuters travelling to Queenstown from Wanaka and Cromwell.

To provide a similar level of weekday service to Wanaka and Cromwell as that currently provided to the WCCB is estimated to cost about \$260,000 and \$240,000 per annum, respectively. In comparison, a 60 minute peak and 120 minute interpeak weekday service is estimated to cost about \$700,000 and \$600,000 per annum, respectively.

Staff have also included both service requests in Council's draft Low Cost Low Risk programme.

- Continued support for the fledgling ferry service as part of a diversified transport system.

The current Plan recognises a Lake Wakatipu ferry service as an integral service. No change is therefore required if Council decides to continue to invest through the LTP in continuation of the service (trial proposed to end in July 2022).

Staff have also included the ferry service request in Council's draft Low Cost Low Risk programme.

- Collaborative /co-investment in alternative technologies: electric shuttles in the CBD/ transfer service to airport/ integration with ski industry and investigate phasing out of Diesel buses for electric/hydrogen on main routes.

The Queenstown Transport Business Case proposes investment in non-carbon powered public transport in 2027. Because this happens at the same time as a significant investment is required in levels of service, Council will be required to invest in a detailed business case to determine if such a case for investment exists. As such, it is proposed that the RPTP will address the above as part of including the direction from the business case.

- Mass transit options to fundamentally shift ridership: early introduction of MRT /high speed services rather than simply more buses.

The Queenstown Transport Business Case addresses Mass Rapid Transit (MRT). As such, the detailed business case will determine if such a case for investment exists. It is proposed that the RPTP will address this matter as part of including the direction from the business case.

- Review funding models for fixed infrastructure (shelters) to provide better customer experience.

The Plan will contain policy in regard to public transport infrastructure.

- Review pricing structures to reduce travel costs.

The Plan will contain policy in regard to fares. It should be noted however, that in terms of features that contribute to successful public transport services, fares are much less important than frequency, reliability and coverage.

- Development of trial services to various rural centres, for example, Glenorchy, Makarora, Luggate, Kingston.

It is intended that the Plan will provide a transparent process and framework to enable requests such as the above to be considered.

- Collaborative development of rideshare and community transport options to support smaller communities.

In preparing the Plan, consideration will need to be given to Council's role in planning for/providing/investing in community transport options to support smaller communities (for example, community vans). In regard to rideshare, that is better addressed in mode share plans instead of the RPTP.

7.3. Phase 2 Bus Fares for Dunedin and Queenstown

Prepared for: Council
Report No. PT1916
Activity: Transport - Public Passenger Transport
Author: Garry Maloney, Manager Transport
Endorsed by: Gavin Palmer, General Manager Operations
Date: 1 December 2020

PURPOSE

- [1] This paper seeks decisions from Council on the bus fares that will apply in Dunedin and Queenstown in 2021, following the end of the Phase 1 (transitional) fare period that was put in place in both centres to enable deployment of the new electronic ticketing system.

EXECUTIVE SUMMARY

- [2] On 6 May 2020, the Council approved proceeding with an earlier than previously programmed implementation of the new Regional Consortium Regional Integrated Ticketing System (RITS) and in August 2020 it resolved to implement the following Phase 1 (transitional) Bee card and cash fares. The objective sought from simplifying the fares was to enable the earlier and easier implementation of the new electronic ticketing system:

Dunedin Fares

| Bee Card | | | Cash |
|-----------------|--------------|--------|--------|
| Zones travelled | Adult | Youth | All |
| All | \$2.00 | \$1.50 | \$3.00 |
| SuperGold Card | Free all day | | |

Queenstown Fares

| Bee Card | | | Cash |
|----------------|--------------|--------|--------|
| All | Adult | Youth | All |
| All | \$2.00 | \$1.50 | \$4.00 |
| SuperGold Card | Free all day | | |

- [3] In October 2020, patronage in Dunedin was back to pre-COVID-19 levels while in Queenstown it was about 40% less than pre-COVID-19 levels.
- [4] The decision made by Council in May 2020 was that it would return to collecting fares and concessions by January 2021, or at such other time as agreed by Council. As such, Council has options available to it as to what happens in January 2021. For Dunedin these include:

- Option D1 – return to the pre COVID-19 fares;
- Option D2 – retain the current fares at least until the end of the 2020/21 financial year;
- Option D3 – Option D2 but with the reintroduction of Go Card Extra and/or Tertiary concessions; and
- Option D4 – a hybrid of Options D1 and D2 (for example pre-COVID-19 zone 1 fares and the amalgamation of zones 2 to 5 into a single zone).

[5] The recommended option is Option D2.

[6] For Queenstown the options are:

- Option Q1 – return to the pre COVID-19 fares; or
- Option Q2 – retain the current fares at least until the end of the 2020/21 financial year.

[7] The recommended option is Option Q1.

[8] For SuperGold Card travel in Dunedin and Queenstown the options are:

- Option SGCA – return to the pre COVID-19 fares (that is, SuperGold Card travel would only be free weekdays between 9:00 am and 3:00 pm and after 6:30 pm and free all weekend).
- Option SGCB – retain the status quo (that is, SuperGold Card travel would continue to be free all day).

[9] The recommended option is Option SGCA.

[10] The changes recommended above would not be implemented until February 2021, due to a current ticketing system freeze change until mid-January 2021.

[11] The changes recommended above would also be an interim step, as through the development of the Regional Public Transport Plan and Long Term Plan, Council will need to make some decisions in terms of the fare revenue it needs to collect.

[12] The current fare revenue assumption for 2021/22 is that Council will collect at least the same amount of fare revenue as it was collecting before Covid-19. Based on the results of the Phase 1 fares to date, that will likely mean a move away from a \$2.00 adult Bee card fare.

[13] The 2020/21 annual financial impact of the above is estimated as:

| Dunedin | | | | Wakatipu | | | |
|--|-----------------------|---------------------|-------------------|--|-----------------------|---------------------|-------------------|
| | Annual 2020/21 Budget | 2020/21 Forecast | Difference | | Annual 2020/21 Budget | 2020/21 Forecast | Difference |
| Fares | -\$5,000,000 | -\$3,456,056 | | Fares | -\$2,800,000 | -\$1,224,815 | |
| Additional NZTA investment - Covid top up | | -\$764,630 | | Additional NZTA investment - Covid top up | | -\$1,110,086 | |
| Additional NZTA investment - Phase 1 Fares | | -\$178,923 | | Additional NZTA investment - Phase 1 Fares | | \$0 | |
| Total | -\$5,000,000 | -\$4,399,609 | -\$600,391 | Total | -\$2,800,000 | -\$2,334,901 | -\$465,099 |

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Approves** fare Option D2 (retain the current fares [excluding SuperGold Card] at least until the end of the 2020/21 financial year) for Dunedin.
- 3) **Notes** that at a staff level there has been engagement with Dunedin City Council staff on this matter and advice received that Dunedin City Council will await the outcome of the Regional Council's deliberations on this matter before considering its own response.
- 4) **Notes** that the fare revenue implication of Option D2 is forecast as a reduction in 2020/21 annual fare revenue of about \$600,000.
- 5) **Approves** fare Option Q1 (return to pre-COVID-19 fares) for Queenstown.
- 6) **Notes** that the fare revenue implication of Option Q1 is forecast as a reduction in 2020/21 annual fare revenue of about \$470,000.
- 7) **Approves** fare Option SGCA (free for SuperGold Bee card holders in the weekday interpeak period and after 6:30 pm and free all weekend) for both Dunedin and Queenstown.
- 8) **Notes** that the fare revenue implication of Option SGCA is estimated to be a monthly increase of about \$9,000 compared to the Phase 1 (transitional) period (incorporated in the values in recommendation's 4 and 6).
- 9) **Notes** that the changes recommended above to Dunedin and Queenstown fares will be implemented following the end of the Christmas 2020 electronic ticketing system change-freeze in mid-January 2021 (changes likely to be implemented in February 2021).

BACKGROUND

[14] Council is a founding member and leads the Regional Consortium that has procured and progressively deployed a new public transport Regional Integrated Ticketing System. The arrival of the COVID-19 pandemic in New Zealand in March 2020 impacted the deployment of the system. It provided an opportunity for Consortium partners to

deploy the system earlier than programmed, provided they were prepared to make temporary concessions relating to fares.

[15] Accordingly, in May 2020, Council agreed to:

“2) *Adopts in principle the following implementation approach to reintroduce fares and concessions in Dunedin and Queenstown:*

- *Phase 1 (transitional) – implement discounted interim fares for all users such that high rates of concession registration and validation are not required prior to system launch (removes concession registration from the critical path).*
- *Phase 2 - implement normal fares and concession entitlements by January 2021, or such other time as agreed by Council.”*

[16] Council primarily designed Phase 1 to minimise face-to-face interactions and simplify the system rollout.

[17] Following a public consultation exercise in Dunedin and its May 2020 decision, Council resolved in August 2020 to implement the following fares:

Dunedin Fares

| Bee Card | | | Cash |
|-----------------|--------------|--------|--------|
| Zones travelled | Adult | Youth | All |
| All | \$2.00 | \$1.50 | \$3.00 |
| SuperGold Card | Free all day | | |

Queenstown Fares

| Bee Card | | | Cash |
|----------------|--------------|--------|--------|
| All | Adult | Youth | All |
| All | \$2.00 | \$1.50 | \$4.00 |
| SuperGold Card | Free all day | | |

[18] The interim fares above were implemented in Dunedin on 1 September 2020 and in Queenstown on 15 September 2020. Prior to those dates, bus services in both centres had been free to passengers from late March 2020 (initially in response to COVID-19 and then to enable the deployment of the new ticketing system).

[19] The fares that applied prior to COVID-19 were:

Dunedin Fares

| GoCard | | | | Cash | |
|-----------------|---------------------------------------|--------|--------------------------------------|---------|--------|
| Zones travelled | Adult | Child | Tertiary student / other concessions | Adult | Child |
| 1 | \$1.92 | \$1.15 | \$1.72 | \$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 |
| SuperGold Card | Free 9:00 am - 3:00 pm, after 6:30 pm | | | | |

Queenstown Fares

| GoCard | | | Cash | |
|-----------------|---------------------------------------|--------|---------|--------|
| Zones travelled | Adult | Youth | Adult | Youth |
| 1 | \$2.00 | \$1.50 | \$5.00 | \$4.00 |
| Airport | | | \$10.00 | \$8.00 |
| SuperGold Card | Free 9:00 am - 3:00 pm, after 6:30 pm | | | |

- [20] In Dunedin, prior to COVID-19, of the 23 routes Council currently contracts for, customers using all except five (route 1 Palmerston to City, route 14 Port Chalmers to City, route 18 Portobello to City, route 70 Brighton to Abbotsford and Green Island and route 77 Mosgiel to City) paid a maximum of two fare zones.
- [21] As noted above, the objective of the May decision was to speed up the deployment of the new ticketing system by simplifying its roll out. A secondary objective was to test how a flat fare may work in Dunedin.

PATRONAGE & REVENUE

- [22] In May 2020 staff provided Councillors with forecasting at that time on future patronage and revenue for Dunedin and Queenstown, based on two models¹.
- [23] The presented modelling results for 2020/21 are shown below for both sources and represent the difference between pre and post COVID-19:

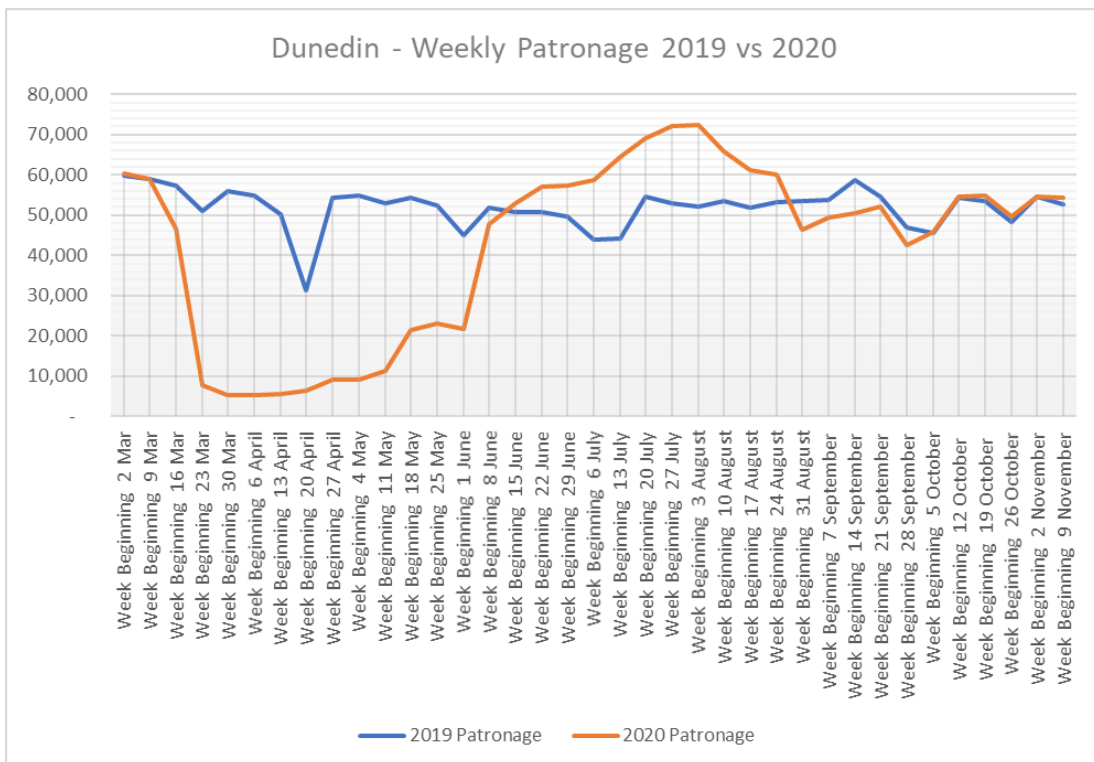
| | Fare + SGC Revenue (GST ex, \$millions) | | | Patronage (millions) | | |
|------------|---|-------------------------------|--------------------------------|----------------------|-------------------------------|--------------------------------|
| | Jan - Dec '19 Actual | Est 2020/21 McKinsey Scenario | Est 2020/21 LG Sector Scenario | Jan - Dec '19 Actual | Est 2020/21 McKinsey Scenario | Est 2020/21 LG Sector Scenario |
| Dunedin | \$5.2 | \$3.9 | \$2.9 | 2.6 | 1.9 | 1.5 |
| Queenstown | \$3.1 | \$2.2 | \$1.6 | 1.5 | 1.0 | 0.8 |

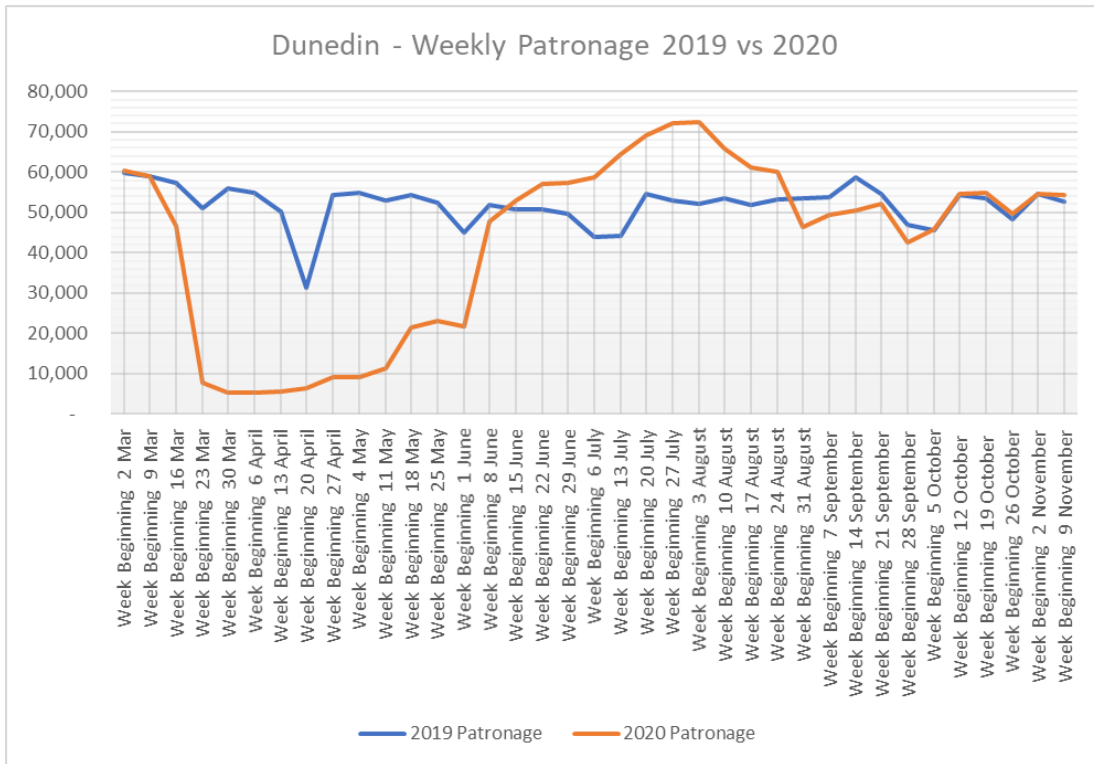
¹ COVID-19: Briefing Note prepared by McKinsey & Co in March 2020 (referred to at the Council meeting on 6 May); and Local Government Sector COVID-19 Financial Implications Report 2 – Alert Level Scenarios.

- [24] As can be seen in the table above, the two modelling scenarios forecast a significant patronage and revenue impact for the 2020/21 financial year, before the interim fares were implemented.
- [25] In terms of fare revenue, as shown above, the initial modelling forecasted annual Dunedin fare revenue of \$2.9m to \$3.9m for 2020/21. This translates to a monthly average of \$241,000 to \$324,000 (or a reduction of between \$107,000 to \$190,000).
- [26] The Council decision to implement the interim fares in Dunedin was forecast to increase that monthly deficit by another \$29,000 to \$38,000.
- [27] For Queenstown, the initial modelling forecasted annual fare revenue of \$1.6m to \$2.2m for 2020/21. This translates to a monthly average of \$135,000 to \$181,000 (or a reduction of between \$77,000 to \$123,000).
- [28] The Council decision to implement the interim fares in Queenstown was forecast to increase that monthly deficit by another \$9,000 to \$13,000.
- [29] Both scenarios assumed patronage would recover over time.
- [30] In July 2020, Waka Kotahi NZ Transport Agency (WKNZTA) released new policy guidance that it would provide additional funding to cover public transport fare revenue shortfalls as a result of COVID-19 for the period 1 July to 31 December 2020.
- [31] This meant WKNZTA would fund Council’s shortfall in fare revenue for Dunedin and Queenstown resulting from COVID-19 impacts on patronage up to December 2020. However, Council also implemented cheaper fares in Dunedin and that is not covered by the new policy.

Dunedin – Patronage & Revenue

[32] Figure 4 below shows how Dunedin patronage has trended since the pandemic began.

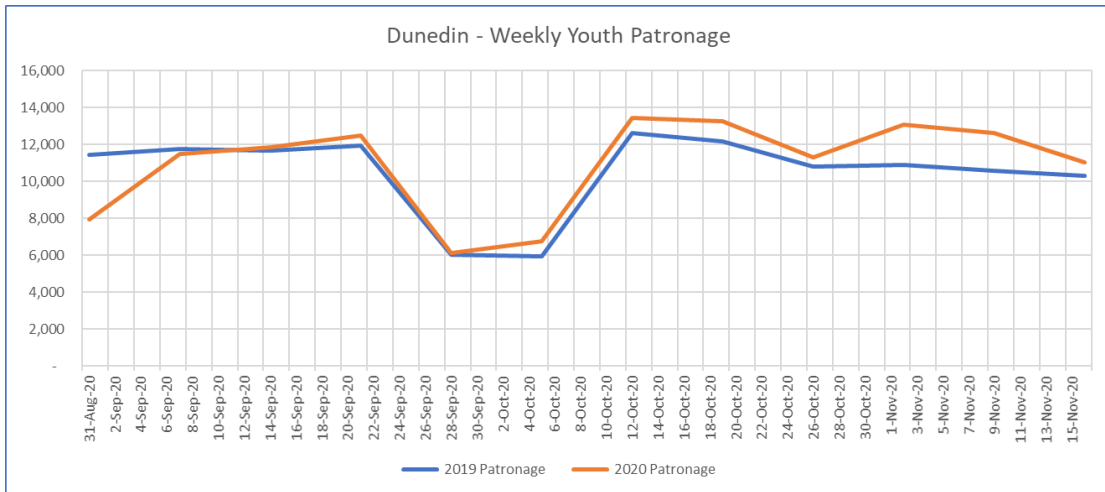




- [33] As can be seen above, from October 2020, patronage in Dunedin is back to pre-COVID-19 levels (actually 2% higher).²
- [34] Since the new ticketing system has been live, both youth (5 to 18 years of age) and adult patronage has increased (see the figure below relating to youth patronage).

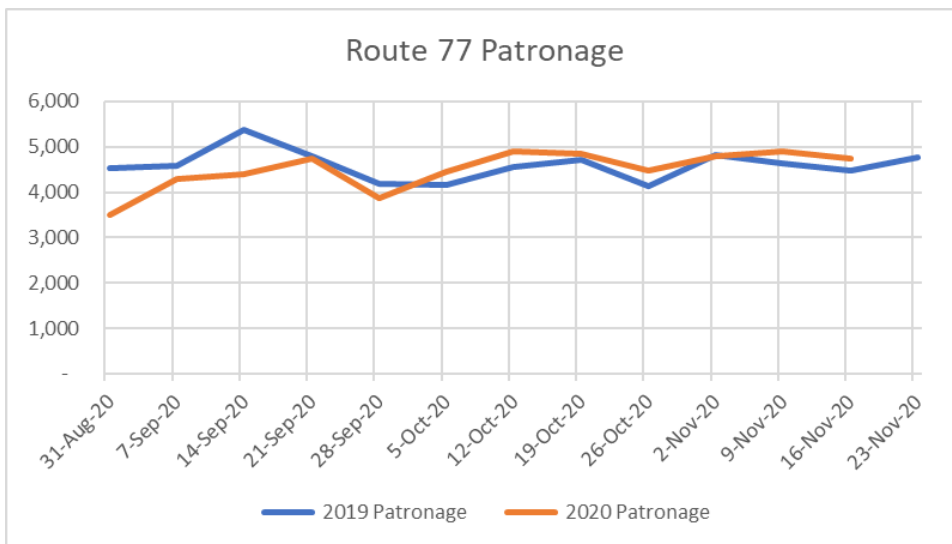
²Things to note (also applies to Queenstown):

- week beginning 9 March until Week beginning 1 June 2020 is Alert level 2, 3 and 4, due to COVID-19:
- week beginning 8 June until Week beginning 3 August is when we were in Alert level 1 and patronage was high due to free buses;
- week beginning 3 August is when we were back into Alert level 2 so patronage dropped due to restrictions on buses;
- week beginning 31 August is when we launched the Bee Card in Dunedin and 14 September for Queenstown;
- week beginning 21 September until 5 October is when school holidays were; and
- for Queenstown only, the week beginning 9 November 2019 spike is due to the 2019 Queenstown Marathon.



[35] Should that continue in 2021, it may pose a risk to the viability of the current commercial school bus service (flagged by the operator prior to the Council August 2020 decision). If it withdrew as a result, it would likely increase school student patronage on Council-contracted buses, leading to full buses and requests that additional buses be added. If that happened and Council agreed to provide additional buses, there would be an additional cost on Council to do so.

[36] For our longer routes (such as Route 77 Mosgiel), patronage in general has increased:



[37] For October to mid-November 2020, the above figure is showing about a 5% growth in patronage on the Mosgiel bus route compared to the same period a year ago.

Dunedin – Revenue

[38] The Table below shows the impact of COVID-19 and the interim fares on fare revenue (figures are GST exclusive):

| Dunedin (excludes top-up's and SuperGold) | | | | |
|--|--------------|--------------|--------------------------------|-------------------|
| | 2019 | 2020 | 2020 proportion of 2019 | Difference |
| September | \$371,157.59 | \$263,175.38 | 71% | -\$107,982 |
| October | \$369,749.59 | \$275,287.48 | 74% | -\$94,462 |
| November | 376253.7565 | 267983.4783 | 71% | -\$108,270 |

[39] While the interim fares were introduced at the start of September 2020 for Dunedin, given it was the first month of the deployment of the new ticketing system, a better fare revenue guide would be to use the October and November revenue figure. That said, the data is exceptionally limited for the purposes of decision-making.

[40] While the difference between actual October and November 2020 fare revenue compared to 2019 was an average of \$101,000, of that number, lost SuperGold concession fare revenue (as separate from the normal SuperGold Card reimbursement) accounts for about \$9,000 per month. This means the COVID-19 and interim flat fare difference is about \$92,000.

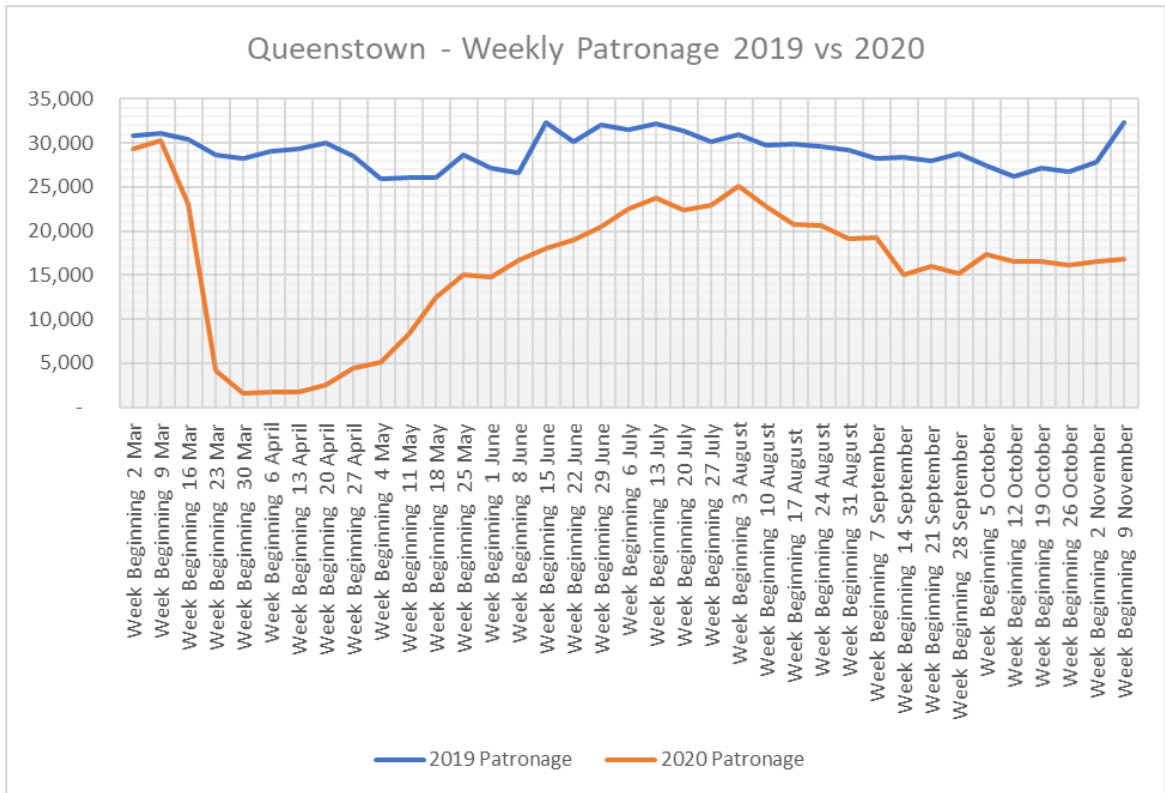
| Dunedin | | | |
|--|------------------------------|-------------------------|-------------------|
| | Annual 2020/21 Budget | 2020/21 Forecast | Difference |
| Fares | -\$5,000,000 | -\$3,456,056 | |
| Additional NZTA investment - Covid top up | | -\$764,630 | |
| Additional NZTA investment - Phase 1 Fares | | -\$178,923 | |
| Total | -\$5,000,000 | -\$4,399,609 | -\$600,391 |

[41] Using October and November 2020 as a guide, continuing with the current Phase 1 fares is estimated to present an annual fare revenue shortfall of about \$0.6 million.

[42] The above assumes that WKNZTA does not extend its fare policy providing additional funding to cover public transport fare revenue shortfalls as a result of COVID-19 past 31 December 2020.

Queenstown – Patronage

[43] The figure below shows how Queenstown patronage has trended since the pandemic arrived in New Zealand.



[44] As can be seen, from October 2020, patronage in Queenstown has been about 40% lower than pre-COVID-19 levels.

Queenstown – Revenue

[45] The Table below shows what impact COVID-19 and the interim fares on fare revenue has been (figures are GST exclusive):

| Queenstown (excludes top-up's and SuperGold) | | | | |
|--|--------------|---------------|-------------------------|------------|
| | 2019 | 2020 | 2020 proportion of 2019 | Difference |
| September (15 Sept onwards) | \$114,938.91 | \$ 56,973.04 | 50% | -\$57,966 |
| October | \$236,697.83 | \$ 123,488.70 | 52% | -\$113,209 |
| November | \$266,340.87 | \$ 122,156.09 | 46% | -\$144,185 |

[46] As can be seen in the Table above, for October and November 2020, fare revenue in Queenstown was on average about 52% lower than pre-COVID-19 levels (very similar to the Local Government Sector COVID-19 Financial Implications scenario).

[47] While the difference between October and November 2020 and 2019 was an average of \$129,000.

| Wakatipu | | | |
|--|-----------------------|---------------------|-------------------|
| | Annual 2020/21 Budget | 2020/21 Forecast | Difference |
| Fares | -\$2,800,000 | -\$1,224,815 | |
| Additional NZTA investment - Covid top up | | -\$1,110,086 | |
| Additional NZTA investment - Phase 1 Fares | | \$0 | |
| Total | -\$2,800,000 | -\$2,334,901 | -\$465,099 |

- [48] Using October and November 2020 as a guide, it is estimated that returning to the pre-COVID-19 fares will present an annual fare revenue shortfall of about \$0.47 million.
- [49] The above assumes that WKNZTA does not extend its fare policy providing additional funding to cover public transport fare revenue shortfalls as a result of COVID-19 past 31 December 2020.

OPTIONS – DUNEDIN PHASE 2 FARES (EXCLUDING SUPERGOLD CARD FARES)

- [50] The report notes previously that the decision made by Council in May 2020 was that it would return to collecting fares and concessions by January 2021, or such other time as agreed by Council. As such, Council has options available to it as to what happens in January 2021. These include:

- Option D1 – return to the pre COVID-19 fares;

| Zones travelled | Bee Card | | | Cash | |
|-----------------|----------|--------|--------------------------------------|---------|--------|
| | Adult | Child | Tertiary student / other concessions | Adult | Child |
| 1 | \$1.92 | \$1.15 | \$1.72 | \$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 |

- Option D2 – retain the current fares at least until the end of the 2020/21 financial year;

| Zones travelled | Bee Card | | Cash |
|-----------------|----------|--------|--------|
| | Adult | Youth | All |
| All | \$2.00 | \$1.20 | \$3.00 |

- Option D3 – Option D2 but with the reintroduction of Go Card Extra and/or Tertiary concessions; and

| Bee Card | | | | Cash |
|-----------------|--------|--------|--------------------------------------|--------|
| Zones travelled | Adult | Youth | Tertiary student / other concessions | All |
| All | \$2.00 | \$1.20 | \$1.72 | \$3.00 |

- Option D4 – a hybrid of Options D1 and D2 (for example pre-COVID-19 zone 1 fares and the amalgamation of zones 2 to 5 into a single zone).

| Bee Card | | | Cash |
|-----------------|--------|--------|--------|
| Zones travelled | Adult | Youth | All |
| 1 | \$1.92 | \$1.15 | \$2.60 |
| 2 | \$2.53 | \$1.52 | \$3.40 |

[51] Regional Council staff have engaged with staff at DCC to ensure there is full awareness of the options that Council intended to evaluate. Feedback from DCC staff was that DCC would await the outcome of Regional Council deliberations on this matter before considering its own response if necessary.

Dunedin Option Analysis

[52] An analysis of the four options for Dunedin is shown in the table below:

| Option | Encourages Patronage | Revenue cost | Ease of Implementation (e.g. ticketing system changes, etc) | Timeliness of Implementation | Ease of Implementing Future RPTP Fare Policy | Ease of Communication |
|----------------------------|----------------------|--------------|---|------------------------------|--|-----------------------|
| D1 - pre-Covid | xx | x | x | xx | ✓ | xx |
| D2 - continue interim | ✓ | x | ✓✓✓ | ✓✓✓ | ✓ | ✓✓✓ |
| D3 - continue interim plus | ✓✓ | xx | xxx | xxx | x | ✓✓ |
| D4 - zone 1 and zone 2 | ✓✓ | xx | xxx | xxx | xx | ✓ |

[53] The recommended option is D2 – retain the current fare structure through until the end of the financial year.

[54] Option D2 means former zone 1 travelling Go Gard Extra and Tertiary concession passengers would continue to pay \$0.28 per trip more, while 64% of the combined fare class would pay at least \$0.28 less than pre-COVID-19.

[55] Staff believe it is the preferred option because:

- it is expected to continue to grow patronage³. While options D3 and D4 would also do that, the estimated difference between the three options is about 1% compared to pre-COVID-19 levels. Returning to Option D1 would likely result in patronage decrease, especially for the estimated 70% of passengers that pay lower fares than the pre-COVID-19 fare levels.

³ It is not possible to determine at this stage if the Phase 1 fares are inducing extra patronage, or causing mode change (or a combination of both).

- Revenue cost is a challenge, irrespective of Option selected. As options D3 and D4 propose lower fares than Option D2, it is likely that fare revenue foregone would be greater. Intuitively, returning to pre-COVID-19 fares (Option D1) should translate into greater fare revenue, but as noted above, 70% of passengers benefit from lower fares and increasing those may translate to lost patronage and lower fare revenue.

As noted earlier in the report, based on very limited data, it is estimated option D2 would come at a cost of about \$85,000 per month in foregone fare revenue for January to June 2021.

- All options apart from D2 require changes to the fares and tariffs tables underpinning the ticketing system and further testing before being able to be deployed. With Christmas approaching, the fare changes as proposed in options D1, D3 and D4, cannot be implemented until after mid-January 2021 (there is a change freeze in place from mid-December to mid-January). This will also impact any changes to SuperGold Card fares.

In addition, reinstating concessions at this time for an important but still minority of Go Card Extra and Tertiary passengers, would require a major concession validation exercise.

- In terms of future Regional Public Transport Plan policy there is little difference between Options D1 and D2. One would go back to the former fares and the other stay with what we now have in place. Options D3 and D4 scored slightly worse on this feature as Council would be reinstating concessions that could potentially change post the Plan review or introducing a new zonal structure that too could change. On top of that, implementing Options D1, D3 or D4 would potentially see three or four substantial changes to fare structures in about 12 months – in terms of certainty, not ideal for our customers.
- Retaining the status quo for the next six months (Option D1) is an easier message to convey to our customers than returning to the pre-COVID-19 fare structure (and having to explain zones again) or either of the other two options (D3 and D4).

[56] In summary, Option D2 (Phase 1 interim fares) should grow patronage more, cost less than most of the other options and be easier to implement.

OPTIONS – QUEENSTOWN PHASE 2 FARES (EXCLUDING SUPERGOLD CARD FARES)

[57] The decision made in regard to Queenstown fares for the interim period was to simplify them by removing the Airport zone and condensing four cash fares to one.

[58] As noted earlier in the report, Queenstown patronage is currently tracking a bit over 60% of pre-COVID-19 levels. The Queenstown Transport Business Case forecasts that it is unlikely to recover until 2024.

[59] In terms of Phase 2 fares, Council has at least two options:

- Option Q1 – return to the pre COVID-19 fares; or

| GoCard | | | Cash | |
|-----------------|--------|--------|---------|--------|
| Zones travelled | Adult | Youth | Adult | Youth |
| 1 | \$2.00 | \$1.50 | \$5.00 | \$4.00 |
| Airport | | | \$10.00 | \$8.00 |

- Option Q2 – retain the current fares at least until the end of the 2020/21 financial year.

| Bee Card | | | Cash |
|-----------------|--------|--------|--------|
| Zones travelled | Adult | Youth | All |
| All | \$2.00 | \$1.50 | \$4.00 |

[60] Regional Council staff have only latterly engaged with staff at Queenstown Lakes District Council (QLDC) on the options above. Should they receive feedback from QLDC staff prior to the Council meeting, it will be shared on the day.

Queenstown Option Analysis

[61] An analysis of the two options for Queenstown is shown in the table below.

| Option | Encourages Patronage | Revenue cost | Ease of Implementation (e.g. ticketing system changes, etc) | Timeliness of Implementation | Ease of Implementing Future RPTP Fare Policy | Ease of Communication |
|-----------------------|----------------------|--------------|---|------------------------------|--|-----------------------|
| Q1 - pre-Covid | x | ✓ | x | xx | ✓ | ✓ |
| Q2 - continue interim | ✓ | x | ✓✓✓ | ✓✓✓ | x | ✓ |

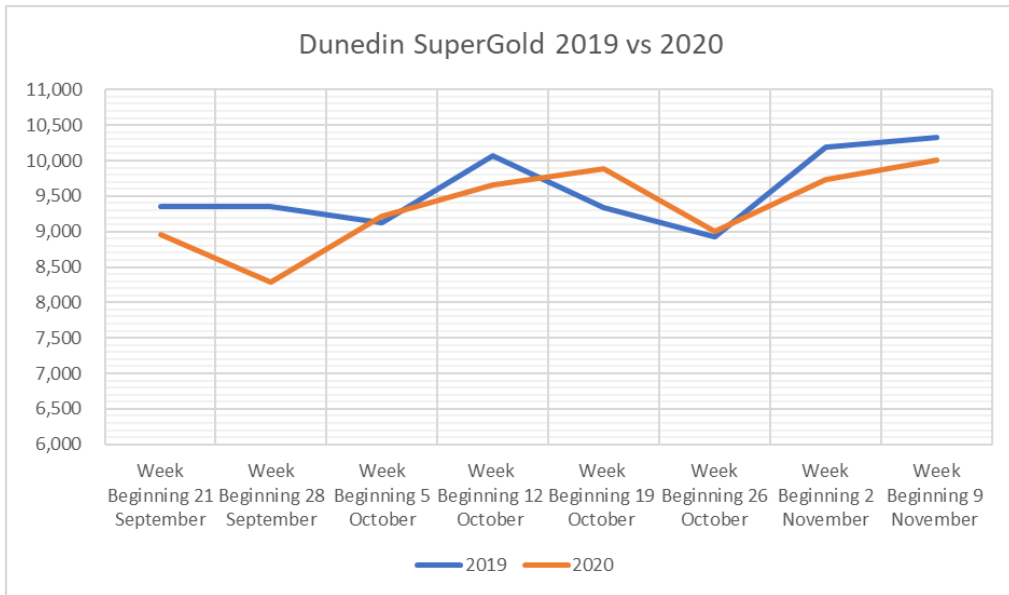
[62] As can be seen, while Option Q2 appears to score better than Option Q1, it will come at a greater revenue foregone cost. That is unlikely to be significant given the current level of patronage in Queenstown, but Option Q1 should return more fare revenue and is why staff recommend it over Option Q2.

OPTIONS - PHASE 2 SUPERGOLD CARD FARES

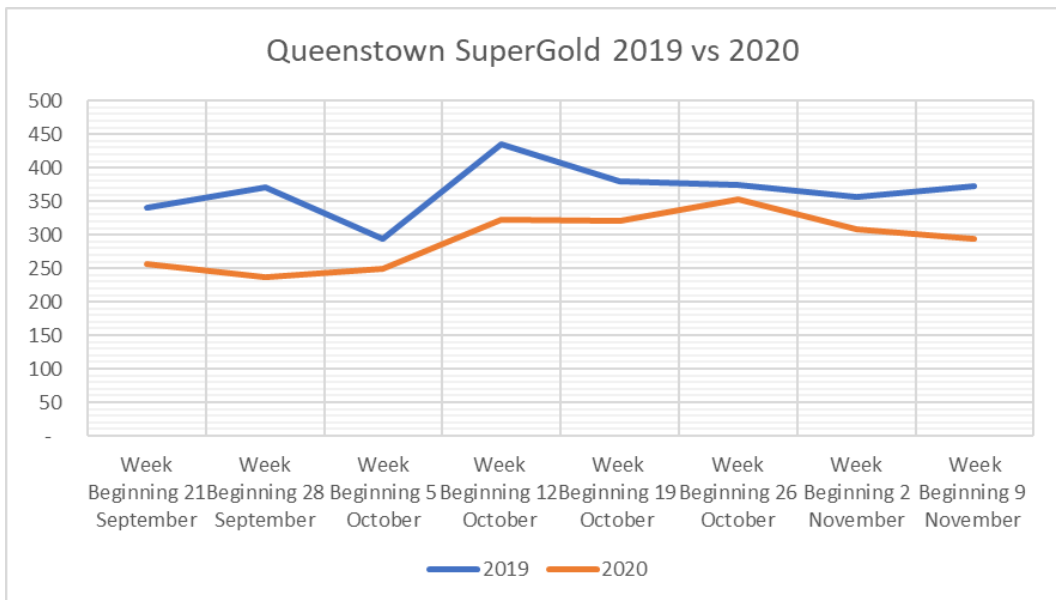
[63] The SuperGold Card free travel concession is a national initiative regulated by central government policy. That policy enables free travel for SuperGold Card holders on weekdays between 9:00 am and 3:00 pm and after 6:30 pm and all weekend. The reimbursement provided by central government for this travel only applies to travel in the eligible time periods.

[64] For the Bee card rollout Council agreed to make SuperGold Card holder travel free all day in Dunedin and Queenstown.

[65] Nationally, apart from Council currently, staff believe only the Auckland and Bay of Plenty regions offer free travel to SuperGold Card holders outside the nationally mandated eligible time periods. For both regions, travel is free after 9:00 am all weekdays. However, for both, the cost of travel between 3:00 and 6:30 pm is met by the respective councils.



[66] As can be seen above, for the period being reported, SuperGold Card concession travel in Dunedin is currently almost back to normal (-2.32% below pre-COVID-19 levels).



[67] As can be seen above, for the period being reported, SuperGold Card concession travel in Queenstown is currently 19.4% below pre-COVID-19 levels.

- [68] In regard to the SuperGold Card fare concession going forward, Council has at least two options available to it:
- Option SGCA – return to the pre COVID-19 fares (that is, SuperGold Card travel would only be free weekdays between 9:00 am and 3:00 pm and after 6:30 pm and free all weekend).

- Option SGCB – retain the status quo (that is, SuperGold Card travel would continue to be free all day).

[69] Since launching the Bee card, councils have been reminded by the WKNZTA of a 2015 central government policy decision that requires the use of cards such as the Bee card by SuperGold Card holders to access their free travel concession.

[70] As from the start of December 2020, for Otago bus services contracted by Council, to access the concession, SuperGold Card holders had to use a Bee card containing their concession.

[71] The rationale for making SuperGold Card travel free in the interim period, was to minimise the need for seniors to get a Bee card and validate their concession. However, in deploying the Bee card, a significant proportion of in-person contacts with Council staff were seniors accessing the new card. Currently 86% of SuperGold Card customers are using a Bee Card to access their travel concession.

[72] In terms of financial impact, Option SGCA will mean Council will be able to collect additional (compared to the last few months) fare revenue from seniors travelling in the peaks (estimated based on pre-COVID-19 to be about \$110,000 per annum). The removal of free travel all day is also likely to encourage some seniors to travel in the eligible period and that may translate to slightly more WKNZTA revenue to Council.

[73] In terms of the two options, staff recommend Council adopt and implement Option SGCA (that is, only free in the weekday interpeak and after 6:30 pm and free all weekend) because:

- it is consistent with national policy and practice;
- irrespective of what time period the concession applies, seniors that wish to access it must do so by using a Bee card containing their validated concession (and most currently are); and
- it provides a slightly better financial return.

[74] As noted above, due to the current ticketing system freeze change, the change recommended above would not be implemented until February 2021 (so SuperGold Card Bee card holders will get an extra month of free travel).

Risk Considerations

[75] The proposal has and creates some revenue risk both for the current financial year and the following year(s).

[76] Some of that relates to whether the WKNZTA extends its current COVID-19 fare policy into the second half of the current financial year (particularly important for Queenstown where patronage is forecast to be slow coming back).

[77] As noted earlier in the report, Council currently has limited data upon which to draw firm conclusions.

- [78] In regard to continuing with the Phase 1 fares in Dunedin for the second half of the current financial year, there is no certainty that the fare revenue foregone cost will be shared with other potential investment partners and so it would rest fully with Council.
- [79] Council will also need to make decisions through the development of the 2021 -31 Long Term Plan in regard to fare revenue estimates for the next financial year. Currently, budget numbers for Dunedin assume annual fare revenue levels at pre-COVID-19 levels. Based on the data to date, that is unlikely to be achieved by continuing with the Phase 1 fares in the next financial year.
- [80] In making those decisions it will also need to take in to account the views of WKNZTA; likely to be that it will not support a fare solution that delivers less revenue (such as continuing with \$2.00 fares in Dunedin).
- [81] In addition, the Dunedin Passenger Transport Reserve currently has a negative balance. That will increase further by the end of the 2020/21 financial year due to the effects of Covid-19 on patronage and as a result of the Phase 1 transitional fares (both resulting in less fare revenue than budget). This means the Reserve will need to be rebuilt over the life of the next Long Term Plan.

NEXT STEPS

- [82] The next steps are:
- Council to decide fares for the second half of the financial year (the purpose of this report);
 - Council staff to communicate changes;
 - Council to decide fares for 2021/22 through the review of the Regional Public Transport Plan and Long Term Plan processes.

ATTACHMENTS

Nil

7.4. Shaping Future Dunedin Transport Business Case

Prepared for: Council
Report No. PT1915
Activity: Transport - Transport Planning
Author: Letitia McRodden, Public Transport Planner
Garry Maloney, Manager Transport
Endorsed by: Gavin Palmer, General Manager Operations
Date: 1 December 2020

PURPOSE

- [1] The purpose of this report is to present the Otago Regional Council projects, within the wider Shaping Future Dunedin Transport Programme, for consideration for inclusion within the 2021-2031 Long Term Plan.

EXECUTIVE SUMMARY

- [2] In 2018, the announcement of the site for the new Dunedin Hospital was the catalyst for additional transport planning work, initiated by Dunedin City Council (DCC) and Waka Kotahi NZ Transport Agency (WKNZTA), exploring how the transport network could support access to the site. This initially focussed on the arterial network and whether removing the SH1 one-way system and replacing it with a two-way system (one arterial road and one local road) would enhance hospital access and deliver other city benefits.
- [3] This work was further developed through the Shaping Future Dunedin Transport Programme Business Case.
- [4] A preferred programme has emerged which includes retaining the SH1 one-way system and making improvements to public transport, walking and cycling networks, enhancing the Harbour Arterial and improving parking management to encourage mode shift.
- [5] The aspects of the mode shift programme for Council include improved public transport services and frequencies, upgraded public transport infrastructure and consideration of fare pricing.
- [6] While further investigation is needed to confirm the detailed costs, timing and level of Council's interventions, provision needs to be made in the Draft 2021-2031 Long term Plan for that to happen.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
 - 2) **Approves** the inclusion of the Otago Regional Council projects in the Shaping Future Dunedin Transport Programme (as outlined in this report) within the Draft 2021-2031 Long Term Plan.
-

BACKGROUND

- [7] In 2018, the announcement of the site for the new Dunedin Hospital was the catalyst for additional transport planning work, exploring how the transport network could support access to the site. This initially focussed on the arterial network and whether removing the State Highway 1 one-way system and replacing it with a two-way system (one arterial road and one local road) would enhance hospital access and deliver other city benefits.
- [8] This work was further developed through the Shaping Future Dunedin Transport (SFDT) Programme Business Case (PBC).
- [9] The PBC phase is where an in depth understanding of the problems, opportunities and constraints are developed and presented through evidence based data, information collection and analysis.
- [10] It identifies an optimal mix of alternatives and options to alleviate the identified or perceived problems or address the potential opportunities.
- [11] The PBC does not look at detailed solutions at this stage but considers a broad mix of activities that might be delivered by multiple parties over a period of time. As such, the PBC provides high level indicative costs for the recommended interventions. The detailed costs and timing of those interventions are usually determined through targeted investigation following the PBC (such as a single stage or detailed business case).
- [12] The SFDT Programme is a set of integrated and complementary projects that have been developed for the Connecting Dunedin partnership¹ and component projects are expected to be delivered by each partnership agency. This report focuses on funding for planning and implementation of the SFDT Programme. It presents the public transport portion of the mode shift aspect that makes up the Council's contribution to the overall programme. Similar reports will be presented to the DCC and Waka Kotahi covering their projects and contribution.
- [13] The SFDT projects outlined in this report are not in the 2018 – 2028 Long Term Plan.

SHAPING FUTURE DUNEDIN TRANSPORT PROGRAMME BUSINESS CASE

- [14] The SFDT PBC identifies the following two problems:
- Problem one: The New Dunedin Hospital site fronts the busiest roads in the central city which will create a barrier to safe and easy pedestrian access to the building and result in poor integration and interaction with the city.
 - Problem two: The design, use and management of central city routes means many roads operate in a similar way resulting in dispersal of traffic and severance between key city precincts, creating safety and amenity issues and suppressing walking and cycling.

¹ The Connecting Dunedin Partnership comprises Dunedin City Council, Otago Regional Council and Waka Kotahi NZ Transport Agency. Councillors Noone, Deaker and Forbes and the Council's Chief Executive are members of the Governance Group.

- [15] The benefits sought by the PBC are to:
- Improve safety
 - Improve multi-modal access to and within the central city
 - Improve place quality and walking environment within the city
 - Improve attractiveness of city as place to invest, live, work and play
 - Enhance connectivity between key destinations for active modes
 - Improve environmental outcomes, moving towards zero carbon by 2030
- [16] Opportunities noted by the PBC include:
- Integration of new Dunedin Hospital with city
 - Use of risk-free trials to enable easier travel behaviour change
 - Stimulate sustainable economic growth/ regeneration
 - Create Dunedin's future transport system
 - Utilise disruption due to construction to trigger travel behaviour change
- [17] The preferred programme includes elements common to both scenarios investigated (that is, one-way option on SH1 and a two-way option on SH1).
- [18] Discussions related to the one-way system are continuing at the governance level, however this is not expected to impact the following elements that are common to both scenarios:
- bus service improvements and incentives, such as possible fare products;
 - Harbour arterial improvements to manage traffic;
 - St Andrew Street pedestrian focus;
 - Relocate SH88 to Frederick Street;
 - Parking strategy and assessment of off-street options;
 - Pedestrian package of works;
 - Cycleway pack of works, including Albany Street; and
 - Behaviour change programme.
- [19] A key output of the SFDT Programme is the mode shift programme made up of aspects of the base programme including bus services improvements, parking strategy and assessment of off-street options, pedestrian package of works, cycleway package of works and a behaviour change programme.
- [20] For public transport, the aspiration of the mode shift programme is to increase journey to work by bus from 3.4% in 2018 to 8% in 2030.
- [21] Council's proposed contribution to the potential benefits of the SFDT programme are in further investigation and delivery of improved bus services and infrastructure (detailed below), to achieve increased mode share for public transport

ORC INDICATIVE PROGRAMME, COSTS AND STAGING

[22] The SFDT PBC is reaching a stage where the partners are being asked to endorse substantive parts of it. For Council, endorsement means committing to investing in principle in the following interventions (identified as contributing to the delivery of the PBC objectives):

- Business cases – these are two business cases to demonstrate the case for investment in improved public transport services (levels of service and fares) and proposed improvements to the Hub and implementation of super stops. A second business case is recommended for the following LTP funding cycle to determine further improvements required as the operating environment changes, benefits are realised, and new problems and opportunities emerge.
- Infrastructure – super stops² and Bus Hub. Five super stops signalled in the 2014 RPTP to be located in North Dunedin, Tertiary Precinct, Mosgiel, Green Island and South Dunedin. These would be constructed one per year starting in 2023/24 (preliminary works would begin in 2022/23)

The Proposed bus hub changes allow for additional seating and shelter as well as amenity upgrades such as lighting.

- Increased bus services - increase peak frequency services and introduction of direct/nonstop services from Mosgiel (an express), as well as increased peak frequencies from Port Chalmers and Portobello and a new service from Green Island via South Dunedin.
- Personnel – to provide support for programme planning and implementation.
- Detail on proposed cost and staging of the interventions is shown below:

| Activity | Total Cost | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|------------------------|--------------|----------|-----------|-----------|-----------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|
| Business Cases | | NZTA FAR | \$204,000 | | | \$204,000 | | | | | | |
| | \$800,000 | ORC | \$196,000 | | | \$196,000 | | | | | | |
| Infrastructure | | NZTA FAR | \$0 | \$102,000 | \$510,000 | \$1,020,000 | \$1,020,000 | \$510,000 | \$408,000 | \$0 | \$0 | \$0 |
| | \$7,000,000 | ORC | \$0 | \$98,000 | \$490,000 | \$980,000 | \$980,000 | \$490,000 | \$392,000 | \$0 | \$0 | \$0 |
| Increased bus services | | NZTA FAR | \$212,565 | \$555,013 | \$710,929 | \$966,884 | \$966,884 | \$966,884 | \$966,884 | \$966,884 | \$966,884 | \$966,884 |
| | \$16,169,993 | ORC | \$204,229 | \$533,248 | \$683,049 | \$928,967 | \$928,967 | \$928,967 | \$928,967 | \$928,967 | \$928,967 | \$928,967 |
| Personnel | | ORC | \$51,000 | \$51,000 | \$51,000 | \$51,000 | | | | | | |

Table 1: Proposed ORC SFDT Intervention Staging and Indicative Cost

[23] Due to the nature of a PBC, projected costs are high level estimates and will be refined through further investigation and analysis to determine the right level of intervention and the timing of improvements to achieve the best outcomes.

[24] The suggested interventions above, are based on known problems and opportunities, have been costed to provide an indicative funding range for the life of the programme.

² Super bus stops will have a higher level of service than general bus stops in the city. It is envisaged that these super stops will have support from nearby facilities to enable the provision of full network maps and timetables, seating and shelter, nearby toilet facilities, bike stands and/or lockers. Provision of super stops was signalled in the 2014 Regional Public Transport Plan.

- [25] The programme recommends a single stage business case in the 2021/22 financial year to deliver the detail required, followed by on-going investment (where justified) in upgraded infrastructure and improved services.

SUPER STOPS

- [26] Provision of super stops was signalled in the 2014 Regional Public Transport Plan. In effect, a “super stop” can be thought of as a deluxe bus stop (the phrase does not seem to be a common one).
- [27] The Plan describes super stops as having a “*higher level of service than general bus stops in the city. It is envisaged that these super stops will have support from nearby facilities to enable the provision of full network maps and timetables, seating and shelter, nearby toilet facilities, bike stands and/or lockers*”.
- [28] An image of a “super stop” is shown below for illustrative purposes. The proposed 2021/22 business case will further define exactly what an Otago super stop is. As noted above, it is proposed the five super stops would be constructed one per year starting in 2023/24, with preliminary works beginning in 2022/23.



[29] Figure 1: Super Stop

OPTIONS

- [30] Council has the following options:
- Option one: endorse the SFDT Regional Council indicative programme in principle, stage Council’s interventions as proposed in this report pending the outcomes from preparation of the proposed SSBC and include funding in the Draft 2021-31 Long Term Plan on that basis.
 - Option two: endorse the SFDT Regional Council indicative programme in principle, stage Council’s interventions on a different timeline (e.g. over ten years) and include funding in the Draft 2021-31 Long Term Plan on that basis.

- Option three: not endorse the SFDT Regional Council indicative programme and not include funding in the Draft 2021-31 Long Term Plan.

- [31] Option one is the recommended option.
- [32] Option one will deliver the highest SFDT benefits for improved multi-modal access, improved attractiveness, enhanced connectivity and improved environmental outcomes over the shortest timeframe through upfront investment in public transport to encourage more mode shift in the short term. This option also directly impacts community outcomes in the Draft 2021-31 Long-Term Plan specifically by contributing to an environment that supports healthy people and ecosystems, a sustainable way of life for everyone in Otago and sustainable, safe and inclusive transport.
- [33] Option two will also deliver on these benefits and outcomes but over a longer duration which may result in lost opportunities during earlier phases of the expected disruption caused to the network by the demolition and construction of the new Dunedin Hospital.
- [34] Option three will not contribute to the SFDT outcomes and benefits and or make a positive impact on community outcomes.

CONSIDERATIONS

Policy Considerations - LTP

- [35] The Otago Regional Council's Long-Term Plan outlines how activities undertaken by Council will help to achieve community outcomes. The Community Outcomes that ORC aims to achieve are:
- Communities that connect with and care for Otago's environment.
 - An environment that supports healthy people and ecosystems.
 - Communities that are resilient in the face of natural hazards, climate change and other risks.
 - A sustainable way of life for everyone in Otago.
 - Te Ao Maori and Mātauranga Kai Tahu are embedded in Otago communities.
 - Sustainable, safe and inclusive transport.
- [36] Council investing in the proposed SFDT interventions outlined in this report will deliver on outcome 6 above.

Policy Considerations - RLTP

- [37] The Regional Land Transport Plan 2021-2031 is currently under development and aims to align closely with the strategic priorities of the GPS: Safety, Better Travel Options, Improving Freight Connections and Climate Change. The draft 30-year vision describes a transport system that provides integrated, quality choices that are safe, environmentally sustainable and support the regions wellbeing and prosperity.
- [38] The SFDT benefits and outcomes align with the direction of the GPS and the developing RLTP.

Policy Considerations - RPTP

- [39] The current Regional Public Transport Plan 2014 sets a goal to provide “Viable passenger transport meeting the needs of Otago’s communities” and contains a number of objectives. Key of those that the SFDT will deliver on is:
- *“provides an alternative to car travel in urban areas and along key corridors to benefit as a whole the communities in which those services operate”.*
- [40] The current Regional Public Transport Plan also signals an intention to develop five super stops across the network.

Financial Considerations

- [41] The SFDT PBC outlines high level indicative costs for ORC’s recommended interventions. The detailed costs and timing of those interventions will be determined through the subsequent business case as indicated.
- [42] However, given Long Term Planning processes, Council needs to include activities in that document where there is a good expectation they will be delivered. This may mean that there is not exact alignment, and that will depend on subsequent investigations (through the business case).
- [43] Table 1 outlines the proposed direct costs of Council’s SFDT interventions. What it does not show is business as usual activities that will support the delivery of those interventions. For example, increasing bus service frequency will require Council staff to vary current contracts.
- [44] Similarly, it is expected the proposed business case work will establish the costs of implementing super stops, including support services to make them a reality (such as procurement, contract management, etc).
- [45] Apart from the proposed personnel costs, all other Council SFDT interventions have been included in and submitted to NZTA in the Council’s draft 2021-24 low cost low risk programme. This is not a guarantee of NZTA funding, but a first step to achieve that.

Risk Considerations

- [46] Within the recommended programme of work are discreet projects led separately by the Connecting Dunedin partners. In some cases, realising the full benefits of a particular project may be dependent on a project under the remit of another partner. It will be important to maintain a coordinated approach to interventions to ensure the complimentary effects of different projects are realised and investment is appropriately committed to dependant.
- [47] The mode shift plan has a target which is expected to be achieved through the recommended interventions. However, the reality will prove whether that is the case or not. If the mode shift targets are not met there will be negative impacts on congestion, carbon emission targets and travel time reliability. If targets are exceeded this could put unexpected pressure on public transport, walking and cycling networks and infrastructure which, if not managed, could cause people to revert to previously preferred modes.

ATTACHMENTS

Nil

7.5. Councillor Appointment to Otago Catchment Community Governance Group

| | |
|----------------------|----------------------------------|
| Prepared for: | Council |
| Report No. | GOV1957 |
| Activity: | Governance Report |
| Author: | Amanda Vercoe, Executive Advisor |
| Endorsed by: | Cr Andrew Noone, Chairperson |
| Date: | 4 December 2020 |

PURPOSE

- [1] To nominate Councillor Bryan Scott as the Otago Regional Council representative to the Otago Catchment Community Governance Group.

EXECUTIVE SUMMARY

- [2] The Otago Catchment Community is in the process of becoming an incorporated society and has elected the founding governance group members in line with this. As part of the formation of the governance group, the Otago Catchment Community has invited Otago Regional Council to nominate a representative to sit on this committee.
- [3] It is proposed that Councillor Bryan Scott is nominated to the Otago Catchment Community as the ORC representative.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Agrees** to nominate Councillor Bryan Scott to be the ORC representative on the Otago Catchment Community Governance Group.

CONSIDERATIONS

Policy Considerations

- [4] N/A

Financial Considerations

- [5] N/A

Significance and Engagement

- [6] N/A

Legislative Considerations

- [7] N/A
-

[8] N/A

Risk Considerations

[9] N/A

NEXT STEPS

[10] To advise the Otago Catchment Community of the ORC's nominated representative.

ATTACHMENTS

Nil

8.1. Recommendations of the 1 December 2020 Strategy and Planning Committee

7.1 LTP Consultation Proposal - Integrated Environmental Management

Resolution

That the Committee:

- 1) **Agrees** that the statement of proposal “integrated catchment management” is a matter of significance as assessed in this report
- 2) **Approves** the statement of proposal “integrated catchment management” for inclusion in the Long-Term Plan 2021-2031

Moved: Cr Malcolm

Seconded: Cr Hobbs

CARRIED

Resolution

That the Committee:

- 1) **Approves** the following options to be presented to the public as part of LTP consultation:
 - a) Option 1: ORC supports and enables integrated environmental management in all the region’s catchments.
 - b) Option 2: ORC leads, facilitates and coordinates integrated environmental management in all the region’s catchments.
 - i. Option 2a: and implements this approach at a moderate pace (over 5 years).
 - ii. Option 2b: and implements this approach at a slow pace (over 10 years).
- 2) **Chooses** Option 2b as the preferred option.

Moved: Cr Malcolm

Seconded: Cr Hobbs

DIVISION:

For: Cr Deaker, Dr Carter, Cr Forbes, Cr Hobbs, Cr Kelliher, Cr Malcolm, Cr Noone, Cr Robertson

Against: Cr Laws, Cr Scott, Cr Wilson

Abstain: Cr Calvert

CARRIED 8 to 3, 1 abstention

7.2 Integrated Otago Trail Network Investigation

Resolution

That the Committee:

- 1) **Receives** this report.
- 2) **Notes** that a Regional Trails Investigation report has been prepared, outlining potential opportunities for the Council to assist development of an integrated trail network throughout the region.
- 3) **Notes** that the opportunities identified in the report could be canvassed by the new proposed integrated catchment management plan and will require additional resources and funding to implement.

- 4) **Further explores** opportunities identified in the report at a future workshop in 2021.

Moved: Cr Calvert

Seconded: Cr Forbes

CARRIED

7.3 ORC Role in South Dunedin/Harbourside Adaptation collaboration with DCC

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the programme of work being delivered by ORC in relation to South Dunedin/Harbourside natural hazards adaptation.
- 3) **Selects Option 3** presented in this report for continuing to collaborate with Dunedin City Council on delivery of that programme.
- 4) **Authorises** staff and the Chair to engage with Dunedin City Council to progress the preferred option and to report back to Council.

Moved: Cr Forbes

Seconded: Cr Hobbs

CARRIED

7.4 Lake Hayes Culvert

Resolution

That the Committee:

- 1) **Receives** this report.
- 2) **Notes** the activities, estimated cost and timeframe that would be required to increase the outlet capacity of Lake Hayes (State Highway 6 culvert).
- 3) **Notes** the improvement and maintenance works that will be undertaken by the Department of Conservation on the department's Lake Hayes walkway and trail this summer and looks forward to a strategy refresh.

Moved: Cr Scott

Seconded: Cr Calvert

CARRIED

RECOMMENDATIONS OF THE FINANCE COMMITTEE MEETING OF 25 NOVEMBER 2020

7.1 Long Term Plan 2021-31: Communications and Engagement Approach

Resolution

That the Committee:

- 1) **Notes** the progress to date on developing the Long-term Plan including the significant matters that have been discussed in Council workshops.
- 2) **Notes** the Draft 'Communications and Engagement Plan Long-term Plan 2021-31 provided as attachment 1 to this report.
- 3) **Agrees** the preferred option 2 for the consultation and engagement approach as outlined in section [10] of this report.
- 4) **Notes** the Communications and Engagement Plan Long-term Plan 2021-31 will be updated to reflect this committee's decision on recommendation three and any other associated decisions.
- 5) **Ask** the community how they prefer to receive communications on the LTP 2021-31.

Moved: Cr Wilson

Seconded: Cr Calvert

CARRIED

7.2 Quarterly Report - September 2020

Resolution

That the Finance Committee:

- 1) **Receives** the attached draft Activity Performance section of the Annual Report for the period 1 July 2019 to 30 June 2020.

Moved: Cr Noone

Seconded: Cr Calvert

CARRIED

7.3 Finance Report

Resolution

That the Finance Committee:

- 1) **Receives** this paper and the attached Finance Report September 2020.

Moved: Cr Wilson

Seconded: Cr Hope

CARRIED

7.4 Rates Strike, Collection 31 October, Penalties

Resolution

That the Finance Committee:

- 1) Receives this report.**

Moved: Cr Wilson

Seconded: Cr Calvert

CARRIED

8.1 Recommendations of the 23 September 2020 Audit and Risk Subcommittee

Resolution

That the resolutions of the Audit & Risk Subcommittee meeting held on 23 September 2020 be adopted by the Finance Committee.

Moved: Cr Calvert

Seconded: Cr Noone

CARRIED

That the Council excludes the public from the following part of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987) namely:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under section 48(1) for the passing of this resolution |
|---|---|--|
| <i>1.1 Minutes of the 25 Nov 2020 Public-excluded Council Meeting</i> | <p>Section 7(2)(g) - To maintain legal professional privilege.</p> <p>Section 7(2)(i) - To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>Section 7(2)(j) - To prevent the disclosure or use of official information for improper gain or improper advantage.</p> | |
| <i>2.1 Lake Wakatipu Ferry Service Trial Procurement Approval</i> | <p>Section 7(2)(i) - To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>Section 7(2)(j) - To prevent the disclosure or use of official information for improper gain or improper advantage.</p> | <p>Section 48(1)(a); subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p> |
| <i>2.2 Chief Executive Key Performance Indicators Update</i> | <p>To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a)</p> | <p>Section 48(1)(a); subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:</p> <p>(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p> |

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