

Council Agenda - 26 June 2024

Meeting will be held in the Council Chamber, Level 2, Philip Laing House, 144 Rattray Street, Dunedin and live streamed to the [ORC YouTube Channel](#)



Members:

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

Senior Officer: Richard Saunders, Chief Executive
Meeting Support: Trudi McLaren, Governance Support Officer

26 June 2024 10:00 AM

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Council MINUTES

Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 20 March 2024, commencing at 11:30 AM.

PRESENT

Cr Gretchen Robertson

(Chairperson)

Cr Lloyd McCall

(Deputy Chairperson)

Cr Alexa Forbes

Cr Gary Kelliher

Cr Michael Laws

Cr Kevin Malcolm

Cr Tim Mepham

Cr Andrew Noone

Cr Bryan Scott

Cr Alan Somerville

Cr Elliot Weir

Cr Kate Wilson

1. WELCOME

Chairperson Robertson welcomed Councillors, members of the public and staff to the meeting at 11.30AM. Staff present included Richard Saunders (Chief Executive), Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Libby Caldwell (Manager Environmental Implementation), Tom Dyer (Manager Science), Jo Galer (Manager Communications and Marketing), Mike Roesler (Manager Corporate Planning), Jack Cowie (Transport Planner) and Trudi McLaren (Governance Support),

2. APOLOGIES

No apologies were received prior to the meeting.

3. PUBLIC FORUM [YouTube 4:58]

Pierre Marasti from Extinction Rebellion spoke and after an opportunity for questions Chair Robertson thanked Pierre for attending.

Liam White from the OUSA spoke to public transport concerns for students and after an opportunity for questions, Chair Robertson thanked Liam for attending.

4. CONFIRMATION OF AGENDA [YouTube: 18:58]

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS [YouTube 19:00]

No changes to Councillor Declarations of Interests were noted. Councillors were reminded to signal to the Chair any conflicts of interest arising during the meeting.

Cr Noone advised that he and Cr Wilson would be sitting back from Item 10.3 ORC Submission on draft Dunedin Future Development Strategy.

6. PRESENTATIONS [YouTube 19:37]

Representatives from Port Otago (Tim Gibson, Chair; Pat Heslin, Deputy Chair; Kevin Winders, CEO and Stephen Connolly, Chief Financial Officer, gave a presentation on their interim report to Council.

Following questions Chairperson Robertson thanked them for the richness of the approach and the presentation. It was also noted that Port Otago is very important to the Otago region and that this was a very good interim result. Chairperson Robertson also thanked Port Otago for their transparency.

Resolution: Cr Weir Moved, Cr McCall Seconded

That the meeting be adjourned from 1.09PM until 1:15PM

MOTION CARRIED

7. CONFIRMATION OF MINUTES [YouTube 1:49:49]

Resolution: Cr Wilson Moved, Cr Somerville Seconded

That the minutes of the (public portion of the) Council meeting held on 21 February 2024 be received and confirmed as a true and accurate record.

MOTION CARRIED

8. ACTIONS (STATUS OF COUNCIL RESOLUTIONS) [YouTube 1:50:16]

Open actions from resolutions of the Council were reviewed.

9. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

9.1. Chairperson's Report [YouTube 1:52:50]

It was requested that a review of the Wanaka Show effectiveness and efficiency be assessed and reported back to the Council, in terms of financial cost and staff time and resources. Richard Saunders (Chief Executive) confirmed that a summary review could be completed (as no hard data was available at that time) covering the topics of general interest, and it would be submitted to the Regional Leadership Committee before a firm decision was made whether to commit again next year for the Committee's consideration.

Resolution: Cr McCall Moved, Cr Weir Seconded

That the report be noted.

MOTION CARRIED

9.2. Chief Executive's Report [YouTube 2:01:19]

Richard Saunders (Chief Executive) noted that there had been some discussion and media coverage around how staff are handling the Land and Water Regional Plan, and wished to stress that staff are only following the programme that had been set by Council and were giving effect to the conditions that we are currently working under. Should those change, staff will make sure they adapt and deliver what is asked of them by the Council.

Resolution: Cr Malcolm Moved, Cr Wilson Seconded

That the report be noted.

MOTION CARRIED

10. MATTERS FOR CONSIDERATION

10.1. Long Term Plan 2024-34 - Consultation Document [YouTube 02:08:29]

The purpose of this report was to seek Council's approval of the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document and supporting information.

Nick Donnelly (GM Corporate Services and CFO), Mike Roesler (Manager Corporate Planning) and Jo Galer (Manager Communications and Marketing) were present to speak to the report and respond to questions.

ACTION: *Changes indicated by Council at this meeting to be updated in the Long-Term Plan document.*

Resolution: Cr Robertson Moved, Cr Wilson Seconded

That the Council adjourn to discuss a procedural matter at 2:26PM and resumed at 2:31PM

MOTION CARRIED

Amended Resolution: Cr Laws Moved, Cr Scott Seconded

That the Council:

- 1) Notes** the 'Discussion' section 'Proposed decision-making approach' outlines how Council can integrate the external audit requirements with its programmed timing for community consultation.

- 2) **Approves** for consultation purposes the attached Draft Long-term Plan 2024-34 supporting information that is relied on by the content of the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document in accordance with section 93G of the Local Government Act 2002. This includes:
 - i. Attachment 2 Draft Long Term Plan 2024-2034
 - ii. Attachment 3 Draft Financial Strategy
 - iii. Attachment 4 Draft Infrastructure Strategy
- 3) **Approves** for consultation the draft Council 'Fees and charges' as provide in attachment 5.
- 4) **Notes** the Draft Revenue and Financing Policy was approved at the 21 February 2024 Council meeting for consultation as part of the Long-Term Plan 2024-2034 process.
- 5) **Notes** the rating examples that will support consultation on the Draft Revenue and Financing Policy as provided in attachment 6.
- 6) **Approves** the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document for public consultation provided in attachment 1 in accordance with section 93A of the Local Government Act 2002 and subject to the provision of the Audit Report for the Consultation Document with the changes noted.
 - a) That the consultation document makes clear that Queenstown Lakes District rating region includes Wanaka and Hawea for the purpose of the public transport consultation.
 - b) In the document the rates increase is given greater prominence.
- 7) **Agrees** to the Council Chairperson Cr Gretchen Robertson and Finance Committee Co-Chairs Cr Kevin Malcolm and Cr Tim Mephram receiving the external audit report and communicating it to all Councillors.
- 8) **Approves** the inclusion of any final changes to the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document as directed by the external audit process and as tabled separately to this report at the 20 March 2024 Council meeting.
- 9) **Delegates** oversight and approval to the Council Chairperson Cr Gretchen Robertson and Finance Committee Co-Chairs Cr Kevin Malcolm and Cr Tim Mephram and the CEO on final minor editorial proofing and document formatting corrections and post 20 March 2024 external audit related changes to the Consultation Document.
- 10) **Approves** the signing of the Audit representation letter by the Chair subject to delegated sign off outlined in resolution 9.

A Division was called:

For:	Cr Laws, Cr Mephram, Cr Scott
Against:	Cr Forbes, Cr Kelliher, Cr Malcolm, Cr McCall, Cr Noone, Cr Somerville, Cr Weir, Cr Wilson, Cr Robertson
Abstained:	N/A

MOTION FAILED

Resolution CM24-115: Cr Malcolm Moved, Cr Mepham Seconded

That the Council:

- 1) **Notes** the 'Discussion' section 'Proposed decision-making approach' outlines how Council can integrate the external audit requirements with its programmed timing for community consultation.
- 2) **Approves** for consultation purposes the attached Draft Long-term Plan 2024-34 supporting information that is relied on by the content of the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document in accordance with section 93G of the Local Government Act 2002. This includes:
 - i. Attachment 2 Draft Long Term Plan 2024-2034
 - ii. Attachment 3 Draft Financial Strategy
 - iii. Attachment 4 Draft Infrastructure Strategy
- 3) **Approves** for consultation the draft Council 'Fees and charges' as provide in attachment 5.
- 4) **Notes** the Draft Revenue and Financing Policy was approved at the 21 February 2024 Council meeting for consultation as part of the Long-Term Plan 2024-2034 process.
- 5) **Notes** the rating examples that will support consultation on the Draft Revenue and Financing Policy as provided in attachment 6.
- 6) **Approves** the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document for public consultation provided in attachment 1 in accordance with section 93A of the Local Government Act 2002 and subject to the provision of the Audit Report for the Consultation Document.
- 7) **Agrees** to the Council Chairperson Cr Gretchen Robertson and Finance Committee Co-Chairs Cr Kevin Malcolm and Cr Tim Mepham receiving the external audit report and communicating it to all Councillors.
- 8) **Approves** the inclusion of any final changes to the 'A Stronger Future for Otago – 2024-2034 Long-term Plan' Consultation Document as directed by the external audit process and as tabled separately to this report at the 20 March 2024 Council meeting.
- 9) **Delegates** oversight and approval to the Council Chairperson Cr Gretchen Robertson and Finance Committee Co-Chairs Cr Kevin Malcolm and Cr Tim Mepham and the CEO on final minor editorial proofing and document formatting corrections and post 20 March 2024 external audit related changes to the Consultation Document.
- 10) **Approves** the signing of the Audit representation letter by the Chair subject to delegated sign off outlined in resolution 9.

MOTION CARRIED (Cr Kelliher and Cr Laws voted against).

Resolution: Cr Robertson Moved, Cr Wilson Seconded

That the Council adjourn at 3:17PM and resumed at 3:26PM

MOTION CARRIED

10.2. Future Management of the Waitaki River catchment [YouTube 3:53:46]

The purpose of this paper was for Council to consider, in principle, investigating an approach, in partnership with Environment Canterbury, and Te Rūnaka o Arowhenua, Te Rūnaka o Moeraki and Te Rūnaka o Waihao to allow the Waitaki River catchment to be managed holistically as one catchment.

Anita Dawe (GM Policy and Science) was present to speak to the report and respond to questions.

Resolution CM24-116: Cr Weir Moved, Cr Scott Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** commencing work to understand how the Waitaki River catchment could be managed as a whole.
- 3) **Directs** staff to work with Environment Canterbury, the Moeraki Councillor from ORC and the three iwi groups to develop the next steps, and report back to Council.
- 4) **Provides** a progress report back to Council at the August meeting.

MOTION CARRIED

[Cr Laws left the meeting at 3.40PM and returned at 3.46PM]

10.3. ORC Submission on draft Dunedin Future Development Strategy [YouTube 4:25:25]

The purpose of this report was to seek retrospective ratification of a submission from the Otago Regional Council (ORC) to the Joint Hearing Panel for the draft Dunedin Future Development Strategy (FDS).

Anita Dawe (GM Policy and Planning), Patricia McLean (Senior Policy Analyst) and Fleur Matthews (Manager Policy and Planning) were present to speak to the report and respond to questions.

Cr Noone and Cr Wilson stood back for this item.

Resolution CM24-117: Cr McCall Moved, Cr Somerville Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** in retrospect the Otago Regional Council's submission on the draft Dunedin Future Development Strategy lodged on 28 February 2024.

MOTION CARRIED

10.4. Six Monthly Update to the Minister [YouTube 4:57:24]

The purpose of this report was to present for approval by Council, the ninth progress report to the Minister for the Environment, in accordance with section 27 of the Resource Management Act 1991 in relation to the recommendations made under section 24A of the Resource Management Act.

Anita Dawe (GM Policy and Planning) and Fleur Matthews (Manager Policy and Planning) were present to speak to the report and respond to questions.

Resolution CM24-118: Cr Noone Moved, Cr Forbes Seconded

That the Council:

- 1) **Approves** the ninth report to the Minister for the Environment, that reports on progress against the recommendations made in the Minister's letter dated 19 November 2019.
- 2) **Notes** that changes to the reporting requirements may occur as a result of a change in Minister and the Government's direction.

MOTION CARRIED

10.5. Changes to Community Connect Subsidy [YouTube 4:30:40]

The purpose of this report was to assess the impact on passenger numbers and revenue of the government's:

- Half-price fares policy which ran from April 2022 to end June 2023.
- Community Connect Extension policy of free / half price bus fares for children and young people, which started in July 2023,

and to present councillors with options for retaining, or not, any of the Community Connect Extension policies for bus fares after the government's subsidy of the scheme finishes on 30 April 2024.

Lorraine Cheyne (Manager Transport) (online) and Jack Cowie (Transport Planner) were present to speak to the report and respond to questions.

Resolution: Cr Kelliher Moved, Cr Laws Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the fare structure of:
Option 1: restore bus fares to the pre-half-price level (except for Community Services Card holders)

A Division was called:

For:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall, Cr Mephram, Cr Noone
Against:	Cr Forbes, Cr Scott, Cr Somerville, Cr Weir, Cr Wilson, Cr Robertson
Abstained:	N/A

MOTION FAILED

Resolution: Cr Weir Moved, Cr Forbes Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the fare structure of:

Option 5: Council agrees to retain free bus fares for 5 to 12 year olds, half-price bus child fares for 13-18 year olds; and half-price adult fares for 19-24 year olds until 30 June 2024 (inclusive), at an estimated cost of \$84,000

A Division was called:

For:	Cr Forbes, Cr Scott, Cr Somerville, Cr Weir, Cr Robertson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall, Cr Mephram, Cr Noone, Cr Wilson
Abstained:	N/A

MOTION FAILED

Resolution CM24-119: Cr Laws Moved, Cr Wilson Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the fare structure of:
Option 3 (staff recommendation): retain free bus fares for 5 to 12 year olds (at ORC's cost) and half-price fares for Community Services Card; and otherwise restore pre-half-price bus fares, at an estimated cost of \$42,000 per annum

A Division was called:

For:	Cr Kelliher, Cr Laws, Cr McCall, Cr Mephram, Cr Noone, Cr Scott, Cr Wilson, Cr Robertson
Against:	Cr Forbes, Cr Malcolm, Cr Somerville, Cr Weir
Abstained:	N/A

MOTION CARRIED

10.6. Update to Delegations Manual to Include Delegations to staff for Freshwater Farm Plan Regulations 2022 [YouTube 5:14:48]

The purpose of this report was to amend Council's Delegation Manual to provide delegations to staff for Freshwater Farm Plans under Part 9A of the Resource Management Act 1991 (RMA).

Joanna Gilroy (Acting GM Regulatory) and Libby Caldwell (Manager Environmental Implementation) were present to speak to the report and respond to questions.

Resolution CM24-120: Cr Wilson Moved, Cr Malcolm Seconded

That Council:

1. **Receives** this report.
2. **Approves** the new delegations as outlined in this report.
3. **Approves** the Chief Executive to update the Council's Delegations Manual accordingly.

MOTION CARRIED

11. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS

11.1. Recommendations of the Regional Leadership Committee [YouTube 5:15:45]

Resolution CM24-121: Cr Laws Moved, Cr Forbes Seconded

That the Council adopts the recommendations of the Regional Leadership Committee.

MOTION CARRIED

12. CLOSURE

There was no further business and Chairperson Robertson declared the meeting closed at 4:43PM with a karakia.

Chairperson

Date



Otago
Regional
Council

Council MINUTES

Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 8 May 2024, commencing at 3:30 PM.

[YouTube Recording Link](#)

PRESENT

Cr Gretchen Robertson	<i>(Chairperson)</i>
Cr Lloyd McCall	<i>(Deputy Chairperson)</i>
Cr Alexa Forbes	
Cr Gary Kelliher	
Cr Michael Laws	
Cr Kevin Malcolm	
Cr Tim Mephram	
Cr Andrew Noone	
Cr Bryan Scott	
Cr Alan Somerville	
Cr Elliot Weir	
Cr Kate Wilson	

1. WELCOME

Chairperson Gretchen Robertson welcomed Councillors, members of the public and staff to the meeting at 3:30 pm. Staff present included Richard Saunders (Chief Executive), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Kylie Darragh (Governance Support), and online Nick Donnelly (GM Corporate Services), and Fleur Matthews (Manager Policy and Planning).

2. APOLOGIES

There were no apologies for this meeting.

3. PUBLIC FORUM

There were no requests for this meeting.

4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS

Members were 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.

6. MATTERS FOR CONSIDERATION

6.1. Report to Minister for the Environment on providing for vegetable production

(YouTube 00:05:32) This report sought approval of the second report by the Otago Regional Council (ORC), to the Minister for the Environment, in accordance with section 27 of the Resource Management Act 1991 (RMA) in relation to how ORC intends to provide for vegetable production in its NPS-FM freshwater management planning instruments. Dolina Lee (Senior Analyst Freshwater and Land), Anita Dawe (GM Policy and Science) and online Fleur Matthews (Manager Policy and Planning) were available to respond to questions.

Resolution CM24-125: Cr Somerville Moved, Cr Weir Seconded

That the Council:

1. **Notes** this report.
2. **Approves** the second report to be sent to the Minister for the Environment, by 19 May, that outlines Otago Regional Council's provisions that may be relevant to vegetable production in its NPS-FM freshwater management planning instruments.

MOTION CARRIED

Cr Malcolm and Cr Kelliher voted against this motion.

6.2. Report to Minister for the Environment on notifying LWRP before the NPS-FM is replaced

(YouTube 00.13.20) This report, presented for approval by Council the report to the Minister for the Environment who has requested under section 27 of the Resource Management Act 1991 (RMA) the costs, benefits, and implications of notifying the Land and Water Regional Plan before the National Policy Statement for Freshwater Management is replaced. Chair Robertson and the Chief Executive, Richard Saunders confirmed that the draft report to the Minister for the Environment had been circulated, and made publicly available on the ORC website, clarifying to Council that this is not a full cost benefit analysis of the plan itself, it is the cost benefit of the decision to notify.

Anita Dawe (GM Policy and Science) and online Fleur Matthews (Manager Policy and Planning) were present to respond to questions. There was an amendment to the motion and after discussion, a division was called.

Resolution CM24-126: Cr McCall Moved, Cr Weir Seconded

That the Council:

1. **Approves** the updated report to the Minister for the Environment that provides an outline of the costs, benefits, and implications of notifying the Land and Water Regional Plan before the NPS-FM is replaced.
2. **Delegates** oversight and approval of final minor editorial proofing, corrections, and formatting of the report to the Minister to the Council Chairperson and Chief Executive.
3. **Notes** the report will be provided to the Minister for the Environment by 15 May 2024.

For:	Cr Forbes, Cr McCall, Cr Mephram, Cr Scott, Cr Somerville, Cr Weir, Cr Robertson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr Noone, Cr Wilson.
Abstained:	

MOTION CARRIED

7. CLOSURE

There was no further business and Chairperson Robertson declared the meeting closed at 5:13 pm.

Chairperson

Date



Otago
Regional
Council

Council MINUTES

Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 22 May 2024, commencing at 1:00 PM. [\[YouTube Link\]](#)

PRESENT

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

1. WELCOME

Chairperson Gretchen Robertson welcomed Councillors, members of the public and staff to the meeting at 1:00 pm. Staff present included Richard Saunders (Chief Executive), Anita Dawe (GM Policy and Science), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Jean-Luc Payan (Manager Natural Hazards), Tom De Pelsemaeker (Team Leader Freshwater and Land), Amber Smith (Senior Policy Analyst Freshwater and Land), Trudi McLaren (Governance Support), and online Nick Donnelly (GM Corporate Services), Fleur Matthews (Manager Policy and Planning).

2. APOLOGIES

No apologies were received.

3. PUBLIC FORUM [YouTube 8:07]

Pierre Marasti was present to speak on behalf of Extinction Rebellion. Following an opportunity for questions Chair Robertson thanked Pierre for attending.

4. CONFIRMATION OF AGENDA [YouTube 17:12]

Resolution: Cr Somerville Moved, Cr Mepham Seconded

That Item 10.5 be taken first due to a requirement for our external advisor to be present.

MOTION CARRIED

5. DECLARATIONS OF INTERESTS

No changes to Councillor Declarations of Interests were noted.

6. PRESENTATIONS

No presentations were held.

7. CONFIRMATION OF MINUTES [YouTube 18:05]

Resolution: Cr Mepham Moved, Cr Weir Seconded

That the (Public) Minutes of the Council Meeting of 27 March 2024 be accepted as a true and accurate record with the correction to item 7.1 Land and Water Regional Plan:

Amendment: Cr Weir Moved, Cr Scott Seconded

That the date for the above motion be changed from 30 September 2024 to 31 October 2024.

A Division was called.

For:	Cr Forbes, Cr Mepham, Cr Scott, Cr Somerville, Cr Weir, Cr Wilson , Cr Robertson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall , Cr Noone
Abstained:	N/A

MOTION CARRIED

Resolution: Cr Wilson Moved, Cr Somerville Seconded

That the Minutes of the (Public Excluded) Minutes of the Council Meeting of 27 March 2024 be accepted as a true and accurate record.

MOTION CARRIED

8. ACTIONS (STATUS OF COUNCIL RESOLUTIONS) [YouTube 19:44]

Open actions from resolutions of the Council were reviewed. No changes were noted.

9. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

9.1. Chairperson's Report [YouTube 1:03:40]

Chairperson Robertson attended the Balance Farm Environment Awards and congratulated Angus Barr and Tara Dwyer from 'The Wandle' in Strath Taieri, who were awarded not only a water quality award, but were the regional winners. Councillors who attended were also thanked as it was a great occasion for Otago's diverse primary sector.

Thanks were also extended to everyone in the community who have been participating in various ways in the Long-Term Planning (LTP) process. Chairperson Robertson also thanked Cr Malcolm for leading the Council through this process and the Chief Executive and all ORC staff who had been involved.

Resolution: Cr Malcolm Moved, Cr Noone Seconded

That the report be noted.

MOTION CARRIED

9.2. Chief Executive's Report [YouTube 1:16:38]

Resolution: Cr Robertson Moved, Cr Weir Seconded

That the report be noted.

MOTION CARRIED

10. MATTERS FOR CONSIDERATION

10.1. Updated Project Plan and key milestones for notification of the Land and Water Regional Plan by 31 October 2024 [YouTube 1:26:00]

The purpose of this report was to provide Otago Regional Council (ORC or Council) with the updated work programme for developing the proposed Land and Water Regional Plan (pLWRP) following the Council decision on 27 March 2024 in relation to the new timeframe that would seek Councils' approval to notify the pLWRP by 31 October 2024.

Anita Dawe (GM Policy and Science) and Fleur Matthews (Manager Policy Planning) (online) were present to speak to this report and respond to questions.

Following discussion, Cr Mepham acknowledged the work programme that had been put together and the dates that timed with the notification.

Resolution CM24-127: Cr Mepham Moved, Cr Weir Seconded

That the Council:

- 1) **Notes** the updated work programme for the proposed Land and Water Regional Plan.

MOTION CARRIED

Cr Kelliher voted against

10.2. Regional Council's functions and responsibilities in relation to natural hazards

[YouTube 1:33:08]

The purpose of this paper was to describe the roles and responsibilities of Otago Regional Council in natural hazard management.

Anita Dawe (GM Policy and Science), Amber Smith (Policy Analyst - Freshwater), Jean-Luc Payan (Manager Natural Hazards) and Simon Anderson (Ross Dowling Marquet Griffin) were present to speak to the report and respond to questions.

Chairperson Robertson thanked Anita Dawe and team for creating this report.

Resolution CM24-128: Cr Malcolm Moved, Cr Kelliher Seconded

That the Council:

- 1) **Notes** this report.

MOTION CARRIED

10.3. To adopt Council's Policy on Dangerous, Flood and Earthquake Prone Dams

[YouTube 1:59:44]

This report presented the recommendation of the Hearings Panel on Council's Dangerous, Flood and Earthquake Prone Dams Policy in accordance with Section 162 of the Building Act. It also made recommendations to Council about whether to accept or reject the hearing panel's decision.

Joanna Gilroy (Acting GM Regulatory), Rebecca Jackson (Team Leader Consents) and Peter Kelliher (Team Leader Investigations) were present to speak to the report and respond to questions.

Cr Wilson thanked the submitters who raised these issues and attended and noted that it was extremely helpful in bringing the information together.

Chairperson Robertson also thanked everyone who was involved: panel members, staff and submitters, and thanks in particular to Rebecca Jackson for work in this area.

Resolution CM24-129: Cr Wilson Moved, Cr Weir Seconded

That the council:

- 1) **Accepts** the recommendations of the hearing panel on the dangerous dams, earthquake-prone dams and flood-prone dams policy (attachment 1).
- 2) **Approves option 1 in the report:**
 - a. Adopts the amended policy as attached (attachment 5);
 - b. Approves chairperson Robertson to write to government ministers on behalf of Council requesting that councils should not need to go through the special consultative process required under the local government act to bring policies into line with government changes; and
 - c. Council staff to establish a process of notification to the territorial authorities to ensure that relevant parties are aware of any inherent risks that may arise from any land use change that could alter a dams potential impact classification.
- 3) **Approves** the CEO to make any necessary changes to the policy to correct spelling mistakes or grammar.
- 4) **Approves** council staff to **notify** submitters of its decisions.

MOTION CARRIED

10.4. Update to Delegations Manual to Include Delegations to staff for Building (Dam Safety) Regulations 2022 [YouTube 2:21:25]

The purpose of this report was to consider proposed amendments to the Otago Regional Council Delegations Manual.

Joanna Gilroy (Acting GM Regulatory) and Peter Kelliher (Team Leader Investigations) were present to speak to the report and respond to questions.

Resolution CM24-130: Cr Wilson Moved, Cr Mephram Seconded

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the delegation changes as proposed in this report.
- 3) **Directs** the Chief Executive to update the Council's Delegations Manual accordingly.

MOTION CARRIED

10.5. 2024 Membership Representation Review (Note: this item was taken before Item 10.1) [YouTube 20:30]

The purpose of this paper was to seek direction on which option to progress to initial proposal stage as part of Otago Regional Council's representation review. Amanda Vercoe (GM Governance Culture and Customer) and Stephen Hill (Representation Review Advisor Electionz.com) were present to speak to the report and respond to questions.

Following questions, Chairperson Robertson thanked Stephen Hill and Amanda Vercoe for their ongoing work on this matter.

Resolution CM24-131: Cr Somerville Moved, Cr Malcolm Seconded

That the Council:

- 1) **Receives** this report.

MOTION CARRIED

Resolution CM24-132: Cr Somerville Moved, Cr Malcolm Seconded

That the Council:

- 2) **Directs** the Chief Executive to progress Option 1 related to the Dunstan constituency and no change to the Molyneux constituency, to an initial proposal stage.

MOTION CARRIED

11. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS [YouTube 2:22:35]

11.1. Recommendations of the Audit and Risk Subcommittee

Resolution: Cr Mephram Moved, Cr Malcolm Seconded

That the Council adopts the recommendations of the 21 March 2024 Audit and Risk Subcommittee.

MOTION CARRIED

11.2. Recommendations of Environmental Implementation Committee

Resolution: Cr Wilson Moved, Cr Scott Seconded

That the Council adopts the resolutions of the 8 May 2024 Environmental Implementation Committee.

MOTION CARRIED

11.3. Recommendations of the Public and Active Transport Committee

Resolution: Cr Noone Moved, Cr Weir Seconded

That the Council adopts the recommendations of the 9 May 2024 Public and Active Transport Committee.

MOTION CARRIED

11.4. Recommendations of the Safety and Resilience Committee

Resolution: Cr Somerville Moved, Cr Kelliher Seconded

That the Council resolves to adopt the recommendations of the 8 May 2024 Safety and Resilience Committee.

MOTION CARRIED

13. CLOSURE

There was no further business and Chairperson Robertson declared the meeting closed at 3:17PM with a karakia.

Chairperson

Date

Meeting Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
22/03/2023	GOV2306 Proposal to participate in CouncilMARK programme	In Progress	The Chief Executive will execute an agreement with CouncilMARK to undertake an independent assessment in 2024. Res CM23-130	Chief Executive	13/09/2023 Governance Support Officer Underway. Assessment likely to take place February 2024 15/05/2024 Governance Support Officer Te Korowai (formerly CouncilMARK) is underway and due to be completed in September 2024. The main data gathering exercise takes place between May and June. A Councillor Workshop for input into our assessment is due to take place by July.	26/07/2024
22/03/2023	Recommendations of the Finance Committee	In Progress	Chief Executive directs staff to undertake further work towards development of an annual awards programme including detailed costs AND provide a report to Council for consideration during the upcoming LTP process (Res FIN23-103). Res CM23-136	Chief Executive	13/09/2023 Governance Support Officer Underway. 08/03/2024 Governance Support Officer The team will be preparing a paper based on the previous direction, to be included in the final meeting to sign off 2025 LTP. The quantum of funding is available within existing budgets. A report will be prepared outlining options for delivery of an awards programme.	26/07/2024
22/06/2023	CEO2301 Internal Audit Options for Otago Regional Council	In Progress	Co-Chairs of the Committee to work with the Chief Executive Officer to commence an internal audit programme in the 23/24 year and report results back to the Committee. AR23-116	Chief Executive, Councillor, Andrew Douglas	28/11/2023 Governance Support Officer The Internal Audit will commence early 2024 08/03/2024 Governance Support Officer A request for quotes for the first internal audit on asset management is being prepared to send to market. Results of the audit will be reported back through Audit and Risk Committee.	30/06/2024

Meeting Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
					<p>20/06/2024 Governance Support Officer</p> <p>Quotes have been sought for the first internal audit on asset management. This work will commence in the coming months and an update will be provided to the first A&R meeting of the 24/25 year.</p>	
25/10/2023	REG2308 Dangerous dam policy	In Progress	<p>Consultation of the proposed Dangerous Dams Policy 2023 using special consultative procedures under s83 of the Local Government Act 2002 subject to any minor editorial changes.</p> <p>Res CM23-226</p>	Manager Consents	<p>11/03/2024 Governance Support Officer</p> <p>Draft policy is underway and still being worked on.</p> <p>15/05/2024 Governance Support Officer</p> <p>Draft policy coming to Council for adoption on 22 May 2024.</p> <p>20/06/2024</p> <p>Completed.</p>	28/06/2024
20/03/2024	Chairperson's Report	In Progress	<p>A summary review on the Wanaka Show 2024 is to be completed covering the topics of general interest, to be submitted to the Regional Leadership Committee before a firm decision is made whether to commit again next year for the Committee's consideration.</p>	Chief Executive, Manager Communications and Marketing	<p>22/04/2024 Governance Support Officer</p> <p>Summary review of Wanaka Show effectiveness and efficiency to be submitted to the Regional Leadership Committee before a firm decision made as to whether to commit again next year.</p> <p>16/05/2024 Governance Support Officer</p> <p>An engagement workshop will be organised where development of an engagement calendar for general use and then for whole organisation attendance.</p> <p>20/06/2024</p> <p>Engagement workshop confirmed for 26.06.24 Paper for Regional Leadership committee will</p>	09/08/2024

Meeting Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
					be prepared for November Regional Leadership Committee meeting.	
20/03/2024	ENV2402 Future Management of the Waitaki River catchment	In Progress	Staff to work with Environment Canterbury, the Moeraki Councillor from ORC and the three iwi groups to develop the next steps and report back to Council	General Manager Policy and Science	29/04/2024 Governance Support Officer Progress on track	31/05/2024
20/03/2024	ENV2402 Future Management of the Waitaki River catchment	In Progress	Progress Report back to Council on the Future Management of the Waitaki River catchment by August 2024 meeting.	General Manager Policy and Science	29/04/2024 Governance Support Officer Progress on track	28/08/2024
20/03/2024	REG2404 Update to Delegations Manual to Include Delegations to staff for Freshwater Farm Plan Regulations 2022	Assigned	Update to Delegations Manual to include delegations to staff for Freshwater Farm Plan Regulations 2022 as outlined in the report.	Chief Executive	16/05/2024 Governance Support Officer Workplan on pause due to changes at Central Government. An update will be provided.	31/05/2024
08/05/2024	POL2412 Report to Minister for the Environment on providing for vegetable production	In Progress	That the second report to be sent to the Minister for the Environment, by 19 May, that outlines Otago Regional Council's provisions that may be relevant to vegetable production in its NPS-FM freshwater management planning instruments. Resolution CM24-125	General Manager Policy and Science	20/06/2024 Completed	07/06/2024
08/05/2024	POL2410 Report to Minister for the Environment on notifying LWRP before the NPS-FM is replaced	In Progress	That delegates oversight and approval of final minor editorial proofing, corrections, and formatting of the report to the Minister to the Council Chairperson and Chief Executive. Resolution CM24-126	Chief Executive	20/06/2024 Completed.	15/05/2024

Meeting Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
22/05/2024	REG2406 Update to Delegations Manual to Include Delegations to staff for Building (Dam Safety) Regulations 2022	In Progress	The Chief Executive directs staff to update the Council's Delegations Manual with proposed changes. CM24-130	Chief Executive	20/06/2024 Completed.	31/07/2024
22/05/2024	GOV2413 2024 Membership Representation Review	Assigned	The Chief Executive to progress Option 1 related to the Dunstan constituency and no change to the Molyneux constituency, to an initial proposal stage CM24-132	Chief Executive	20/06/2024 Completed – paper on Council agenda 26.06.2024.	31/10/2024

9.1. Chairperson's Report

Prepared for: Council
Activity: Governance Report
Endorsed by: Cr Gretchen Robertson, Chairperson
Date: 20 June 2024

As we move past the shortest day on June 22, those of us in southern New Zealand can look forward to the promise of more daylight and a much-needed boost of vitamin D. That feeling of lethargy is chemically real. This time of year often finds us huddled around the fire, or feeling a drag to that one heated room. It's more challenging for us southerners to get around and to connect. However, making time for families, friends, and communities remains really important. We recognise the pressures many face, whether it's the cost of living, winter illnesses, or finding ways/opportunities to connect. Supporting colleagues, staff, and the community and enabling positive engagement is a job for us all.

For Councils it's a busy time of year as we approach the end of financial year reporting period. A time to complete work programmes and report. Thank you to Richard (approaching 1 year as Chief Executive of ORC) and to all of your incredibly committed and skilled staff for a great year. Thank you to Councillors for your commitment and hard work on behalf of your communities, keep positively connecting, we're so lucky to be democratically elected community representatives.

Today Council receives a paper to adopt the ORC's Long Term Plan 2024-34 reflecting the decisions made at the Finance Committee LTP deliberation meeting of 29 May. This significant milestone reflects the dedication and efforts of our community, staff, and Councillors.

Thanks to all community members who took the time to submit and provide feedback. Your thoughts and ideas, shared through in-person community drop-in sessions across Otago, written submissions (over 400), and hearings in Dunedin and Queenstown, have shaped this LTP. We note the consistent theme of costs of living pressures. Additionally, there was considerable support for ORC to invest in essential services such as Public Transport and community-led environmental initiatives. These initiatives not only enhance our local environments but also foster community connections, providing positive and tangible ways for us all to make a meaningful impact on the people and places we cherish.

I would like to extend my sincere gratitude to the ORC staff team for their tireless efforts in bringing us to the LTP adoption decision stage. The preparation of this plan has been a monumental task and your hard work and dedication are deeply appreciated.

Thank you to our Councillors for dedicating significant time and effort to the development of this LTP. This journey began with a new strategic focus for ORC developed alongside our mana whenua partners and consulted with all community alongside the LTP. Our vision, "for our environment and communities to be healthy and connected ki uta ki tai (from the mountains to the sea)," shapes proposals in this plan.

This vision captures the essence of Otago's natural and productive environments and the vital connections that sustain our communities. The plan focuses on six key areas: partnership, communities, environment, resilience, climate, and transport, each crucial for shaping our future work.

Council has also undertaken a thorough examination of the principles behind rating apportionment. It is crucial to recognise the broad spectrum of work covered by the ORC we consulted on 3 key areas: large scale environmental funding, public transport and finally the way we rate.

Special thanks to Councillor Kevin Malcolm for his leadership of the LTP governance working group throughout the development of the draft plan and for chairing the hearings and deliberations process.

I wish everyone a happy and enjoyable Matariki period and long weekend. Matariki, the Māori New Year, is a time for celebration, reflection, and renewal. It marks the rising of the Pleiades star cluster and signals the beginning of the new year in the Māori lunar calendar. This period is a great opportunity for us to come together with whānau and friends, share kai (food), and remember those who have passed. It is also a time to plan for the future, set goals, and express gratitude for the blessings in our lives. Celebrations can include planting trees, sharing stories, and participating in community events that honour Māori culture and traditions. Matariki reminds us of the importance of unity, resilience, and looking forward with hope and determination.

Finally, I would also like to mark the significant contribution of Dr Gavin Palmer (General Manager Operations) to the Council. Dr Palmer has been with ORC since 2004 and will serve his final day on 27 June. Dr Palmer has held broad leadership roles within the ORC where he has led many significant projects including the Leith Flood Protection and enhancement works, Milton 2060 collaborative flood strategy, ORC's South Dunedin hazards work, and community derived river management strategies. He has led several areas of Council including engineering and hazards, public transport, science, biosecurity, biodiversity and environmental implementation. He is a national leader in natural hazard risk/resilience. In 2016 Dr Palmer was appointed to a 10-member technical advisory group to Government on how New Zealand could be better prepared for climate change. Dr Palmer has also been a highly regarded member of the prominent River Managers' Special Interest Group. Otago has benefitted from 20 years of service, strong technical expertise and leadership through Dr Palmer's work, and we wish him all the very best.

Attendance at events and meetings

20 May, ORC Council - LTP Hearings (Queenstown)

21 May, ORC Long-Term Plan Hearings (Dunedin)

27 May, ORC/NZTA Catchup

Richard Saunders and I met with James Caygill, Waka Kotahi's Director Regional Relationships (West Coast, Canterbury, Otago, Southland). This was an initial meeting of planned regular meetings. We spoke broadly about projects of significance including significant investment in

Queenstown public transport and modelled congestion issues which will need further attention beyond just crucial enhanced bus services. Roundabout works at Frankton include bus hub improvements. There has also been some discussion of traffic management planning and whether this can optimise public transport flow during construction. Dunedin PT funding decisions were yet to be released at the time of discussion.

6 June, Land and Water Regional Plan June Governance Group Meeting

Project progressing on track for October notification decision. Project components either complete, on track for completion as planned, or in a couple of instances being managed to ensure final deadlines are met. The risk register reported reduced risk in s32 reporting delivery due to the extended notification work programme timeframe (from June to Oct). At the time of meeting there was no concerns with quality or timing of s32 completion. Risks are discussed regularly.

6 June, Civil Defence and Emergency Management Joint Committee

A link to the papers from the recent meeting of the CDEM is below:

<https://www.otagocdem.govt.nz/media/1645/jc-agenda-060624.pdf>

A broad array of papers were considered as illustrated below:

4.1	Managers Report	13
4.1.1	Staffing	13
4.1.2	Action Items	13
4.1.3	NEMA –Review of Reviews into the 2023 North Island Severe Weather Event	13
4.1.4	Report of the Government Enquiry into the Response to the North Island Severe Weather Events	14
4.2	Otago Lifelines Update	17
4.3	Community Resilience Update.....	23
4.4	Training and Capability Update	34
4.5	Finance Update	42
4.6	Annual Plan 24/25.....	48
4.7	Emergency Management System Reform	62
4.8	National Emergency Management Agency - Update	71

7 June, Otago Mayoral Forum/Te Rōpū Taiao Otago

Minutes and updates from mayoral forums are available through the following link:

<https://otagomayors.org.nz/>

Topics for discussion were: Water services collaboration for Otago Southland, Regional Public Service update with additional update from Ministry of Education, Business South, regional advocacy and economic development collaboration.

Te Ropu Taio (Mana Whenua and Council Leaders) also met on this day. Discussion topics covered Waitangi Day 2025 (offer from Queenstown Lakes District Council to host an event), developing a revised Te Ropu Taio Otago charter, and water services.

7 June, Meeting w/ ORC & MP Joseph Mooney: Transport Planning Queenstown-Lakes

This was a short online meeting with MP for Southland Joseph Mooney. Joseph was keen to discuss public transport in Queenstown, current services, planned enhancements and keeping an eye on foreseeable transport needs as congestion requires new approaches. We encouraged further engagement and he was keen to ensure he can meet with all Councillors too.

12 June, AF8 PHD Research – Interview

Interviewed by PhD researcher Caroline Rowe from the Centre for Sustainability Research. Her research evaluates the effectiveness of the AF8 [Alpine Fault Magnitude 8] programme. It considers the outcomes and impacts the communication and engagement activities have had on the civil defence and emergency management sector as they prepare themselves and their communities for the next large Alpine Fault earthquake.

12 June, Bus hub safety meeting (DCC, Police)

This was a second meeting to establish a collaborative grouping on safety in the central Dunedin area. Initial meetings have involved Police, ORC and DCC. The group will be chaired by Police and terms of reference are being drawn up by Dunedin City Council. There is strong interest from diverse parties to be involved and it is envisaged that several project strands will develop.

19 June, Mock interagency media stand up

A Public Information Management (PIM) event was coordinated by Erica Andrews of Emergency Management Otago. I participated in this very real scenario of an alpine fault rupture where Police, FENZ, CDEM and myself were briefed and then required to host a media briefing which included real reporters and an open question session. I participated in separate initial media training with Erica. I found the scenario very realistic, reflecting emergency scenarios I have been involved in previously with ORC. This was a great chance to build connections within Otago teams who will work together to communicate with the public in emergency situations. Similar events are being hosted around the region and have already occurred in Queenstown and Waitaki.

Letters Sent/Received

Incoming:

Simeon Brown – Local Government (Water Services Preliminary Arrangements) Bill

James Shannon, Programme Manager, National Resilience Plan, Treasury - National Resilience Plan Funding:

In mid-2023, the previous government invited Dunedin City Council to submit a proposal relating to potential strategic acquisition of property in South Dunedin to support long term climate adaptation as part of the South Dunedin Future programme of which ORC is a partner. A high-level proposal, in the form of an indicative business case, was submitted in August 2023 which sought government contributions to an initial property acquisition pilot

costing up to \$132 million over five years. Some of the details of this proposal subsequently became public and have featured in a number of newspaper articles since.

On 29 May 2024 a letter was received from Treasury advising that the council's application for funding would not be progressed from the National Resilience Plan (NRP). This letter is attached. The previous government had set aside \$6 billion in the NRP to provide funding for medium- and long-term infrastructure resilience projects, in large part to support response and recovery to the Auckland Anniversary floods and Cyclone Gabrielle.

Conversations with central government are ongoing, and the South Dunedin Future programme expects greater clarity on potential funding streams following completion of the Finance and Expenditure Committee's current inquiry into climate adaptation, which is expected to report in September 2024.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

ATTACHMENTS

1. Mo LG to Mayors and Chairs (Local Government (Water Services Preliminary Arrangements) Bill) [9.1.1 - 3 pages]
2. Letter from Treasury to Dunedin and Otago Councils on National Resilience Plan 29 May [9.1.2 - 1 page]

Hon Simeon Brown

MP for Pakuranga

Minister for Energy

Minister of Local Government

Minister of Transport

Minister for Auckland

Deputy Leader of the House



Dear Mayor / Chair

Local Government (Water Services Preliminary Arrangements) Bill

The Government recently introduced legislation that sets out the Local Water Done Well framework and the preliminary arrangements for the new water services system.

You will recall that last month the Government announced Cabinet decisions for the second step of Local Water Done Well, including streamlined consultation and decision-making processes for establishing water services council-controlled organisations, requirements for Water Services Delivery Plans, and steps towards future economic regulation.

The Local Government (Water Services Preliminary Arrangements) Bill gives effect to those decisions. The Bill also includes provisions that enable a new, financially sustainable model for Watercare, following the Government and Auckland Council's announcement earlier this month.

An overview document outlining key aspects of the Bill, as well as other matters that may be of interest is available on the Department of Internal Affairs' website at:

www.dia.govt.nz/Water-Services-Policy-legislation-and-process.

The overview document updates the 'Local Water Done Well: Information for councils' document shared in April, based on the provisions of the Bill as introduced and including other minor updates.

Proposed change to applying the Te Mana o te Wai hierarchy of obligations to wastewater standards

In addition, the Government has tabled an amendment paper to the Bill which provides for interim changes to the Water Services Act (WSA). This amendment would mean the Te Mana o te Wai hierarchy of obligations in the National Policy Statement for Freshwater Management (NPS-FM) will not apply when Taumata Arowai sets wastewater standards.

It's important to note that any wastewater standards made by Taumata Arowai will still need to give effect to the rest of the components of Te Mana o te Wai in the NPS-FM, including the health of water and other environmental considerations. The removal of the hierarchy of obligations from the setting of wastewater standards means these considerations will be balanced alongside other important considerations such as cost and economic impacts.

Under the Resource Management Act (RMA), a consent authority must not grant a consent for a public wastewater system that is contrary to a wastewater standard that has been prepared under the WSA. Once set, the wastewater standards will apply to new consents issued for public wastewater systems over time.

These interim changes provide certainty for those involved in infrastructure development and avoids potential costs for councils at a time when they are already facing significant costs of future investment in water infrastructure.

Hon Simeon Brown

MP for Pakuranga

Minister for Energy

Minister of Local Government

Minister of Transport

Minister for Auckland

Deputy Leader of the House



The changes to the WSA are in addition to the Government's recently announced proposed interim changes to the RMA to exclude the hierarchy of obligations in the NPS-FM from resource consent applications and resource consent decision making.

We consider the proposed changes to the WSA and RMA are a pragmatic approach to applying the hierarchy of obligations while work is underway to replace the NPS-FM to rebalance Te Mana o te Wai.

The RMA proposal is designed to address concerns the Government has about the potential cost implications of the requirement for resource consent applicants to demonstrate how their proposed activity adheres to the Te Mana o te Wai hierarchy of obligations in their individual context.

The RMA changes are being made through the recently introduced Resource Management (Freshwater and Other Matters) Amendment Bill as an interim measure and are intended to reduce regulatory burden while work to replace the NPS-FM to rebalance Te Mana o te Wai is underway, as signalled in the Government's coalition agreements.

Determining future water service delivery arrangements

The Local Government (Water Services Preliminary Arrangements) Bill lays the foundation for a new approach to water services management and financially sustainable delivery models that meet regulatory standards.

It paves the way for you to determine your preferred future water services delivery arrangements, starting with the development of a Water Services Delivery Plan within 12 months of enactment of the Bill.

Guidance and information material regarding Water Services Delivery Plans will be shared following enactment, to assist you in developing your Plans.

The Government's expectation is that in many cases councils will develop joint Plans so they can address financial sustainability and affordability challenges by working together. We are encouraged by the progress we are already seeing in some areas, and look forward to seeing continued collaboration across councils.

Officials at the Department of Internal Affairs are available to assist with any early discussions you may be having. Please contact Hamiora Bowkett, Executive Director, Water Services Policy, Legislation and Stewardship, by emailing waterservices@dia.govt.nz, should your council wish to set up an initial discussion.

Next steps

There will be an opportunity for feedback on these changes at select committee. We encourage you to have your say to ensure the legislation provides for a pragmatic, workable framework for the development of financially sustainable water services.

You can find the Bill in full and make a submission by visiting the Parliament website, at www.parliament.nz.

Private Bag 18041, Parliament Buildings, Wellington 6160 New Zealand
+64 4 817 6804 | s.brown@ministers.govt.nz | www.beehive.govt.nz

Hon Simeon Brown

MP for Pakuranga

Minister for Energy

Minister of Local Government

Minister of Transport

Minister for Auckland

Deputy Leader of the House



Further work is underway on the broader range of structural and financing tools that will be available to councils to access long-term borrowing for investment in water services under Local Water Done Well. The Government expects to share details about these tools early in the second half of this year, for your consideration as you develop your Water Services Delivery Plans.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Bishop'.

Hon Chris Bishop
Minister Responsible for RMA Reform

A handwritten signature in blue ink, appearing to read 'Simeon Brown'.

Hon Simeon Brown
Minister of Local Government



29 May 2024

Mayor Jules Radich
Sandy Graham
Dunedin City Council

Councillor Gretchen Robertson
Richard Saunders
Otago Regional Council

Kia ora

I write to provide you an update on your proposal for funding from the National Resilience Plan.

When the National Resilience Plan was established, the previous Government directed the Treasury to assess proposals for funding.

We regret to inform you that your application for funding to support the South Dunedin Future Programme will not be progressed from the fund.

The Government has established a process to update how climate related natural hazard risks are managed in New Zealand, including frameworks for investment and cost sharing. First, the Finance and Expenditure Committee has called for submissions on its inquiry into climate adaptation. I encourage you to consider submitting. The Committee is scheduled to report on the inquiry in September 2024. Secondly, the Government will consider the inquiry's recommendations to inform any decisions on policy and legislation to follow.

Please do not hesitate to contact me to discuss.

Yours sincerely

James Shannon
Programme Manager, National Resilience Plan

1 The Terrace
PO Box 3724
Wellington 6140
New Zealand

tel. 64-4-472-2733

<https://treasury.govt.nz>

9.2. Chief Executive's Report

Prepared for: Council
Activity: Governance Report
Author: Richard Saunders, Chief Executive
Date: 18 June 2024

PURPOSE

- [1] This report provides Council with an overview of Otago Regional Council's key projects, financial performance and progress against our levels of service.

EXECUTIVE SUMMARY

- [2] The Land and Water Plan is on track to meet the new direction of Council to prepare a draft Land and Water Regional Plan (LWRP) for notification by 31 October 2024.
- [3] The Long Term Plan is on track to meet a major milestone should the Council formally adopt the plan later in this meeting.
- [4] Financial performance to the end of May 2024 shows that Otago Regional Council (ORC) has a surplus of \$1.571m, which is \$3.866m ahead of budget. This surplus is forecast to reduce to \$796k by year end.
- [5] At the end of May 2024, service level outcomes for year end are becoming clearer. Nine measures are reporting red (off-track) and five measures are reporting as amber (at risk). Significant progress has been made on many of these measures however they will not meet the targets set in the 2023/24 annual plan.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

DISCUSSION

Land and Water Plan

- [6] A new work programme has been prepared by staff to meet the new direction of Council to notify the draft LWRP by 31 October 2024.
- [7] Key milestones remain largely on track. The project plan is included as Attachment 1. Where delays have been experienced, these are being managed by the project team and will not impact the final delivery date, subject to any future decisions of Council.
- [8] Key current or upcoming work includes the completion of the Section 32 report second draft and the commencement of Clause 4A consultation.

Long Term Plan

- [9] The Long Term Plan project has progressed well and is on track to meet all milestones.
- [10] A major milestone will be achieved today should Council resolve to adopt the Long Term Plan 2024-2034
- [11] The project remains on track to achieve all key milestones. The project plan is included as Attachment 2.

Financial Performance

- [12] The Statement of Comprehensive Revenue and Expenditure at the end of May 2024 shows a surplus of \$1.571m which is \$3.866m favourable against budget. The year end forecast shows a surplus of \$796k against the budget. The change is largely due to the phasing of budgets and the significant number of invoices received towards year end. Staff continue to monitor all expenditure carefully.
- [13] The Statement of Comprehensive Revenue and Expenditure is included as Attachment 3.
- [14] The current statement of financial position is included as Attachment 4.

Level of Service Measures

- [15] Staff have completed an assessment of the Levels of Service Measures at the end of May. As we get closer to the end of the year it is becoming clearer which measures will not be achieved by 30 June.
- [16] Reporting at the end of May is forecasting that nine measures will not be achieved and five measures remain at risk of not being achieved. Significant progress has been made on a number of the measures which are forecast not to be achieved by year end. These include the Climate Strategy, Air Plan Engagement and Biodiversity and Biosecurity reporting. These will be completed early in the new financial year but outside of the targets set in the 2023/2024 annual plan.
- [17] A number of measures in the Civil Defence and Emergency Management area are marked as reporting overdue. A verbal update on these measures will be provided at the Council meeting.
- [18] Exception reporting is included as Attachment 5 and an overall list of measures is included as Attachment 6.

OPTIONS

- [19] As this is a report for noting there are no options to consider.

ATTACHMENTS

1. Monthly Report - June GG Meeting [9.2.1 - 2 pages]
2. ORC LTP Project Progress Report [9.2.2 - 6 pages]

3. CE Report Statement of Comprehensive Revenue and Expense May 2024 1 [**9.2.3** - 1 page]
4. Statement of Financial Position May [**9.2.4** - 1 page]
5. Summary LOSM Report - May Exceptions [**9.2.5** - 1 page]
6. Summary LOSM Report - May All [**9.2.6** - 2 pages]

ORC REPORT ON PROGRESS AGAINST CRITICAL MILESTONES AND TASKS

Project Name	Project Start Date	Project Sponsors	Project Owners	Report Date
Land and Water Regional Plan for Otago	1-Jul-21	Anita Dawe	Fleur Matthews	4/06/24


Progress Summary and Focus for Next Month**This past month the team focused on:**

1. Council meeting and workshops to update Council and seek further direction on Plan provisions
2. Analysing and incorporating additional Clause 3 feedback (Forestry)
3. Completing the second draft of Section 32 Report for internal review

Next month the team will focus on:

1. Responding to internal review of Section 32 Report
2. Preparing for Clause 4A Consultation

Resource Management Act and Critical Tasks
CP 1. Environmental Outcomes, Objectives, Provisions, Rules Developed - July 2023 CP 2. Community Consultation Prior to Formal Schedule 1 Process - August-November 2023 CP 3. Pre-Notification Consultation (Clause 3 and Clause 4A) - January - August 2024 CP 4. Public Notification - 31 October 2024

KEYS**RMA CRITICAL PATH**
 Milestone is on the critical path
HEALTH
 Work not yet due to start

 Meets or exceeds project expectations

 Issues are being managed within the team and not expected to impact final deadline

 Issues impacting project and overall timeline and need escalation and action

 Milestone / task finished
STATUS

1. Not due to start

2. Not started

3. Ready to start

4. Start delayed

5. On hold

6. In progress

7. Complete

8. Withdrawn

Milestone	Critical Path	Baseline	Forecast	End date	Actual End	Previous	Current Health	Commentary
		Start date	End date	Revised End Date	Variance	Status	& Status	
Preparatory and Plan Writing								
Māori economy report completed by ORC and Iwi			31-Jul-23	14-Jun-24	+9 Months	In progress	In progress	Report must be ready by 16 June to be included in section 32 report.
Section 32 Report								
First Draft of Section 32 completed	CP4	1-Dec-23	20-Dec-23	23-Feb-24	+ 2 Months	Complete	Complete	
Second Draft of Section 32 completed	CP4	1-Apr-24	30-Apr-24	30-Jun-24	+ 2 Months	In progress	In progress	Underway. Some Sections delayed due to provision drafting needing further Council input.
Final Draft of Section 32 completed	CP4	15-Jul-24	18-Oct-24			Not due to start	Not due to start	
Pre-Notification Consultation								
Clause 3 Consultation Period		11-Jan-24	23-Feb-24	2-Apr-24	+ 5 Weeks	Complete	Complete	Extension for Forestry Industry Submission
Collate and Analyse Clause 3 Feedback		26-Feb-24	15-Mar-24	30-Apr-24	+ 6 Weeks	Complete	Complete	Extension for Forestry Industry Submission
Feedback to Council Committee		15-May-24	15-May-24			In progress	Complete	

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Milestone	Critical Path	Baseline		Forecast	End date	Actual End	Previous	Current Health	Commentary
		Start date	End date	Revised End Date	Variance	Date	Status	& Status	
Clause 3 Consultation Complete	CP3		15-May-24				In progress	Complete	
Clause 4A Consultation Period		15-Jul-24	9-Aug-24				Not due to start	Not due to start	
Collate and Analyse Clause 4A Feedback		10-Aug-24	23-Aug-24				Not due to start	Not due to start	
Feedback on Clause 4A consultation to Council Committee		29-Aug-24	29-Aug-24				Not due to start	Not due to start	Workshop scheduled for 29 August.
Clause 4A Consultation Complete	CP3		23-Aug-24				Not due to start	Not due to start	
Pre-Notification Consultation Complete	CP3		23-Aug-24				Not due to start	Not due to start	
Notification									
LWRP Reviews by Legal and ELT		1-Sep-24	13-Sep-24				Not due to start	Not due to start	
Final Updates to LWRP		26-Aug-24	17-Sep-24				Not due to start	Not due to start	
Council Committee briefings on section 32 report and final draft LWRP		24-Sep-24	9-Oct-24				Not due to start	Not due to start	Briefings scheduled for 24 September and 2 October.
Draft Proposed Land and Water Regional Plan and Draft s32 Report complete	CP4		18-Oct-24				Not due to start	Not due to start	
Council Paper, LWRP and s32 due for Council Meeting	CP4		18-Oct-24				Not due to start	Not due to start	
Council Meeting to Notify	CP4		23-Oct-24				Not due to start	Not due to start	
Otago Regional Council Resolution to Notify Proposed Land and Water Regional Plan for Otago	CP4		23-Oct-24				Not due to start	Not due to start	
Proposed Land and Water Regional Plan for Otago Publicly Notified	CP4		31-Oct-24				Not due to start	Not due to start	

ORC Long Term Plan project progress report

Project Name	Project Lead	Current Reporting Period	Previous Reporting Period
Long Term Plan	Mike Roesler, supported by AJ Millward	10 May – 07 June	23 April – 10 May

Risks and Issues	
RISKS	MITIGATIONS
Audit process could impact finalising LTP document with audit changes possibly needing to be made after the document has been handed over to the Communications team on 17 June.	If changes need to occur post-handover to the Communications team Corporate Planning will feed these through to the Communications team (who will be “holding the pen” to make relevant changes).

Key		
STATUS	HEALTH	Colour
Not due to start	Work not yet due to start	
Start delayed	Issues are being managed within the team and not expected to impact final deadline	
On hold	Issues impacting project and overall timeline and need escalation and action	
In progress	Meets or exceeds project expectations	
Complete	Milestone / task finished	

Milestone	Start date	End date	Health and Status	Commentary
COUNCILLOR DECISION MAKING				
LTP adopted	26/06/24	26/06/24	Not due to start	
LTP takes effect	01/07/24	01/07/24	Not due to start	
FINANCIAL AND RATES				
Final financial and rating FIS, rates resolution	30/05/24	17/06/24	In progress	
LTP financial information signed off	30/05/24	21/06/24	In progress	
ENGAGEMENT AND COMMUNICATIONS				
Communicate LTP adoption to staff and stakeholders	26/06/24	01/07/24	Not due to start	Key messages need to be agreed and cascaded internally and carried through externally.
SUBMISSIONS ANALYSIS				
Response sent to submitters	10/07/24	10/07/24	Not due to start	

LTP Project Workstreams GANTT Chart overview		
LTP WORKSTREAMS	Jun-24	Jul-24
Long Term Plan and CD	LTP adopted	LTP takes effect, uploaded on website and printed

Annex 1: Completed Milestones

Completed Milestones	Start date	End date	Health and Status	Commentary
Council presentation - Financial/funding: Introduction	11/05/2023	11/05/2023	Complete	Completed on 11/05/2023.
Council Briefing held: Current State presentation	14/06/2023	15/06/2023	Complete	Completed on 15/06/2023.
Council presentation - Financial/funding: Financial strategy	14/06/2023	29/06/2023	Complete	Completed on 29/06/2023.
Current State updated following Council feedback	16/06/2023	07/07/2023	Complete	Completed on 08/08/2023.
Lessons from OAG report documented and discussed with workstream lead and project sponsor	21/06/2023	20/07/2023	Completed	Have now been discussed with LTP governance sub-committee and incorporated into project plan. Completed on 02/08/2023.
Detailed planning of Infrastructure Strategy milestones and set up of regular meeting	17/07/2023	25/07/2023	Complete	Project lead has now met with IS team to confirm detailed planning and has invited IS team to regular project team meetings. Completed on 14/08/2023.
Clarity on process for Growth models, uncertainties, and assumptions document	04/07/2023	28/07/2023	Complete	Completed on 28/07/2023.
Council and Mana Whenua workshop. <i>Confirming our Strategic Directions</i>	03/07/2023	02/08/2023	Complete	Completed on 02/08/2023.
Council presentation - Financial/funding: Rating specifics	17/07/2023	02/08/2023	Complete	Completed on 02/08/2023.
First LTP governance sub-committee meeting	18/07/2023	02/08/2023	Complete	Completed on 02/08/2023.
Council and Mana Whenua workshop. <i>Future work programme possibilities</i>	03/07/2023	08/08/2023	Complete	Completed on 08/08/2023.
Regional Leadership Committee Paper. <i>Engagement Approach to LTP</i>	03/07/2023	10/08/2023	Complete	Completed on 10/08/2023.
Engagement approach for LTP consultation drafted	03/07/2023	10/08/2023	Complete	LTP content drafted into paper, next step is to confirm strategic stakeholders with ELT. Draft completed 10/08/2023.
Council Presentation – Framework, assessment of funding needs and analysis [Morrison & Low]	7/07/2023	24/08/2023	Complete	Completed on 24/08/2023.
Support 4 September ELT moderation session as required for 13 September Council Workshop	21/06/2023	04/09/2023	Complete	Completed on 04/09/2023.

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Support managers ahead of 13 September Council Workshop	04/09/2023	13/09/2023	Complete	Completed on 13/05/2023.
Council and Mana Whenua workshop. <i>Implications of future work programme possibilities</i>	07/08/2023	13/09/2023	Complete	Completed on 13/05/2023.
Council workshop. <i>Identification of key issues in Infrastructure Strategy (paper)</i>	14/08/2023	13/09/2023	Complete	Completed on 13/05/2023.
Council Presentation – Financial/funding: high level options modelling	04/09/2023	21/09/2023	Complete	Completed on 21/09/2023.
Supporting managers through LTP Activity Build	18/09/2023	05/10/2023	Complete	Completed on 05/10/2023.
ELT Meeting: First review of LTP Activity Build	29/09/2023	09/10/2023	Complete	Completed on 09/10/2023
ELT Meeting: Second review of LTP Activity Build	09/10/2023	16/10/2023	Complete	Completed on 16/10/2023
Council Workshop – Further detail on Focus Area Initiatives	18/09/2023	24/10/2023	Complete	Completed on 24/10/2023
Draft Financial Strategy and Revenue & Financing Policy submitted to Council for approval	02/10/2023	25/10/2023	Complete	Completed on 25/10/2023
Council meeting. Draft Engagement Plan for LTP	03/08/2023	26/10/2023	Complete	Completed on 26/10/2023
ELT Meeting: Session on Council feedback for LTP Activity Build	16/10/2023	01/11/2023	Complete	Completed on 01/11/2023
Council Presentation – Financial/funding: Financial Models	24/10/2023	07/11/2023	Complete	Completed on 07/11/2023
Council update on LTP detailed planning, budgeting and other supporting information	16/10/2023	09/11/2023	Complete	Completed on 09/11/2023
Draft Infrastructure Strategy submitted to Safety & Resilience Committee for approval	24/10/2023	09/11/2023	Complete	Completed on time
ELT Meeting: Review remaining activity build areas	07/11/2023	20/11/2023	Complete	Completed on time
ELT Meeting: Review financial estimates after changes	13/11/2023	20/11/2023	Complete	Completed on time
Council Workshop – Activity Build (part 2)	23/11/23	23/11/2023	Complete	Completed on time
Approach to communicating key topics to the community (for Special Consultative Procedure) agreed internally	04/09/2023	25/11/2023	Complete	Completed on time
ELT Meeting: Review final changes to estimates	23/11/2023	27/11/2023	Complete	Completed on time
ELT Meeting: Provide direction on remaining activity build session workshop format	27/11/2023	27/11/2023	Complete	Completed on time
Council Workshop (pm) – activity build (part 3)	30/11/23	30/11/2023	Complete	Completed on time
Council Workshop - Feedback on key changes from Activity build discussions and key consultation topics	30/11/23	30/11/2023	Complete	Completed on time

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Council Workshop (am) – Focus on 'what' Policy changes and options	30/11/23	30/11/2023	Complete	Completed on time
Council Workshop	30/11/2023	30/11/2023	Complete	Completed on time
Tactical Engagement Plan, actions and roles ready for implementation for the SCP [28March)	10/11/2023	30/11/2023	Complete	Completed on time
ELT Meeting: Review updates to activity builds in advance of 7 December council workshop	04/12/2023	04/12/2023	Complete	Completed on time
Council endorsement for LTP Communications Plan	23/10/2023	06/12/2023	Complete	Completed on time
Council endorsement for Consultation Topics	23/10/2023	06/12/2023	Complete	Completed on time
Council Meeting: Formal Direction on Funding Policy Proposal and options	06/12/2023	06/12/2023	Complete	Completed on time
Ongoing updates to Growth models, uncertainties, and assumptions document.	28/07/2023	06/12/2023	Complete	Completed on time
Draft IS to Council	06/12/23	06/12/2023	Complete	Completed on time
Council endorsement for key LTP content and Supporting Information for consultation	06/10/2023	07/12/2023	Complete	Completed on time
LTP Workshop: Review consolidated position, priority adjustments, proposal outlines	07/12/2023	07/12/2023	Complete	Completed on time
Final LTP workshop with councillors		07/12/2023	Complete	Completed on time
WIP Socialised/provided to [with Council] WIP against prioritised sections		07/12/2023	Complete	Completed on time
Council Workshop: LTP Consolidation of Activity build and direction on work priorities and funding (7 December)		07/12/2023	Complete	Completed on time
Consultation topics provided to governance		08/12/2023	Complete	Completed on time
Environmental Funding consultation proposal distributed to Council		11/12/2023	Complete	Completed on time
Transport consultation proposal distributed to Council		11/12/2023	Complete	Completed on time
Council meeting: Communications plan and consultation topics approved, and formal direction on funding policy proposals and options		13/12/2023	Complete	Completed on time
Milestone* Draft strategic Directions (updated) to council	16/11/2023	13/12/2023	Complete	Completed on time

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Milestone*Draft Environmental Funding consultation proposal to Council	06/11/2023	13/12/2023	Complete	Completed on time
Milestone*Draft Transport consultation proposal to Council	06/11/2023	13/12/2023	Complete	Completed on time
Milestone* High level communications plan to Council		13/12/2023	Complete	Completed on time
Milestone*Council decisions on Funding Policy change and engagement options]		13/12/2023	Complete	Completed on time
Council decisions on Funding Policy change	08/12/2023	13/12/2023	Complete	Completed on time
High level communications plan to council	09/09/2023	13/12/2023	Complete	Completed on time
Engagement with strategic stakeholders on Focus Areas	13/11/2023	15/12/2023	Complete	Completed on time
Environmental consultation proposal finalised		21/12/2023	Complete	Completed on time
Transport consultation proposal finalised		21/12/2023	Complete	Completed on time
Growth Models, uncertainties and assumptions available for LTP Proposal	01/08/23	01/02/24	Completed	Slight delay due to version control issues of document. Now resolved and on track.
Draft public transport consultation topic		17/01/2024	Complete	Completed on time
Agree CD template between Comms and team and roles and responsibilities document		17/01/2024	Complete	Completed on time
Council meeting		08/02/24	Complete	Workshop rates model
Audit Review Rates Model		12/02/24	Complete	Have engaged with Audit on dates and expectations
LTP Governance Committee meeting		13/02/24	Complete	Considered work in progress consultation document (including consultation topics)
Council meeting		21/02/24	Complete	Meeting to agree budget, and considered work in progress consultation document (including consultation topics)
Audit Review draft consultation document		26/02/24	Complete	Date for finishing this process to be confirmed
LTP Governance Committee meeting / Council [round robin]		05/03/24	Complete	Councillors considering Draft LTP consultation document
Council meeting to approve consultation document and draft LTP		20/03/24	Complete	Council is scheduled to approve Draft consultation document and Draft LTP and delegate final changes to the draft documents to the Chief Executive

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Audit Review of LTP		08/03/24	Complete	Date to be confirmed
LTP consultation period starts		28/03/24	Complete	Communications planning underway
LTP consultation	28/03/24	28/04/24	Complete	Communications team have visibility of current draft engagement plan
Submissions received and put in Keystone	19/04/24	28/04/24	Complete	
Hearing reports sent to Councils	17/04/24	17/04/24	Complete	
LTP Hearings	20/05/24	21/05/24	Complete	
LTP Deliberations	29/05/24	30/05/24	Complete	
Deliberations report sent to Council	23/05/24	24/05/24	Complete	

Statement of Comprehensive Revenue and Expense For the 11-months ended 30 May 2024

	Notes	YTD Actual May-2024 11 months	YTD Budget May- 2024 11 months	Variance 11 months	Forecast Full Year 2023/24 12 months	Budget Full Year AP 23/24 12 months	Variance 12 months
REVENUE							
Rates revenue		51,207	51,106	101	55,778	55,778	-
Subsidies and grant revenue		22,851	18,713	4,138	23,398	20,497	2,902
Other income		13,956	13,197	758	20,789	19,518	1,271
Dividends		14,171	13,750	421	16,000	15,000	1,000
Interest and investment income	a.	8,218	9,396	(1,178)	10,250	10,250	-
TOTAL REVENUE		110,402	106,163	4,240	126,215	121,043	5,172
EXPENDITURE							
Employee benefits expense		(31,715)	(32,845)	1,130	(33,750)	(35,823)	2,072
Depreciation and amortisation		(3,713)	(3,860)	147	(4,236)	(4,211)	(25)
Finance costs	a.	(8,338)	(8,713)	375	(9,500)	(9,500)	-
Other expenses		(66,380)	(64,044)	(2,336)	(78,213)	(71,789)	(6,424)
TOTAL OPERATING EXPENDITURE		(110,147)	(109,462)	(685)	(125,699)	(121,323)	(4,377)
OPERATING SURPLUS/(DEFICIT)		256	(3,299)	3,555	516	(280)	796
Other gains/(losses)	b.	1,315	1,004	311	1,265	1,265	-
SURPLUS/(DEFICIT) BEFORE TAX		1,571	(2,296)	3,866	1,781	985	796
Income tax benefit/(expense)		-	-	-	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		1,571	(2,296)	3,866	1,781	985	796
Revaluation gain/(loss) – shares in subsidiary	c.	-	-	-	28,193	28,193	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		1,571	(2,296)	3,866	29,974	29,178	796

Notes

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

Comments

- Year to date surplus is \$1.571m, above the budget deficit of (\$2.296m) for the 11-month period (last month +\$2.893m).
- Revenue is \$4.240m up on budget and expenditure \$685K above budget creating an operating surplus variance of +\$3.555m.

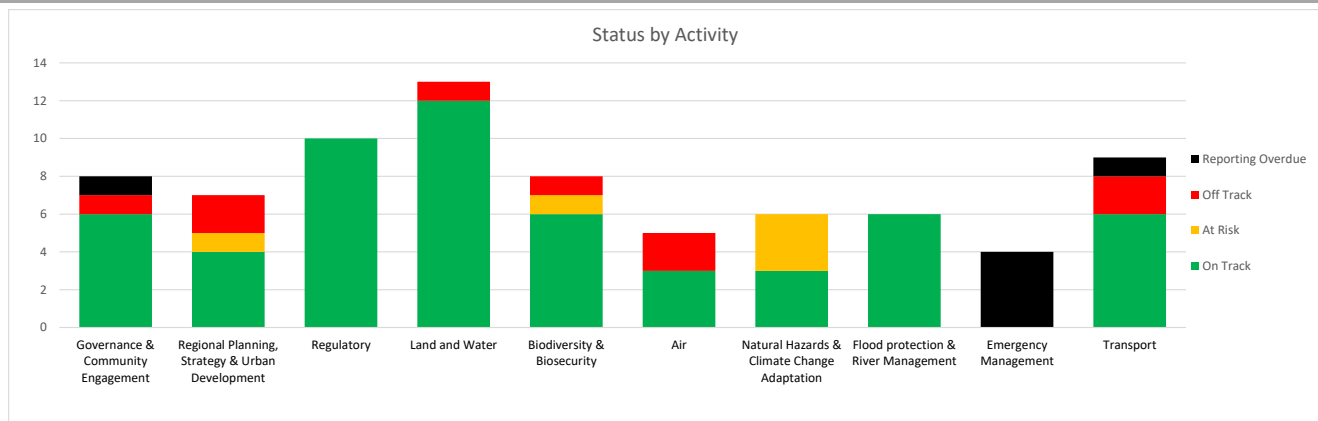
Statement of Financial Position as at 31 May 2024

	Notes	YTD Actual May-2024 11 months	Prior Year Actual Jun-2023 12 months	Variance 10 months	Budget Year End Jun-2024 12 months
CURRENT ASSETS					
Cash and cash equivalents		13,510	14,830	(1,320)	6,040
Trade receivables		14,319	14,802	(483)	12,126
Property held for sale		3,350	3,350	-	-
Other financial assets		26,978	25,262	1,716	25,426
Other current assets		765	1,433	(668)	883
TOTAL CURRENT ASSETS		58,921	59,677	(756)	44,475
NON-CURRENT ASSETS					
Property, plant and equipment		95,763	93,994	1,769	110,287
Investment property		16,692	16,795	(103)	17,131
Shares in subsidiary		723,890	723,890	-	753,013
Borrower notes		500	500	-	-
Deferred tax asset		-	-	-	98
Related party loan – Port Otago	1	129,378	125,088	4,290	99,960
Intangible asset		421	820	(399)	1,881
TOTAL NON-CURRENT ASSETS		966,644	961,087	5,557	982,370
TOTAL ASSETS		1,025,566	1,020,764	4,802	1,026,845
CURRENT LIABILITIES					
Trade and other payables		(17,662)	(19,204)	1,542	(18,996)
Borrowings	2	(51,087)	(58,878)	7,791	-
Employee entitlement		(3,189)	(2,716)	(473)	(2,608)
TOTAL CURRENT LIABILITIES		(71,938)	(80,798)	8,860	(21,604)
NON-CURRENT LIABILITIES					
Borrowings	2	(103,528)	(91,438)	(12,090)	(37,200)
Other financial instruments		-	-	-	(87,956)
TOTAL NON-CURRENT LIABILITIES		(103,528)	(91,438)	(12,090)	(125,156)
NET ASSETS		850,100	848,528	1,572	880,085
EQUITY					
Reserves		748,174	747,994	180	771,427
Public Equity		101,926	100,534	1,392	108,658
TOTAL EQUITY AND RESERVES		850,100	848,528	1,572	880,085

Notes

1. Related Party Loan – Port Otago receivable has increased by \$4.290m from the 30 June position of due to increased borrowing and interest accruals. Interest payments are made by Port Otago on LGFA loans Council holds on behalf of Port Otago.
2. Borrowings current liability has decreased by \$7.791m and non-current liability has increased by \$12.090m due to movement in the loan term with LGFA which resulted in loans moving from current (due within 12 months of year-end) and non-current (due greater than 12 months from year-end).

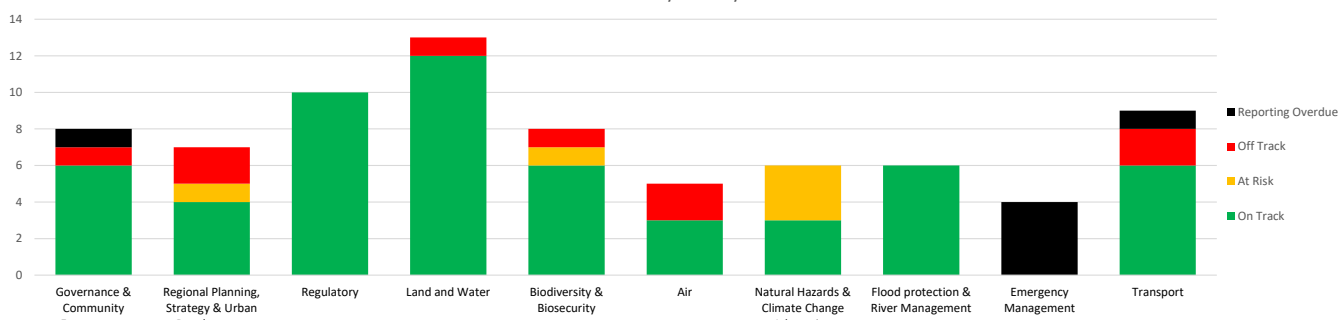
MAY PERFORMANCE REPORTING - EXCEPTIONS TO APRIL



Service Measure and Target													
REGIONAL LEADERSHIP													
Governance & Community Engagement	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Develop a Regional Climate Strategy -Target: Strategy finalised and reported to Council by 30 June												The draft Strategic Climate Action Plan will be submitted to Council in June for endorsement, but then there will need to be public consultation and further targeted engagement before it is finalised. Aiming to have the final adopted in October instead of June as a result.	
Regional Planning, Strategy & Urban Development	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Joint ORC and DCC/QLDC HBA updated and joint FDS completed by 30 June												The hearing for the Dunedin FDS was in April 2024 and as such is meeting the timeframe. Issues regarding the HBCA will result in a delay of the QLDC FDS being notified, thus not meeting the timeframe.	
Information on climate change in Otago is shared with the community and stakeholders. Target: Coordinate the development and delivery of a regional sequestration study by December 2023												A consultant has been engaged to develop and deliver the regional sequestration study, with a revised due date for the DRAFT of 14 June 2024. The final report will be unlikely to be issued before 30 June 2024.	
Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Mapping of highly productive land completed by 30 June												It is expected that the mapping of highly productive land (Plan Variation to RPS) will be available for initial public consultation later in the year.	
ENVIRONMENT													
Land and Water	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Complete a review of the Regional Plan Coast - Target: Issues and options papers developed and reported to Council by 30 June												The Issues and Options paper for Council will not be finalized by the end of the financial year due to a lack of staff resources.	
Biodiversity & Biosecurity	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Complete a report on the initiatives and organisations supported and the key deliverables achieved (Funding of selected initiatives- includes EcoFund) - Target: Report to Council by 30 June.												Report was scheduled by 30th June 2024. This will now be presented to Council by 31 August 2024.	
Percentage of data from the biodiversity monitoring network that is captured quarterly - Target: ≥95% data capture achieved												The development of a biodiversity monitoring programme has been delayed which adversely impacts the measurement and delivery of this target.	
Air	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Complete review of the Regional Plan Air - Target: Community engagement for development of Regional Plan Air completed by 30 June												Community consultation will be completed in the second half of the year due to a lack of a designated staff resource to sufficiently progress the Air Plan work.	
Air implementation strategy is scoped - Target: Reported to Council by 30 June												A consultant will be engaged soon to provide innovative ideas for, and scope, the air quality strategy. The results of this won't be reported to Council until Julv/Aueust.	
SAFETY AND RESILIENCE													
Natural Hazards & Climate Change Adaptation	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Develop a regional natural hazards risk assessment and a regional approach for prioritising adaptation - Target: Complete natural hazard risk assessment and prioritization approach.												On track for delivery of technical report on exposure/risk analysis, and prioritisation memo, for presentation to the S&R committee in August 2024. Noted as 'marginal performance' because LTP deadline was for end of June 2024.	
Priority Works: Develop and implement prioritised natural hazard risks adaptation works - Target: Work in priority areas is delivered as per plan by 30 June												No issue expected at this stage for Clutha Delta. Head of Lake Wakatipu timeframes reviewed and set out after community feedback.	
Lake Wakatipu: Develop and implement prioritised natural hazard risks adaptation works - Target: The Head of Lake Wakatipu natural hazards adaptation strategy progresses as per annual work plan												South Dunedin timeframes reviewed and approved by council. Delivery of a first-iteration adaptation strategy is now scheduled for late 2024, where we had previously been targeting a June 2024 completion. This will be a delay of 4-5 months from the LTP target date, this revised delivery timeframe has been presented to councillors at the February 2024 Safety & Resilience committee.	
Emergency Management	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Staffing: An adequate Emergency Coordination Centre (ECC) facility and staffing are available - Target: Adequate staff who are trained and available for any activation of the ECC.												Team member training can be dealt with in house and is reliant on staff availability / willingness to attend. More training courses are available for ORC staff to attend again this is contingent on staff availability and willingness to attend.	
TRANSPORT													
Transport	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	COMMENT	
Percentage of scheduled services on-time (punctuality) - Target: 95%												Services are heavily affected in Dunedin by extensive roadworks and road closures, whilst Queenstown continues to be affected by heavy congestion on the approaches in and out of central Queenstown/Stanley Street at peak times. It is anticipated that Dunedin punctuality will improve significantly with the completion of the central city works.	
Overall passenger satisfaction with Dunedin Public Transport system at annual survey - Target 97%												Satisfaction survey results show the Overall Satisfaction measure at 88%. This is an increase of 2% compared to 2023. This is some way off the target of 97%, noting that it remains a positive result and achieving near-100% satisfaction could be considered a challenging target.	
Overall passenger satisfaction with Wakatipu Public Transport system at annual survey - Target 97%												The substantial increase in patronage on the PT network indicates some positivity in the results, particularly with the reintroduction of full timetables only taking place in June 2023 and the recent short-term driver issues experienced in Queenstown through Q3 2023/24.	

MAY PERFORMANCE REPORTING

Status by Activity



Service Measure and Target

REGIONAL LEADERSHIP

Governance & Community Engagement

Percentage of official information requests responded to within statutory timeframes - Target: 100%

Deliver our statutory requirements with acceptable process and deliverables to decision-makers and the community - Target: Unmodified audit reports received

Percentage of council agendas are publicly available two working days or more before a meeting - Target: 100%

Work done in partnership with iwi - Target: Maintain or increase the number of outputs and/or projects (from 2021-22 baseline result: 19)

Build the bicultural competency of ORC staff and councillors - Target: ≥50 participants in programme

Annual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC - Target: Improved satisfaction levels with how ORC services the region

Customers express high levels of satisfaction with customer service provision - Target: Conduct benchmarking of customer satisfaction

Develop a Regional Climate Strategy - Target: Strategy finalised and reported to Council by 30 June

Regional Planning, Strategy & Urban Development

Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Joint ORC and DCC/QLDC HBA updated and joint FDS completed by 30 June

Complete review of existing Regional Policy Statement (RPS) - Target: Make RPS operative

Catchment Action Plans (CAP) are developed in collaboration with iwi and community. Target: Drafting of pilot CAP completed and drafting of second CAP commenced by 30 June

Report on community wellbeing indicators - Target: Complete baseline report on wellbeing indicators and issues

Information on climate change in Otago is shared with the community and stakeholders. Target: Coordinate the development and delivery of a regional sequestration study by December 2023

Report on regional stakeholder engagement and collaboration on climate change. Target: Complete an annual report on regional climate change collaboration and report to Council

Develop an integrated planning framework that enables well managed urban growth across Otago - Target: Mapping of highly productive land completed by 30 June

Regulatory

Maintain 24-hour/7 day a week response for environmental incidents - Target: Pollution hotline staff available/on call 24/7

Maintain 20 appropriately trained responders for maritime oil pollution incidents - Target: 20 responders attend 3 exercises per year

Percentage of resource consent applications processed in accordance with Resource Management Act 1991 legislative timeframes - Target: ≥98%

Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%

Percentage of significant non-compliance identified where action is taken in accordance with Compliance Policy - Target: 100%

Major incidents on Otago's Harbours and waterways will be responded to. Target: Major incidents and ORC's response are reported to Council quarterly

Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets - Target: ≥90%

Maintain compliance with Port and Harbour Marine Safety Code - Target: External review is completed and deemed to be code consistent.

On-water engagement, education of recreational users and safety campaigns are documented and reported annually - Target: Report to council by 30 June

Percentage of public enquiries for consent information completed within 7 working days - Target: Maintain or increase (from 2021-22 baseline of 99%)

ENVIRONMENT

Land and Water

Complete the Land and Water Regional Plan(LWRP) - Target: Notify LWRP by 30 June 2024

Otago Catchment Communities is supported to meet deliverables and targets of funding agreement - Target: Report to Council on deliverables and targets achieved by 30 June

Implement freshwater monitoring programme - Target: Annual report on monitoring programme completed and reported to Council

Implement a regional coastal monitoring programme. Target: Annual report on monitoring programme completed and reported to Council

Percentage of data from the water monitoring network that is captured quarterly - Target: ≥95% data capture achieved

Develop and implement a regional land use monitoring programme. Target: Annual report on monitoring programme completed and reported to Council

Otago Catchment Communities funding is administered as per agreement. Target: 100%

Land owner/community led projects promoting best practice land management for soil conservation, water quality and the efficient use of water are identified and supported - Target: Three or more projects supported per year

Identify: At least three site specific management plans for selected degraded waterbodies are developed, prioritised, and implemented - Target: Projects confirmed and actions identified by 30 September

Undertake: At least three site specific management plans for selected degraded waterbodies are developed, prioritised, and implemented - Target: 90% of actions undertaken within specified timeframes

Percentage of data from the land-use monitoring network that is captured quarterly. Target: 95% data capture achieved

Implement estuarine monitoring programme - Target: Annual report on monitoring programme completed and reported to Council

Council Agenda - 26 June 2024 - CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Complete a review of the Regional Plan Coast - Target: Issues and options papers developed and reported to Council by 30 June												
Biodiversity & Biosecurity	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Actions listed in the Biodiversity Action Plan (BAP) are prioritised and progressed - Target: 90% of current year actions achieved within timeframes specified												
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed - Target: 90% of actions achieved within timeframes specified.												
(Funding of selected initiatives- includes EcoFund) Percentage of funding administered as per agreements - Target: 100%												
Complete a report on the initiatives and organisations supported and the key deliverables achieved (Funding of selected initiatives- includes EcoFund) - Target: Report to Council by 30 June.												
Engagement Activities: Biodiversity partnerships established and joint projects developed and progressed - Target: Maintain or increase number of partnership engagement activities and events and report to Council.												
Projects: Biodiversity partnerships established and joint projects developed and progressed - Target: Projects and progress against milestones reported to Council												
Develop and implement a regional indigenous biodiversity ecosystems monitoring programme. Target: Annual report on monitoring programme completed and reported to Council												
Percentage of data from the biodiversity monitoring network that is captured quarterly - Target: ≥95% data capture achieved												
Air	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Implement a regional air monitoring programme - Target: Annual report on monitoring programme completed and reported to Council												
Percentage of data from the air monitoring network that is captured quarterly - Target: ≥95% data capture achieved												
Complete review of the Regional Plan Air - Target: Issues and options papers developed by 31 December 2023												
Complete review of the Regional Plan Air - Target: Community engagement for development of Regional Plan Air completed by 30 June												
Air implementation strategy is scoped - Target: Reported to Council by 30 June												
SAFETY AND RESILIENCE												
Natural Hazards & Climate Change Adaptation	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Relevant and up to date natural hazards information is available via the web-based Otago Natural Hazards Database - Target: Database information is checked and updated monthly												
Percentage of flood warnings that are issued in accordance with the flood warning manual - Target: 100%												
Develop a regional natural hazards risk assessment and a regional approach for prioritising adaptation - Target: Complete natural hazard risk assessment and prioritization approach.												
Priority Works: Develop and implement prioritised natural hazard risks adaptation works - Target: Work in priority areas is delivered as per plan by 30 June												
Lake Wakatipu: Develop and implement prioritised natural hazard risks adaptation works - Target: The Head of Lake Wakatipu natural hazards adaptation strategy progresses as per annual work plan												
South Dunedin and Harbourside: Develop and implement prioritised natural hazard risks adaptation works - Target: ORC contribution to the South Dunedin Future programme progresses as per annual work plan.												
Flood protection & River Management	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Scheme Performance: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: Schemes function to their constructed design standards												
Scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: ≥90% of renewals programme completed												
Scheme maintenance programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents - Target: ≥90% of planned maintenance programme completed												
Rivers: Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days - Target: 100%												
Rivers: Percentage of planned maintenance actions achieved each year - Target: ≥90%												
Flood repair programme: Damage identified, prioritised and a repair programme communicated with affected communities in a timely manner - Target: Programme developed and communicated within 3 months of the event.												
Emergency Management	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Staffing: An adequate Emergency Coordination Centre (ECC) facility and staffing are available - Target: Adequate staff who are trained and available for any activation of the ECC.												
Facility: An adequate Emergency Coordination Centre (ECC) facility and staffing are available - Target: An appropriate facility is available for activation at all times.												
Support is provided to the Otago CDEM Group as per the CDEM Act and Otago CDEM Partnership Agreement - Target: Fulfil all requirements as the administering authority.												
Maintain response functionality to enable operational situational awareness when ECC activated - Target: Response solutions are checked as scheduled and any issues remedied.												
TRANSPORT												
Transport	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Percentage of scheduled services on-time (punctuality) - Target: 95%												
Overall passenger satisfaction with Dunedin Public Transport system at annual survey - Target 97%												
The Regional Land Transport Plan (RLTP) is prepared and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency (NZTA) - Target: RLTP review completed and adopted by Council by 30 June Transport Committee.												
Annual public transport boardings in Queenstown per capita - Target: increase												
Annual public transport boardings in Dunedin per capita - Target: increase												
Percentage of scheduled services delivered (reliability) - Target: 95%												
Overall passenger satisfaction with Wakatipu Public Transport system at annual survey - Target 97%												
Percentage of users who are satisfied with the provision of timetable and services information - Target: Maintain or increase (from 2022 baselines - DN: 70%, QWTN: 88%)												
Percentage of users who are satisfied with the overall service of the Total Mobility scheme- Target: maintain or increase (from 2022 baseline:87%)												

On Track	At Risk	Off Track	Not Measured	Reporting Overdue
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10.1. Long-Term Plan 2024-2034 Adoption

Prepared for: Council
Report No. CS2422
Activity: Governance Report
Author: Mike Roesler, Manager, Corporate Planning
Nick Donnelly, General Manager Corporate Services and CFO
Endorsed by: Nick Donnelly, General Manager Corporate Services and CFO
Date: 26 June 2024

PURPOSE

- [1] To present the final version of the Otago Regional Council Long-Term Plan 2024-2034 (LTP) for Council adoption.

EXECUTIVE SUMMARY

- [2] The LTP embodies the Council's service delivery intentions, the allocation of resource to deliver on those intentions, and key financial strategy and policy to support prudent management and decision-making on these matters. The service intentions and financial forecasts are prepared in detail for years 1 to 3, and less detail for years 4 to 10. The full Financial Strategy and Revenue and Financing Policy are included.
- [3] Importantly the LTP also embodies 'Strategic Directions' that provides an overarching framework referencing what's important to the community and how that aligns to Council activity. It was developed by the Otago regional councillors working alongside mana whenua as guidance to the LTP process and other strategic processes.
- [4] At the LTP Deliberations meeting on 29-30 May 2024, the Finance Committee directed Council staff on a range of adjustments to the consulted Long-Term Plan. Those adjustments have been made and for transparency are summarised in the LTP.
- [5] The adjustments from deliberation resulted in final forecasted total rates revenue increases of 16.3% year 1, 13.8% year 2, and 8.7% year 3. For comparison, the consulted increases were 18.6% year 1, 11.2% year 2, and 9.4% year 3.
- [6] This report is followed by a Rating Resolution report which enables the Council to begin implementing year 1 of the LTP on 1 July 2024.

RECOMMENDATION

That the Council:

- 1) **Adopts** the 'Revenue and Financing Policy' as included in the Otago Regional Council Long-Term Plan 2024-2034 appended to this report.
- 2) **Approves** the 'Fees and Charges Schedule' as included in the Long-Term Plan 2024-2034 appended to this report.
- 3) **Approves** the following financial policies appended to this report:
 - a. Rates Remission and Postponement Policy
 - b. Development Contributions and Financial Contributions Policy

- 4) **Notes** the final Funding Needs Analysis document appended to this report which supports the Revenue and Financing Policy.
- 5) **Resolves** that, having considered the matters in section 100 (2) of the Local Government Act 2002, it is financially prudent to have annual operating deficits in years 1 and 3 to 6 of the Long-Term Plan 2024-2034.
- 6) **Authorises** the Otago Regional Council Chairperson and Chief Executive to sign the audit representation letter on behalf of Council.
- 7) **Adopts** the Otago Regional Council Long-Term Plan 2024-2034 appended to this report.
- 8) **Delegates** authority to the Council's Chief Executive in consultation with the Council's external auditor and Finance Committee Chair and co-chair to make any necessary alterations of minor effect or to correct minor editorial errors to the adopted Long-Term Plan 2024-2034.

BACKGROUND

- [7] Since early 2023 the Council has completed steps to develop its LTP. These steps included:
- a. Integrating the preceding 'Strategic Directions' combined councillor and mana whenua body of work.
 - b. Presentations about current services (i.e. current state workshops).
 - c. Consideration of community engagement approach.
 - d. Consideration about future service and work programmes.
 - e. Prioritisation of work (i.e. implications of future work programme possibilities).
 - f. Activity review (i.e. consideration of proposed work and budgets).
 - g. Consideration of key proposals for consultation.
 - h. Consolidation of financial estimates and funding impacts.
 - i. Approval of a Consultation Document and implementation of a special consultative procedure.
 - j. Consideration of community feedback and direction to staff on adjustment to the draft LTP.
- [8] Across the timeline associated with the steps above, a substantive review of the 'Revenue and Financing Policy' (RFP) was completed. In addition, the 'Infrastructure Strategy' was also completed.
- [9] The steps culminated in the Council approving a Consultation Document (CD) at its 20 March 2024 meeting with consultation following from 28 March to 28 April 2024.
- [10] Council deliberation on community submissions to the LTP were completed over 29-30 May with direction provided to Council staff on changes to the draft work programme and financial estimates.

DISCUSSION

- [11] Council staff have updated the LTP to reflect the resolutions of the 29-30 May Finance Committee LTP Deliberation meeting.
- [12] The resolutions are reflected in the underlying financial forecasts and/or explicitly noted in the LTP service and policy narrative.
- [13] The Council decisions from its deliberation resulted in a change to the total rates revenue increases as consulted.

Consulted	18.6% year 1, 11.2% year 2, 9.4% year 3.
Final	16.3% year 1, 13.8% year 2, 8.7% year 3.

- [14] The final rate increases shown above differ slightly from the percentages estimated at the conclusion of deliberations of 16.6%, 13.3% and 8.8%. The final numbers reflect the Wanaka PT business case being included in year 2 to allow completion of the Wanaka Optimisation business case in year 1 and this will inform scoping of the year 2 business case.
- [15] The completed LTP is appended to this report for Council adoption.

FINANCIAL POLICIES

- [16] Draft financial policies that support the Long-Term Plan are appended to this paper. Council approved a draft Development Contributions and Financial Contributions Policy on 21 February 2024. These draft policies together with Council's existing Rates Remission and Postponements Policy have undergone further review, including an external legal review alongside the draft Revenue and Financing Policy.
- [17] These supporting documents are required under the Local Government Act but are not required to be included in the LTP document itself.
- [18] Following the legal review, the only substantive change was the inclusion of a section in each policy referencing the Te Ture Whenua Māori Act. This is required under section 102 (3A) of the Local Government Act 2002. This has been included in each of the appended policies. Other changes were of an administrative nature and did not change the substance of the draft or previously adopted policies.

BALANCING THE BUDGET

- [19] Under section 100 (1) of the Local Government Act 2002 Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating revenue.
- [20] Under section 100 (2) Council may set projected operating revenues at a different level from that required by subsection (1) if Council resolves that it is financially prudent to do so, having regard to:
 - a. the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and

- b. the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
 - c. the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
 - d. the funding and financial policies adopted under section 102.
- [21] The deficits included in years 1 and 3 to 6 of the Long-Term Plan are minor and as outlined in the LTP, Financial Strategy and Prudence graphs only equate to maximum deficit of 1% of operating expenditure in any of those years.
- [22] The main reason for these deficits is timing of targeted rate increases relating to flood, drainage and river management activity. These activities include a significant step up in expenditure in the LTP. Council considered the matters included in section 100 (2) and believes it is prudent to smooth and phase in these rates increases and the resulting deficits are not material over those years.

OPTIONS

- [23] If Council chooses not to approve the LTP and associated documents as recommended, the resulting option is that the LTP document and/or associated documents are not approved at this meeting.
- [24] This would require these documents to be re-presented to Council for approval following staff actioning whatever direction Council gives relating to further amendment they require prior to adoption.
- [25] The disadvantage of this is the time required to make changes and subsequent delay in re-presenting the LTP to Council for adoption. Audit cannot provide their final opinion until they receive the adopted document. The statutory deadline of 30 June adoption would not be achieved.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [26] The 'Strategic Directions' work initiated with Councillors leading into the LTP process, is integrated with the LTP.
- [27] The LTP appended for adoption includes the completed:
- a. Financial Strategy
 - b. Infrastructure Strategy
 - c. Revenue and Financing Policy
- [28] Recommendation 3 of this report relates to financial policies required under the Local Government Act 2002. They are discussed under the 'Financial Policies' section of this report.

Financial Considerations

- [29] The draft financial expenditure and revenue forecasts that underpinned the LTP Consultation Document have been updated to accurately reflect the decisions from the 29-30 May 2024 Finance Committee LTP Deliberation meeting.

- [30] The 'Balancing the Budget' section of this report draws some emphasis to an important component of the Financial Strategy, and one that has drawn the interest of Council's external auditors.
- [31] Key financial assumptions associated with Council's transport activity have also been reconsidered against the most recent information from Waka Kotahi. Council staff and Deloitte are satisfied with the assumptions – importantly the planned programme as consulted remains.

Significance and Engagement

- [32] At this stage of the process the Council should not introduce significant change to the LTP.

Legislative and Risk Considerations

- [33] Council staff have worked to ensure that the LTP process has complied with the various legal requirements, particularly those under the Local Government Act 2002.
- [34] Council's external auditors 'Deloitte' have concluded the final step in their review of the LTP process and key deliverables. The focus of this step was reviewing the work that incorporated Council deliberation decisions into the financial forecasts and LTP document.
- [35] The external audit of the Otago Regional Council LTP 2024-34 did not identify any legal compliance concerns.
- [36] The remaining compliance processes are to receive the auditor's report, adopt the LTP and then set the rates.

Climate Change Considerations

- [37] Climate change has been a key consideration within the LTP process and is reflected in the plan presented for Council adoption.

Communications Considerations

- [38] Council staff will prepare communication(s) to all submitters outlining the Council's final decisions regarding the LTP.

NEXT STEPS

- [39] The adopted LTP and Audit Representation Letter will be provided to Council's auditor, Deloitte, who will then issue their audit opinion.
- [40] Deloitte have indicated there are no matters that have arisen through the audit that are likely to warrant a modified audit opinion.
- [41] Upon receipt of the audit opinion the final LTP document will be published in hard copy and on Council's website.
- [42] At this meeting Council will also approve the rates resolution for 2024/25, effective 1 July 2024.
- [43] Final communications to all submitters will be completed.

[44] Steps to initiate the Annual Plan 2025/2026 process, being year 2 of the LTP, will begin.

ATTACHMENTS

1. 2024-34 ORC Long-Term Plan [**10.1.1** - 203 pages]
2. 2024-34 LTP ORC Rates Remission and Postponement Policy Draft v2.1 [**10.1.2** - 14 pages]
3. 2024-34 LTP ORC Development Contributions and Financial Contributions Policy Draft v2 [**10.1.3** - 5 pages]
4. 2024-34 LTP ORC RFP Funding Needs Analysis v8 FINAL [**10.1.4** - 28 pages]

10.1.1 ORC Long Term Plan Placeholder


NOTE: This file was too large to include in the combined Agenda, so this will be available separately in Diligent (note provided to Councillors) and as a separate attachment on the ORC Website.



Otago Regional Council

Rates Remissions and Postponements Policy

June 2024

 The logo for Otago Regional Council, consisting of a dark blue square with a yellow mountain peak and three white wavy lines below it, followed by the text "Otago Regional Council" in dark blue.	Document Name: Otago Regional Council Rates Remissions and Postponements Policy
	Document Owner: General Manager Finance
	Authorised By: Chief Executive
	Implementation Date: 26 June 2024
	Review Period: Triennially
	Last Reviewed: March 2021
	Next Review: June 2027

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1. PURPOSE

The Otago Regional Council carries out its rating function in accordance with the requirements of the Local Government (Rating) Act 2002, and the Local Government Act 2002.

This document provides the policy framework for granting remissions and postponing the payment of rates.

2. REMISSIONS POLICY

2.1. Application for Remission of Rates

Remission of rates will be considered on receipt of an application (on the prescribed form), for remission the application should include the following additional documentation as appropriate:

- Information on activities.
- Financial information, e.g. financial statements.
- Details of membership.

2.2. Delegated Authority

The General Manager Corporate Services and the Finance Manager (severally) have delegated authority to consider and decide upon all applications received for remission of rates, and to determine the amount of remission that may be granted.

Council's functions under this policy may be carried out by the General Manager Corporate Services and the Finance Manager (severally).

2.3. Rates Remission: Rates – Late Payment and Arrears Penalties

Penalties of 10% are charged to all unpaid rate account balances twice a year. Circumstances may arise where it is fair and appropriate to remit some, or all of the penalties charged to a ratepayers account.

Objective

Council charges penalties for late payment of rates and for rates arrears, in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002.

The objective of this remission is to enable Council to be fair and reasonable in considering all circumstance that may give rise to non-payment of penalties that have been charged to a ratepayers account and to encourage ratepayers to clear arrears and keep their payments up to date.

Conditions and Criteria

Council will consider remitting late payment penalties in the following circumstances:

- a. One-off ratepayer error (including timing differences arising from payments via regular bank transactions).
 - i) This may only be applied once in any three-year period.
 - ii) Applications must state the reason for late payment, and deliberate non-payment will not qualify for remission.
 - iii) Applications must be in writing using the prescribed form.
 - iv) Payment of all outstanding rates (other than the penalties to be remitted) is required prior to the remission being granted.
- b. Inability to pay (including illness, accident, bereavement, financial hardship):
 - i) Penalties imposed in the last two-year period may be remitted, where this would facilitate immediate payment of all outstanding rates (remission of penalties over a longer time period may be considered, if the amount of arrears is large).

Where an acceptable arrangement to pay arrears and future rates over an agreed time period is to be implemented, providing the arrangements are complied with, then any penalties that would otherwise have been imposed over this time period may be remitted.

Applications must be in writing using the prescribed form.

Remissions of penalties for circumstances other than those mentioned above, where it is considered fair and equitable for the remission to be applied (for example: council error, property sale) may be granted at the sole discretion of the Finance Manager.

2.4. Rates Remission: Rating Units in Common Ownership

Section 20 of the Local Government (Rating) Act 2002 provides for two or more rating units to be treated as 1 unit for setting a rate if those units are:

- a. Owned by the same person or persons.
- b. Used jointly as a single unit.
- c. Contiguous or separated only by a road, railway, drain, water race, river or stream.

Objective

To provide for relief from uniform charges on land held or what was formerly a single property but is now treated as two or more properties and properties to which the ratepayer is the same.

Conditions and Criteria

Rating units that meet the criteria above under this policy may qualify for a remission of uniform annual general charges and any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

The rating units on which remission is made must to all intents and purposes have the same ratepayer as the owner. Only one of the units may have any residential dwelling situated on the rating unit.

Sub-divided land owned by a developer while contiguous is not held for the same purpose as each lot can be sold separately to a different purchaser.

A remission will apply from no later than the beginning of the next rating year commencing 1st July from which the application is made until the ratepayer who is the occupier no longer meets the criteria above. Applications will not be backdated.

Applications must be in writing using the prescribed form.

2.5. Rates Remission: Extreme Financial Hardship

Objective

To assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates and it is considered that the Postponement Policy for the same purpose is not appropriate.

Conditions and Criteria

Remissions of rates in part or in whole may be given in cases of extreme financial hardship where it is considered by Council that the Postponement Policy for the same purpose is not appropriate.

The rating unit which is the subject of the application must be the ratepayers domestic residence owned and occupied by them, and the ratepayer must not own (or have any interest in) any other property.

The ratepayer does not have the financial capacity to pay their rates or the payment of the rates instalment would create extreme financial hardship for the ratepayer.

The remission will apply for the rating year in which the application is made. The ratepayer must not be arrears from a previous rating year.

Applications must be in writing using the prescribed form.

2.6. Rates Remission: Community, Sporting and Other Organisations

Objective

Certain types of land use are classified as “non-rateable” under Section 8 of the Local Government (Rating) Act 2002, including schools, churches, and land used for some conservation or recreational purposes. Such land may be either fully or 50% “non-rateable”.

The objective of this remission is to provide relief to Otago community-based organisations (including some that may be classified as non-rateable under section 8), to support the benefit they provide to the wellbeing of Otago residents.

Conditions and Criteria

For non-profit community-based organisations (including charitable groups and non-profit sporting organisations) which the Council considers deliver a predominant community benefit:

- a. Where the organisation occupies Council land under lease, up to 100% remission of all rates.
- b. Where the organisation owns and occupies other land:
 - i) Up to 100% remission on general rates (including the uniform annual general charge).
 - ii) Up to 50% remission of the other rates that would be payable if they were fully rateable.

Organisations must operate on a non-commercial basis.

Organisations making application should include the following documents in support of their application:

- c. Statement of objectives.
- d. Full financial accounts.
- e. Details of any leases (where applicable).
- f. Information on activities and programmes.
- g. Details of membership or clients.

The ratepayer may apply in writing (using the prescribed form) for the remission of rates by 30 June for it to be applied to the next rating year.

Remission Applies To

Any community-based not-for-profit organisation whose activities, in the opinion of the Council, provide significant public good as a result of its occupation of the property.

The remission may (at Council's absolute discretion) include property over which a liquor licence is held, provided this is incidental to the primary purpose of occupancy. This inclusion may also apply to those organisations classified as "non-rateable" under Section 8 of the Local Government (Rating) Act 2002.

The remission is not available to property owned or used by chartered clubs, political parties, trade unions (and associated entities), dog or horse racing clubs, or any other entity where the benefits are restricted to a class or group of persons and not available to the public generally.

Any remission will only apply to the portion of the property used for the purpose for which the remission is granted.

2.7. Rates Remission: Lane Used for Natural, Historic or Cultural Conservation Purposes

Objective

To preserve and promote natural resources and heritage to encourage the protection of land for natural, historic or cultural purposes.

Conditions and Criteria

Ratepayers who own rating units which have some feature of cultural, natural or historic heritage which are voluntarily protected may qualify for remission of rates under this part of the policy.

Land that is non-rateable under section 8 of the Local Government (Rating) Act will not qualify for remission under this part of the policy.

Applications must be made in writing using the prescribed form. Applications should be supported by documentary evidence of the protected status of the rating unit, for example a copy of the Covenant or other legal mechanism.

In considering any application for remission of rates under this part of the policy, Council will consider the following criteria:

- a. The extent to which the preservation or natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
- b. The degree to which features of natural, cultural or historic heritage are present on the land.
- c. The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

Council will decide what amount of rates will be remitted on a case by case basis and will review no longer than every three years.

If an application is approved, the Council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land imposed by the protection mechanism. Ratepayers should note that the valuation service provider's decision is final.

In granting remissions under this part of the policy, Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if any of the conditions are breached. Non-compliance with any condition will result in remissions being stopped.

The land must not be used for grazing, farming, residential or commercial purposes and must have discernible natural, historical or cultural features.

Remissions will not be granted retrospectively.

Note: Where the rating unit is owned or used by and for the purposes of the Queen Elizabeth the Second National Trust it is non-rateable under the Local Government (Rating) Act 2002

2.8. Review of Remissions

All remissions will be reviewed to ensure that the circumstances under which the remissions were granted continues to exist.

Notification of any change in the circumstances of a rating unit, e.g. change of ownership, will also give rise to the review of any remissions applying to that rating unit, at the time of notification of the change.

3. POSTPONEMENT POLICY

3.1. Review of Postponement of Rates

All postponements of rates will be reviewed on a six-monthly basis, to ensure that the conditions under which any postponement of rates were granted, are being complied with.

3.2. Delegated Authority

The General Manager Corporate Services and the Finance Manager (severally) have the delegated authority to consider and decide upon all applications received for postponement of rates.

3.3. Postponement for Financial Hardship

Objective

The objective of this part of the policy is to assist ratepayers who are experiencing extreme financial hardship, which temporarily affects their ability to pay rates.

Conditions and Criteria

The rating unit which is the subject of the application must be the residence owned and occupied by the ratepayer who must not have any other interest in any other property.

The postponement will apply for the rating year in which the application is made. The ratepayer must not be in arrears from a previous rating year.

The ratepayer will be required to apply in writing for the postponement of rates, on the prescribed form.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors:

- a. Assets and liabilities.
- b. Income and expenditure.
- c. Age.
- d. Physical or mental disability.

- e. Injury.
- f. Illness.
- g. Family circumstances.

Where Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be paid if any of the following events:

- The death of the ratepayer.
 - The ratepayer ceases to be the owner or occupier of the rating unit.
 - The ratepayer no longer uses the rating unit as his or her residence.
 - The ratepayer recovers the ability to pay.
 - A date specified by the Council at the time of granting the postponement.
- OR
- Some other time as determined by the General Manager Finance.

A postponement will apply from the beginning of the rating year in which the application is made, and will end, at the conclusion of the rating year.

Penalties will not be applied or will be remitted for any rates that have been postponed. The Council may require a ratepayer to make an application each year for continued postponement.

A postponement fee to cover administration and financial costs may be charged on postponed rates, in accordance with Section 88 of the Local Government (Rating) Act 2002.

The ratepayer agrees to meet any Council costs associated with granting the postponement.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit. All costs associated with the statutory land charge, including but not limited to preparation and registration of the statutory land charge, will be met by the ratepayer.

POLICY ON REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

1. PURPOSE

The Council has recognized that certain Māori freehold land have particular conditions, ownership structures or other circumstances which make it appropriate to remit or postpone rates for defined periods of time.

The Council and the community benefit through more efficient use of staff time and the removal of that rates debt which is considered noncollectable.

The Council is required to consider every application for remission and/or postponement of rates on Māori freehold land pursuant to Section 108 of the Local Government Act 2002 and will then consider the most appropriate tool, if any, either remission or postponement to assist in making ownership and occupancy of the land feasible.

2. TE TURE WHENUA MĀORI ACT

Council's Policy on the Remission and Postponement of Rates on Māori Freehold Land must support the principles set in the preamble to the Te Ture Whenua Māori Act, which are:

Nā te mea i riro nā te Tiriti o Waitangi i motuhake ai te noho a te iwi me te Karauna: ā, nā te mea e tika ana kia whakaūtia anō te wairua o te wā i riro atu ai te kāwanatanga kia riro mai ai te mau tonu o te rangatiratanga e takoto nei i roto i te Tiriti o Waitangi: ā, nā te mea e tika ana kia mārama ko te whenua he taonga tuku iho e tino whakaaro nuitia ana e te iwi Māori, ā, nā tērā he whakahau kia mau tonu taua whenua ki te iwi nōna, ki ō rātou whānau, hapū hoki, a, a ki te whakangungu i ngā wāhi tapu hei whakamāmā i te nohotanga, i te whakahaeretanga, i te whakamahitanga o taua whenua hei painga mō te hunga nōna, mō ō rātou whānau, hapū hoki: ā, nā te mea e tika ana kia tū tonu he Te Kooti, ā, kia whakatakototia he tikanga hei āwhina i te iwi Māori kia taea ai ēnei kaupapa te whakatinana.

Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.

As every block of Māori Freehold Land is different and requires specific consideration, Council's approach is to support the principles of the Te Ture Whenua Māori Act through this policy to provide for the most appropriate support for the particular circumstances of the block of land, its ownership structure and the aspirations of the owners.

3. REMISSIONS OF RATES ON MĀORI FREEHOLD LAND

Objective

The Objectives of this part of the policy are:

- a. Supporting the use of the land by the owners for traditional purposes.
- b. Recognising and supporting the relationship of Māori and their culture and traditions with their ancestral lands.
- c. Avoiding further alienation of Māori freehold land.
- d. Facilitating any wish of the owners to develop the land for economic use.
- e. Recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes.
- f. Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere).
- g. Recognising and taking account of the importance of the land for community goals relating to:
 - i. the preservation of the natural character of the coastal environment.
 - ii. the protection of outstanding natural features.
 - iii. the protection of significant indigenous vegetation and significant habitats of indigenous fauna.
- h. Recognising the level of community services provided to the land and its occupiers.
- i. Recognising matters related to the physical accessibility of the land.

Conditions and Criteria

The matters that the local authority must consider under section 108(4) are:

- a. The desirability and importance within the district of each of the Objectives listed below.
- b. Whether, and to what extent, the attainment of any of those objectives could be prejudicially affected if there is no remission of rates or postponement of the requirement to pay rates on Māori freehold land.
- c. Whether, and to what extent, the attainment of those objectives is likely to be facilitated by the remission of rates or postponement of the requirement to pay rates on Māori freehold land.
- d. The extent to which different criteria and conditions for rates relief may contribute to different objectives.

This policy applies only to land whose beneficial ownership has been determined by the Māori Land Court by freehold order and is either:

- i. Non-income producing.
 - ii. In its natural state or undeveloped state.
 - iii. Not occupied.
 - iv. In multi ownership.
- a. Council will have the sole discretion on whether or not to grant the remission and may seek such additional information as may be required before making its final decision.
 - b. If the status of the land changes so that it no longer complies with the criteria then remission ceases unless further relief is granted in accordance with this policy below.
 - c. Any rating relief will be temporary and each application will be limited to a term of three years. However the Council may consider renewing the rate relief upon the receipt of further applications from the ratepayer. Council may also, at its sole discretion, renew the rating relief without application.
 - d. In the event that subsequent applications for rating relief are made by only one or a minority of the owners who are the ratepayers, Council may require that these are signed or supported by such greater proportion of owners as may be required from time to time.
 - e. The ratepayer will be required to apply in writing for consideration of remission by 30th June each year.
 - f. Remission will be applied annually to those properties where remission has been previously granted, until the applicable criteria is no longer met. 'Use' of land will be continually monitored.
 - g. If any part of the land is or becomes used or occupied that portion may be demarcated and treated as a rating unit for the purpose of assessing rates.
 - h. Applications must be writing using the prescribed form.

Delegated Authority

The General Manager Corporate Services has the delegated authority to consider and decide upon all applications received for remission of rates for Māori freehold land, and to determine the amount of remission that may be granted.

Council's functions under this policy may be carried out by the General Manager Corporate Services.

4. POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

Objective

To facilitate the development and use of the Māori freehold land for economic use where Council considers utilisation would be uneconomic if full rates are required during the years of development and establishment of pasture or crop.

Conditions and Criteria

Council will consider postponement of rates where previously unoccupied land is subject to clearing, development, and the growing of crops.

Application should be made prior to commencement of the clearing, development and the growing of crops. Applications made after the commencement of the development may be accepted at the discretion of Council.

Applications must be in writing, using the prescribed form, by 30 June for it to be applied to the next rating year.

Applications should include the following information in their applications:

- a. Details of the property.
- b. The objectives that will be achieved by providing postponement.
- c. Details of the proposed development.

Council will consider postponement for each individual application according to the circumstances of that application.

Council may also, at its discretion, partially remit rates that are otherwise subject to postponement.

Where Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be paid if any of the following events:

- A change in the conditions and criteria under which the postponement was granted.
- A date specified by the Council at the time of granting the postponement.

OR

- Some other time as determined by the General Manager Finance.

A postponement will apply from the beginning of the rating year in which the application is made, and will end at the conclusion of the rating year.

Penalties will not be applied or will be remitted for any rates that have been postponed.

The Council may require a ratepayer to make an application each year for continued postponement.

A postponement fee to cover administration and financial costs may be charged on postponed rates, in accordance with Section 88 of the Local Government (Rating) Act 2002.

The ratepayer agrees to meet any Council costs associated with granting the postponement.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit. All costs associated with the statutory land charge, including but not limited to preparation and registration of the statutory land charge, will be met by the ratepayer.

Delegated Authority

The General Manager Corporate Services has been given the delegated authority to consider and decide upon all applications received for postponement of rates for Māori freehold land, and to determine the terms under which the postponement may be granted.


Council's functions under this policy may be carried out by the General Manager Finance.

DRAFT



Otago Regional Council Development Contributions and Financial Contributions Policy

June 2024

	Document Name: Otago Regional Council Development Contributions and Financial Contributions Policy
	Document Owner: General Manager Finance
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DRAFT

1. PURPOSE

Under section 102(2)(d) of the Local Government Act 2002 Otago Regional Council (Council) is required to have a policy on development contributions and financial contributions. This Policy is reviewed and, where necessary, amended at least every three years.

2. DEVELOPMENT CONTRIBUTIONS

Regional councils are not able to request development contributions. Under the Local Government Act 2002, the power to levy such contributions is restricted to territorial authorities.

3. FINANCIAL CONTRIBUTIONS

Financial contributions are defined in section 108(9) of the Resource Management Act 1991 (RMA) as a contribution of:

- Money.
- Land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Māori land within the meaning of the Te Ture Whenua Māori Act 1993 unless that Act provides otherwise.
- Or a combination of money and land.

Under section 108(10) of the RMA, a consent authority must not include a condition in a resource consent requiring a financial contribution unless:

- The condition is imposed in accordance with the purposes specified in the plan or proposed plan (including the purpose of ensuring positive effects on the environment to offset any adverse effect).
- And the level of contribution is determined in the manner described in the plan or proposed plan.

No financial contributions can be levied unless they are included within a regional plan.

4. REGIONAL PLANS

Otago Regional Council currently has provisions for financial contributions in the following regional plans:

- Regional Plan: Coast for Otago
- Regional Plan: Water for Otago

When the Council grants a resource consent under the rules of these plans, it may impose a condition requiring a financial contribution for the purposes specified in the plan.

Regional Plan: Coast for Otago

Provisions relating to the requirement for financial contributions under the Regional Plan: Coast for Otago are set out in the plan. The circumstances when financial contributions may be imposed are:

- Maintenance and enhancement of public access to and along the coastal marine area
- Public open space and facilities in the coastal marine area
- Planting or maintenance of coastal vegetation
- Landscaping or planting
- Fencing or screening
- Protection, maintenance or restoration of coastal protection areas
- Protection, maintenance or restoration of sites, buildings, places or areas of historic or cultural importance
- Protection, restoration or enhancement of marine mammal or bird sites
- Protection, restoration or enhancement of seabed and foreshore
- Reduction of litter
- General mitigation works

Regional Plan: Water for Otago

Provisions relating to the requirement for financial contributions under the Regional Plan: Water for Otago are set out in the plan. The circumstances when financial contributions may be imposed are:

- To enable legal public access to and along the margins of lakes and rivers
- To enhance amenity values on the margins of lakes and rivers
- To maintain or enhance riparian vegetation or riparian habitat
- To enable landscaping or planting
- To protect the bed of a lake or river or its margins
- To protect, maintain or restore sites, buildings, places or areas of historic or cultural importance
- To protect aquatic ecosystems or their habitat
- To improve Regionally Significant Wetlands or regionally significant wetland values or create or reinstate wetland habitat or wetland values

In deciding on any financial contribution, Council will take into account that requiring a financial contribution may not be appropriate in every case, even where there are adverse effects. Every resource consent application needs to be considered on a case-by-case basis as to the nature and extent of any financial contribution that may be required.

5. TE TURE WHENUA MĀORI ACT

Council's Development Contributions and Financial Contributions Policy must support the principles set in the preamble to the Te Ture Whenua Māori Act, which are:

Nā te mea i riro nā te Tiriti o Waitangi i motuhake ai te noho a te iwi me te Karauna: ā, nā te mea e tika ana kia whakaūtia anō te wairua o te wā i riro atu ai te kāwanatanga kia riro mai ai te mau tonu o te rangatiratanga e takoto nei i roto i te Tiriti o Waitangi: ā, nā te mea e tika ana kia mārama ko te whenua he taonga tuku iho e tino whakaaro nuitia ana e te iwi Māori, ā, nā tērā he whakahau kia mau tonu taua whenua ki te iwi nōna, ki ō rātou whānau, hapū hoki, a, a ki te whakangungu i ngā wāhi tapu hei whakamāmā i te nohotanga, i te whakahaeretanga, i te whakamahitanga o taua whenua hei painga mō te hunga nōna, mō ō rātou whānau, hapū hoki: ā, nā te mea e tika ana kia tū tonu he Te Kooti, ā, kia whakatakototia he tikanga hei āwhina i te iwi Māori kia taea ai ēnei kaupapa te whakatinana.

Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whanau, and their hapu, and to protect wahi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapu: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.

Council supports these principles through considering how the status of Māori freehold land affects the assessment of financial contributions on a case-by-case basis. As every block of Māori Freehold Land is different and requires specific consideration, Council's approach is to support the principles of the Te Ture Whenua Māori Act through providing for the most appropriate support for the particular circumstances of the block of land, its ownership structure and the aspirations of the owners.

6. USE OF FINANCIAL CONTRIBUTIONS

Otago Regional Council does not have any operational or capital expenditure identified in its Annual Plan or Long-Term Plan that will be funded by financial contributions.

OTAGO REGIONAL COUNCIL – FUNDING NEEDS ANALYSIS

June 2024

Summary – Local Government Act 2002 Financial Management sections 101-103

Funding Needs Analysis	Revenue and Financing Policy	Rates Requirement	Rates Calculation and Invoicing
<p>Section 101(3) must meet funding needs from sources determined appropriate, following consideration of s.101(3)a, for each activity:</p> <ol style="list-style-type: none"> community outcome, distribution of benefit, period of benefit, exacerbators, rationale for separate funding. <p>s.101(3)b overall impact of above allocations on community wellbeing – current and future social, economic, environmental, and cultural.</p> <p>Two-step process:</p> <ol style="list-style-type: none"> funding needs analysis – by activity, follows with review of overall impact once total funding requirements (budget estimates) are determined. 	<p>Sections 102(2) must adopt a Revenue and Financing Policy. Section 103 RFP – must outline where operating and capital expenditure is funded from:</p> <ol style="list-style-type: none"> S.103(2) - available sources of funding. General rates – including valuation system, differential rating and uniform annual general charges. Targeted rates. <ol style="list-style-type: none"> (ba) Lump sum contributions – n/a. Fees and charges. Interest and dividends from investments. Borrowings. Proceeds from assets sales. Development contributions – n/a. Financial contributions under the RMA 1991. Grants and subsidies. Regional fuel taxes under the LTMA 2003 – n/a. Any other source. 	<p>Section 101A Financial Strategy helps determine the overall funding requirement i.e. borrowing levels and repayment expectations.</p> <p>Section 101A Infrastructure Strategy significant cost driver and impacts financial strategy debt requirements.</p> <p>LTP budget setting process and financial estimates modelling Includes:</p> <p>Step 2 overall impact assessment considering:</p> <ul style="list-style-type: none"> Overall level of rates – total / average rates and increases (dollar and percentage). Distribution of rates. Rates comparison to other regional councils. Use of differentials and uniform rates (UAGC). Use of investment income (to offset rates). 	<p>Rates Funding Impact Statement:</p> <ul style="list-style-type: none"> Calculates actual rates to be charged Applies RFP and differentials Basis for rates strike and invoicing

Example and explanation of how to complete / interpret funding needs analysis for each activity

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<p>Describe key parts of the activity:</p> <p>Note any sub activities that may require separate funding</p>	<p>Select primary from:</p> <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	<p>Who benefits:</p> <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	<p>Who are they:</p> <ul style="list-style-type: none"> Location Land use Specific users 	<p>How much do they benefit:</p> <ul style="list-style-type: none"> High, medium, low <p>How is benefit / access distributed:</p> <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	<p>When do the benefits occur (vs investment):</p> <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	<p>Who else has created the need:</p> <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	<p>Should the activity be funded separately:</p> <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
For each activity or key part of the activity complete the analysis in the boxes right	<p>Main community outcome(s)</p> <p>See:</p> <p>Strategic Directions 2024-2034 for aspiration statement for each of the outcome areas above</p>	<p>Whole community: Yes/No</p>	<p>Everybody in the region</p>	<p>High / medium / low</p> <p>Even / variable</p>	<p>Short term /recurring / long term</p>	<p>Who any exacerbators are and why the can / can't be charged</p>	<p>No – general rate funding</p> <p>Yes – reasons why separate funding is appropriate and should be considered</p>
		<p>Identifiable part: Yes/No</p>	<p>Wider community</p> <p>Local groups</p>	<p>High / medium / low</p> <p>Even / variable</p>	<p>Short term /recurring / long term</p>		
		<p>Individuals: Yes/No</p>	<p>Property owners</p> <p>Service users</p>	<p>High / medium / low</p> <p>Even / variable</p>	<p>Short term /recurring / long term</p>		

Activity funding needs analysis indicator	Above analysis indicates...funding sources
-------------------------------------------	--------------------------------------------

FUNDING POLICY		
Operating Expenditure	Activity / Sub Activity being funded	Funding source %
Capital Expenditure	Activity / Sub Activity being funded	Funding source %

ACTIVITY: Governance and Democracy**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<i>Describe key parts of the activity: Note any sub activities that may require separate funding</i>	<i>Select primary from:</i> <ul style="list-style-type: none">• Partnerships• Communities• Environment• Resilience• Climate• Transport	<i>Who benefits:</i> <ul style="list-style-type: none">• Whole community• Identifiable part• Individuals	<i>Who are they:</i> <ul style="list-style-type: none">• Location• Land use• Specific users	<i>How much do they benefit:</i> <ul style="list-style-type: none">• High, medium, low <i>How is benefit / access distributed:</i> <ul style="list-style-type: none">• Evenly vs variably (on what basis)	<i>When do the benefits occur (vs investment):</i> <ul style="list-style-type: none">• Short term (same year)• Recurring (ongoing every year)• Long term (later years)	<i>Who else has created the need:</i> <ul style="list-style-type: none">• Who• Action / inaction• Can they be charged• Will it change their behaviour	<i>Should the activity be funded separately:</i> <ul style="list-style-type: none">• Cost / benefit• Transparency• Accountability
Governance and Leadership Run Council’s democratic functions including – partnership with mana whenua, executive management, strategy, legal and corporate planning and performance	Partnerships	Whole community: Yes	Everyone in the region	High	Short term	Central government (legislated activity) – can’t charge directly.	No reason to fund separately.
	Communities	Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Donations Provide funding for (non-environmental) activities that benefit all of Otago.	Communities	Whole community: Yes	Everyone in the region	High	Short term	Anyone in the region can be create the need for the donation (this group is already identified as beneficiaries).	No reason to fund separately.
		Identifiable part: Yes	Groups receiving donations	High	Short term		
		Individuals: Yes	Individuals receiving donations	High	Short term		
Elections Run triannual elections.	Communities	Whole community: Yes	Everyone in the region	High	Recurring (over the three-year triennial period)	Central government (legislated activity) – can’t charge directly.	Yes – to smooth the cost over triennial period.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Activity funding needs analysis indicator		General rates regional with election costs funded from reserves and rating spread evenly over the three years period. There is no significant capex incurred in this activity. Highlighted functions moved from overheads.					

FUNDING POLICY		
Operating Expenditure	Governance and Leadership	General rates 100%
	Information requests greater than ¼ hour	Fees & charges actual (where possible, budgeted as zero)
	Donations	General rates 100%
	Elections	General rates 100% – smoothed over 3 years
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Public Awareness**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<i>Describe key parts of the activity:</i> <i>Note any sub activities that may require separate funding</i>	<i>Select primary from:</i> <ul style="list-style-type: none">PartnershipsCommunitiesEnvironmentResilienceClimateTransport	<i>Who benefits:</i> <ul style="list-style-type: none">Whole communityIdentifiable partIndividuals	<i>Who are they:</i> <ul style="list-style-type: none">LocationLand useSpecific users	<i>How much do they benefit:</i> <ul style="list-style-type: none">High, medium, low <i>How is benefit / access distributed:</i> <ul style="list-style-type: none">Evenly vs variably (on what basis)	<i>When do the benefits occur (vs investment):</i> <ul style="list-style-type: none">Short term (same year)Recurring (ongoing every year)Long term (later years)	<i>Who else has created the need:</i> <ul style="list-style-type: none">WhoAction / inactionCan they be chargedWill it change their behaviour	<i>Should the activity be funded separately:</i> <ul style="list-style-type: none">Cost / benefitTransparencyAccountability
Communications Community information and advice through media, website, public events and printed collateral.	Communities	Whole community: Yes	Everybody in the region	High	Short term	Media.	No reason to fund separately.
		Identifiable part: Yes	Could also be specific parts of the community or local groups	Medium	Short term		In general, all members of the public should be communicated to and have access to information or be able to request it.
		Individuals: Yes	Could also be any individual	Low	Short term		Excessive time involved in requests should be on charged if possible.
Customer Services Provide face to face, phone and web-based customer services to the general public of Otago. Includes rates and transport payments.	Communities	Whole community: Yes	Everybody in the region	Low	Short term	None.	No reason to fund separately.
		Identifiable part: Yes	Could also be specific parts of the community or local groups	Medium	Short term		All members of the public have access to Council through customer services.
		Individuals: Yes	Could also be any individual	High	Short term		
Enviroschools Regional co-ordination of Enviroschools in Otago.	Communities	Whole community: No	-	-	-	None.	No reason to fund separately.
	Environment	Identifiable part: Yes	Schools participating in the program	High	Short term		
		Individuals: No	-	-	-		
Activity funding needs analysis indicator / rationale		General rates regional. There is no significant capex incurred in this activity.					

FUNDING POLICY

Operating Expenditure	Communications	General rates 100%
	Information requests greater than ½ hour	Fees & charges actual (where possible, budgeted as zero)
	Customer services	General rates 100%
	Enviroschools	General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Regional Planning and Strategy**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Regional Policies, Plans and Strategies Development, adoption, appeals, review and audit of ORC's regional policies, plans, and strategies: Includes environmental regional plans i.e. Air Plan, Land & Water Regional Plan. Excluding transport plans. Respond to external proposals such as national policy and legislative proposals, and city and district plans.	Partnership Communities Environment	Whole community: Yes	Everyone in the region	High	Recurring over the life of the plans – note planning activity continues every year.	Central government – can't charge directly. Territorial authorities – can't charge directly.	No reason to fund separately.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Private Plan Changes Request from third parties to make a private plan change to a Council plan or policy.	Communities Environment	Whole community: No	-	-		None – legislation states this cost sits with the requester.	Yes - private plan change costs should be allocated to those requesting the change.
		Identifiable part: No	-	-			
		Individuals: Yes	The individual or group initiating making the request	High	Recurring over the life of the plan change.		

Activity funding needs analysis indicator	General rates regional for regional plans, policies and strategies and responding to external proposals. Note transport plans (RLTP and RPTP are covered in the Transport activity section). Fees and charges for private plan changes. There is no significant capex incurred in this activity.
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FUNDING POLICY		
Operating Expenditure	Regional plans, policies and strategies	General rates 100%
	Private plan changes	Fees & charges 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Consents**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
<i>Describe key parts of the activity: Note any sub activities that may require separate funding</i>	<i>Select primary from:</i> <ul style="list-style-type: none">• Partnerships• Communities• Environment• Resilience• Climate• Transport	<i>Who benefits:</i> <ul style="list-style-type: none">• Whole community• Identifiable part• Individuals	<i>Who are they:</i> <ul style="list-style-type: none">• Location• Land use• Specific users	<i>How much do they benefit:</i> <ul style="list-style-type: none">• High, medium, low <i>How is benefit / access distributed:</i> <ul style="list-style-type: none">• Evenly vs variably (on what basis)	<i>When do the benefits occur (vs investment):</i> <ul style="list-style-type: none">• Short term (same year)• Recurring (ongoing every year)• Long term (later years)	<i>Who else has created the need:</i> <ul style="list-style-type: none">• Who• Action / inaction• Can they be charged• Will it change their behaviour	<i>Should the activity be funded separately:</i> <ul style="list-style-type: none">• Cost / benefit• Transparency• Accountability
Consents Processing Process consent applications and hold hearings, Issue certificates, permits and transfers.	Environment	Whole community: No	-	-	-	None.	Yes – the applicants should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent applicants	High	Short term		
Consents Appeals Environment Responding to appeals on consent decisions.	Environment	Whole community: No	-	-	-	None.	Yes – where possible costs will be recovered through the Court.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Anywhere in the region	High	Short term		
Consents Systems and General General consent activity (non-consent specific) including systems development and staff training.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders, applicants and those making enquiry.	No – could consider reallocation to consent processing but some general oversight is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Consents Public Enquiry General consent related enquiry.	Environment	Whole community: No	-	-	-	None.	No – all members should be able to make enquiry about consent obligations but excessive time should be allocated so the formal consenting process isn’t bypassed.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Anywhere in the region	High	Short term		
Consents Reviews Review of consents, e.g. variation to consent - consent holder-initiated, or Council may initiate, e.g. on introduction of a minimum flow.	Environment	Whole community: Yes	Everybody in the region if Council initiates the review	High	Short term	None.	Yes – individuals initiating a review should be allocated this cost.
		Identifiable part: No	-	-			
		Individuals: Yes	Consent holders benefit if they initiate the review	High	Short term		
Activity funding needs analysis indicator / rationale		Mix of user charges and general rates regional. In some activities it isn’t possible or efficient to recover costs directly in which case general rates should be used. It is important that cost is allocated to the correct activity so the funding is allocated appropriately. There may be some capex incurred to provide systems to administer the activity.					

FUNDING POLICY		
Operating Expenditure	Consents processing	Fees & charges 100%
	Consents appeals	Other income actual (Court recoveries where possible); then General rates 100%
	Consents systems and general	General rates 100%
	Consents public enquiry Information requests greater than ½ hour	General rates 100% Fees & charges actual (where possible, budgeted as zero)
	Consents reviews – consent holder initiated Consents reviews – Council initiated	Fees & charges 100% General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Compliance**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Performance Monitoring Processing Processing returns from consent holders.	Environment	Whole community: Yes	Everybody in the region	Low	Short term	Consent holders.	Yes – consent holders should be allocated this cost however the data provided may be of use to the wider community.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent holders	High	Short term		
Performance Monitoring Systems and General General compliance activity (non-consent specific) including systems development and staff training. General performance related enquiry and reporting.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders.	No – data provided may be of use to the wider community. Could consider reallocation to performance monitoring processing but some general oversight is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Audits and Compliance Reviews Undertake audits and compliance reviews to ensure compliance with consent conditions and Fresh Water Farm Plans.	Environment	Whole community: No	-	-	-	None.	Yes – consent holders should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Consent holders	High	Short term		
Compliance Administration General compliance activity (non-consent specific) including systems development and staff training. General compliance related enquiry and reporting.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Consent holders.	No – could consider reallocation to performance monitoring but some general oversight is required regardless and reallocation is complicated and inefficient.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Dairy Inspections Undertake inspections of dairy farms to ensure compliance.	Environment	Whole community: No	-	-	-	None.	Yes – dairy farms requiring inspection should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Dairy farms	High – largely even per dairy farm	Short term		
Fresh Water Farm Plans Administration of Fresh Water Farm Plans.	Environment	Whole community: No	-	-	-	None.	Yes – farms required to have a farm plan should be allocated this cost.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Properties required to have a plan	High – largely even per property requiring a plan	Recurring		
	Environment	Whole community: Yes	Everybody in the region	High	Recurring		

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Contaminated Sites Administration Develop and maintain a centralised contaminated sites database.		Identifiable part: No	-	-	-	Previous landowners who undertook the activity that contaminated the land – can't be charged.	Yes – remedial work should be allocated to landowners.
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>Mix of user charges and general rates regional and targeted rates.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>Targeted rates should be based on land use and area as per Fresh Water Farm Plan requirements.</p> <p>Charged on a uniform basis – requirements are consistent across properties required to have a farm plan.</p> <p>It is important that cost is allocated to the correct activity so the funding is allocated appropriately.</p> <p>There may be some capex incurred to provide systems to administer the activity.</p> <p>New targeted rate to be established for Fresh Water Farm Plans – likely to be established in 2025/26 (year 2) and Dairy Rate will be removed at the same time.</p>
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FUNDING POLICY		
Operating Expenditure	Performance monitoring processing	Fees & charges 100% Chargeable / non-chargeable activities split AMENDED – was 75% and General Rates 25% but systems and general was included
	Performance monitoring systems and general	General rates 100% Chargeable / non-chargeable activities split AMENDED – was 25% of combined activity above
	Audits and compliance reviews	Fees & charges 100%
	Compliance administration	General rates 100%
	Information requests greater than ¼ hour	Fees & charges actual (where possible, budgeted as zero)
	Dairy inspections	Targeted rates 100% [Dairy Rate – Land Use / Uniform]
	Fresh water farm plans	Targeted rates 100% [Farm Plan Rate – Land Use, Area / Uniform] NEW – activity and rate (year 2)
	Contaminated sites administration	General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Incidents**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Incident Response Responding to pollution incidents and resource management complaints.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents.	Yes – those causing the incidents should pay but that can only be done so through taking enforcement action.
		Identifiable part: No	-	-	-	Central government agencies may provide funding for response to some incidents.	
		Individuals: No	-	-	-		
Enforcement Take enforcement action as appropriate including undertaking prosecutions.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents.	Yes – those causing the incidents pay through enforcement action.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Oil Spill Response Be ready to and respond to oil spills.	Environment	Whole community: Yes	Everybody in the region	High	Short term	Those causing the incidents.	Yes – those causing the incidents pay through enforcement action.
		Identifiable part: No	-	-	-	Maritime NZ provides funding for readiness and response to oil spill incidents.	
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>Mix of user charges, grants (central government funding) and general rates regional.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>It is important that cost is allocated to the correct activity so the funding is recovered from central government and others where possible.</p> <p>There may be some capex incurred to provide systems to administer the activity.</p> <p>Oil Spill Response has been moved from the Navigational Safety activity.</p>
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FUNDING POLICY		
Operating Expenditure	Incident response	Grants actual (where available); then General rates 100%
	Enforcement	Fees & charges actual (including infringements, fines and court awarded costs where possible); then General rates 100%
	Oil spills	Grants actual (where available); and Fees & charges actual (including infringements, fines and court awarded costs where possible); then General rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Navigational Safety**GROUP ACTIVITY: Regional Leadership**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Navigation Safety Promote navigation and safety in harbours and waterways. Administer bylaws including response and enforcement.	Communities	Whole community: Yes	Everybody in the region	Medium	Short term	None.	Yes – not all districts are covered by ORC's Harbourmaster. Separate funding add transparency to those districts.
		Identifiable part: No	-	-	-		
		Individuals: Yes	Boat owners	High	Short term		

Activity funding needs analysis indicator / rationale	<p>Mix of user charges and targeted rates.</p> <p>In some activities it isn't possible or efficient to recover costs directly in which case general rates should be used.</p> <p>There may be some capex incurred to provide infrastructure, plant and equipment.</p> <p>Change from General Rates – Sub Regional to a new Targeted Rate.</p> <p>Moving from general to targeted rates increases transparency and accountability.</p> <p>Only applies to the districts that the Harbourmaster operates.</p> <p>Charged on a uniform basis – level of service is people rather than land or value related (simple and consistent with other similar rates like Emergency Management).</p> <p>A general rate allocation is not required as four districts are paying via the targeted rate and the other pays for a Harbourmaster via Territorial Authority rates.</p>
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FUNDING POLICY		
Operating Expenditure	Navigational safety	Targeted rates 100% [Navigational Safety – District / Uniform] NEW – was General Rates – Sub Regional 100%
	Bylaws response and enforcement	Fees & charges actual (including infringements, fines and court awarded costs where possible); then Targeted rates 100% [Navigational Safety – District / Uniform] NEW – was General Rates – Sub Regional 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Air**GROUP ACTIVITY: Environment**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Air Science and Monitoring Monitoring, analysis and reporting on air quality in Otago.	Environment Climate	Whole community: Yes	Everybody in the region	High	Recurring	None.	No reason to fund separately.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Air Implementation Promote and assist addressing air quality issues and improving air quality around the Otago region.	Environment	Whole community: Yes	Everybody in the region	Medium	Long term	Industry and individuals causing emissions.	No – regional programs should be funded regionally and localised programs in this activity are unlikely to justify separate funding.
		Identifiable part: Yes	Communities where specific initiatives are undertaken	Medium	Long term		
		Individuals: No	-	-	-		
Air Incentive Programmes Advancing the use of cleaner heating technologies through the provision of subsidies for the replacement of non-compliant burners in Air Zone 1 and Milton.	Environment	Whole community: No	-	-	-	Individuals using older non-compliant heating sources.	Yes – individuals receiving the benefit should contribute.
		Identifiable part: Yes	Communities in Air Zones	Medium	Long term		
		Individuals: Yes	Individuals in Air Zones who choose to participate in initiatives	High	Short term		

Activity funding needs analysis indicator / rationale	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>Mix of grants (where available), general rates regional and targeted rates depending on the part of the activity being undertaken.</p> <p>Targeted rates provide transparency and accountability and allows funding to be ringfenced and smoothed. Should apply to a defined benefit (air shed) area.</p> <p>Funding including the wider community outcomes and wellbeing impact will be considered in Incentive Programmes if they are developed (none are currently in use).</p> <p>This may result in a general rate allocation being applied which would be consistent with other targeted rate activities.</p> <p>There is some capex incurred for science and monitoring equipment.</p>
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FUNDING POLICY		
Operating Expenditure	Air science and monitoring	General rates 100%
	Air strategy implementation	General rates 100%
	Air incentive programmes	Grant actual (where available); then Targeted rates 100% NEW RATE – rate and basis to be determined based on programme in future LTP's / Annual Plans
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Biosecurity and Biodiversity**GROUP ACTIVITY: Environment**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Biodiversity Science and Monitoring Monitoring, analysis and reporting on biodiversity in Otago.	Environment Climate	Whole community: Yes	Everybody in the region	Medium	Recurring	None.	No reason to fund separately.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Biodiversity Implementation Promote and support the protection of indigenous species and areas of biodiversity in Otago	Environment	Whole community: Yes	Everybody in the region	Medium	Recurring	Some area of the community will require higher levels of education and assistance. Central government may direct and fund some parts of the work.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Community Funding Grants Administer a regional sustainability and environmental enhancement fund on agreed projects. Promote and support the protection of areas of biodiversity in local communities.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Groups and individuals receiving funding create the demand.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: Yes	Groups receiving funding	High	Short term		
		Individuals: Yes	Individuals receiving funding	High	Short term		
Wilding Pines Actively support wilding conifer groups in Otago to control and reduce the spread of wilding conifers. Administration of funding from MPI for the control of wilding trees.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Central government directs and funds the work.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: Yes	Wilding tree control groups	High	Recurring		
		Individuals: No	Landowners	High	Recurring		
Biosecurity Implementation Manage pest plants and animals through inspections, education and promotion of landowner led initiatives. Undertaking control works for specified pests including rooks and wallabies. Undertake enforcement action as required.	Environment	Whole community: Yes	Everybody in the region	Low	Long term	Individual landowners who don't control pests on their property.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding and smooth rates).
		Identifiable part: No	-	-	-		
		Individuals: Yes	Landowners	High	Recurring		

Activity funding needs analysis indicator / rationale	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>May be central government funding available which will be utilised before rate funding.</p> <p>Remainder should be targeted rates – provides transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>A defined benefit area for targeted rates is not feasible or efficient and rates should apply region wide.</p> <p>Biosecurity is based on land value – this recognises biosecurity is primarily a land / landowner issue and provides approximately a 60/40 rural/urban allocation which aligns with funding proposed in the Regional Pest Management Plan.</p> <p>Wildings Pines will remain as a separate uniform rate to provide transparency (noting separate rate is not warranted given the amount being rated).</p> <p>Biodiversity should be funded by a new Catchment Management Rate that also includes catchment related land and water activity.</p> <p>Should be based on capital value – catchment management is not just a land management issue, activity occurs across the entire region and benefits are long term.</p> <p>Capital value aligns with other general rate funded activities where the benefits and outcomes are similar.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Biodiversity science and monitoring	General rates 100%
	Biodiversity implementation	Grants actual (where available); then Targeted rates 100% [Catchment Management Rate – Regional / CV] NEW – was General Rates 100%
	Community grant funding	Targeted rates 100% [Catchment Management Rate – Regional / CV] NEW – EcoFund was General Reserves 100% moving to General Rates in 2024/25, rest was General Rates including some General Rates – Sub Regional (Predator Free Dunedin)
	Biosecurity implementation	Targeted rates 100% [Biosecurity Rate – Regional / LV]
	Wilding pines – administration of grant funding Wilding pines – support for control groups	Grants actual (expected to be 100%); then Targeted rates 100% [Wilding Tree Rate – Regional / Uniform]
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Land and Water**GROUP ACTIVITY: Environment**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Land and Water Science and Monitoring Monitoring, analysis and reporting on: surface and groundwater quality and quantity coast and estuary quality effects of low flows SOE reporting.	Environment Climate	Whole community: Yes	Everybody in the region	High	Short term	None.	No reason to fund separately.
		Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Land and Water Implementation Awareness of LWRP provisions and understanding of responsibilities through education and promotion.	Environment	Whole community: Yes	Everybody in the region	Medium	Long term	Some area of the community will require higher levels of education and assistance.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).
		Identifiable part: Yes	Industry sectors	High	Short term		
		Individuals: Yes	Landowners	High	Short term		
Water Quality Remediation Undertaking water quality remediation and improvement initiatives.	Environment	Whole community: Yes	Everybody in the region	Medium	Long term	Those causing the environmental damage – may not be identifiable or able to be charged.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).
		Identifiable part: Yes	Communities in the immediate area	High	Long term		
		Individuals: No	-	-	-		
Integrated Catchment Management Develop catchment action plans and support catchment groups to deliver their environmental outcomes and objectives	Environment	Whole community: Yes	Everybody in the region	Medium	Recurring	Catchment groups receiving funding create the demand.	Yes – separate funding will provide transparency and accountability (separate reserve maintained to ringfence funding).
		Identifiable part: Yes	Catchment groups	High	Recurring		
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>General rates for science and monitoring (consistent with other environment activities).</p> <p>May be central government funding available which will be utilised before rate funding.</p> <p>Remainder should be targeted rates – provides transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>A defined benefit area for targeted rates is not feasible or efficient and rates should apply region wide. Applying the same rate to all these activities keeps the funding simple.</p> <p>All land and water (excluding science and monitoring) should be funded by a new Catchment Management Rate that also includes catchment related biosecurity activity.</p> <p>Should be based on capital value – catchment management is not just a land management issue, activity occurs across the entire region and benefits are long term.</p> <p>Capital value aligns with other general rate funded activities where the benefits and outcomes are similar.</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Land and water science and monitoring	General rates 100%
	Land and water implementation	Grants actual (where available); then Targeted rates 100% NEW Catchment Management Rate – Regional / CV NEW – was a mix of Rural Water Quality 75% / General Rates 25% and General Rates 100%
	Water quality remediation	Grants actual (where available); then Targeted rates 100% NEW Catchment Management Rate – Regional / CV NEW – was River Management – District 100%
	Integrated catchment management	Grants actual (where available); then Targeted rates 100% NEW Catchment Management Rate – Regional / CV NEW – was General Rates 100%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Emergency Management**GROUP ACTIVITY: Safety and Resilience**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Emergency Management Administer the Otago Civil Defence Emergency Management Group including readiness and response.	Resilience Communities	Whole community: Yes	Everybody in the region	High	Long term – readiness Short term - response	Central government. Territorial authorities through Mayoral Forum who dictate level of resource across the region and within districts.	Yes – separate funding provides greater transparency and allows reserves to be used to cover response costs which are unplanned and can fluctuate.
		Identifiable part: Yes	Specific communities may be impacted and benefit separately	High	Long term – readiness Short term - response		
		Individuals: Yes	Individuals may benefit separately	High	Long term – readiness Short term - response		

Activity funding needs analysis indicator / rationale	<p>Region wide targeted rate – could be general rate funded but a separate targeted rate provides increased transparency and accountability (separate rates and reserves allows funding to be ringfenced and smoothed).</p> <p>Timing of response activity is unbudgeted and can't be rated for in advance – a targeted rate allows this to be funded via reserves (including using deficits).</p> <p>Charged on a uniform basis – level of service is people rather than land or value related (simple and consistent with other similar rates like Emergency Management).</p> <p>There is no significant capex incurred in this activity.</p>
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FUNDING POLICY		
Operating Expenditure	Emergency management	Targeted rates 100% [Emergency Management Rate – Regional / Uniform]
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Flood Protection and Drainage**GROUP ACTIVITY: Safety and Resilience**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Below is analysis for flood and drainage schemes in general – following this specific analysis is provided that refines this by individual schemes							
Flood protection: Preventing or mitigating the impact of flood waters.	Resilience	Whole community: Yes	The whole region benefits if it has access to and uses services within the direct area. This particularly applies to non-rateable assets within the direct area.	Low – some assets ie non-rateable critical infrastructure and services are accessible to everyone in the region although the level of use is likely to vary and will decrease as proximity to the scheme increases.	Recurring and long term. That applies for both operating and capital expenditure as spend in both areas is significant and fluctuates over individual years. Benefits continue beyond the initial year of investment.	Difficult to determine and identify action / inaction. Flood schemes keep water in rivers that has increased naturally usually significantly upstream from the protected area. The need for flood schemes relates to the choice of people to live within the benefit area and not because of the actions of those outside the schemes. Hydro generators may contribute to the need for the activity.	Yes, separate funding should be used. The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
		Identifiable part: Yes	The wider community are outside of the direct area but within proximity that allows access and use of the area and services within the direct area (indirect area).	Low – community benefits are higher the closer those members / groups are to the direct benefit area.	Recurring and long term (as above).		
		Individuals: Yes	Properties within a defined benefit area that is physically protected from flood waters by the scheme (direct area).	High – benefits are higher for those in the direct protection areas and may vary within the direct benefit area. The direct benefit could be further differentiated based on risk and service level or could assume the scheme is fully integrated and all direct benefits are equal.	Recurring and long term (as above).		
Drainage: Facilitating the drainage of low-lying land to maintain productive capability.	Resilience	Whole community: No	-	-	-	Difficult to determine and identify action / inaction. Drainage schemes are created due to the natural low-lying location of the land and not because of the actions of those outside the scheme areas.	Yes, separate funding should be used. Drainage schemes have high individual benefits. The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
		Identifiable part: Yes	The wider community benefits from access to the area and economic activity in the area.	Low – community benefits are limited as access to private land is also limited.	Recurring and long term. That applies for both operating and capital expenditure as spend in both areas is significant and fluctuates over individual years. Benefits continue beyond the initial year of investment.		
		Individuals: Yes	Properties within a defined benefit area is physically drained but the scheme (direct area).	High – benefits are higher for those in the direct protection areas.	Recurring and long term (as above).		

<p>Activity funding needs analysis indicator / rationale</p>	<p>Most benefit applies to landowners within the direct benefit area. This benefit is highest for drainage schemes, slightly lower but still high for flood schemes.</p> <p>Separate targeted rates for each scheme should be the primary source of funding.</p> <p>General rates can be used to reflect wider community benefit and non-rateable property.</p> <p>Targeted rates provide transparency and accountability and allows funding to be ringfenced and smoothed via reserves for each scheme.</p> <p>The targeted rate could be differentiated based on a number of factors including level of benefit, location and / or land use.</p> <p>Consideration needs to be given to whether scheme benefit areas are treated as integrated or further differentiated into multiple sub benefit zones.</p> <p>The direct benefit could remain undifferentiated to reflect the schemes are integrated and all direct benefits are equal.</p> <p>In general, exacerbators are harder to identify and apportion a funding share but they can be accessed on a scheme specific basis.</p> <p>Use of differentials (benefit zones) needs to be carefully considered in terms of affordability and sustainability.</p> <p>It also adds a level of administrative cost and complexity that may out weight the benefit especially if relatively small amounts of rates are being collected.</p> <p>The use of consistent regional and/or district wide allocations is preferred.</p> <p>Capex is significant and is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p> <p>Funding flood protection predominantly from small defined targeted rate areas may limit future investment and increase risk especially if increased levels of service are required for increased climate resilience.</p> <p>General rate allocations could be increased to reflect the social and economic benefits from investing in prevention rather than response to flood events which could become more frequent and costly.</p> <p>There is a lack of transparency with increased general rate allocations.</p>
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FUNDING POLICY		
Operating Expenditure	Alexandra Flood Protection	Fees & charges actual (Contact Energy agreement); then Targeted rates 80% [River and Waterway Management – Central Otago – District / CV] NEW Targeted Rate allocation – use existing rate General rates 20% - Regional
	Leith Flood Protection	Targeted rates 80% [Leith Flood Rate – Targeted Area / CV] – split direct 40% / indirect 40% (all Dunedin pays non-rateable direct share) General rates 20% - Regional
	Lower Clutha Flood and Drainage	Grants actual (where available); and Fees & charges actual (rental income); and Kuriwao Reserve actual; then
	Flood	Targeted rates 80% [Lower Clutha Flood & Drainage Rate – Targeted Area / CV] – benefit zones General rates 20% - Regional
	Drainage	Targeted rates 90% [Lower Clutha Flood & Drainage Rate – Targeted Area / CV] – benefit zones General rates 10% - Regional
	Lower Taieri Flood Protection	Grants actual (where available); and Fees & charges actual (rental income); then Targeted rates 80% [Lower Taieri Flood Rate – Targeted Area / CV] – benefit zones [grouped] General rates 20% - Regional
	East Taieri Drainage	Grants actual (where available); and Fees & charges actual (rental income); then Targeted rates 90% [East Taieri Drainage Rate – Targeted Area / Land Area] – benefit zones [grouped] General rates 10% - Regional
	West Taieri Drainage	Grants actual (where available); and Fees & charges actual (rental income); then Targeted rates 90% [West Taieri Drainage Rate – Targeted Area / Land Area] – benefit zones [grouped] General rates 10% - Regional
	Tokomairiro Drainage	Grants actual (where available); and Targeted rates 80% [Tokomairiro Drainage Rate – Targeted Area / CV] – benefit zones [grouped] General rates 20% - Regional NEW General Rate allocation
	Scheme Oversight Bylaws	Internal recharge to Flood and Drainage activities 100% Fees & charges 100% where possible; then General rates 100%
Capital Expenditure	All above	Reserves 100% [Flood Protection & Drainage Scheme Reserves] – recovered via operating expenditure funding method above

ANALYSIS BY SCHEME – SPECIFIC CONSIDERATIONS (note community outcomes, benefit timing and consideration of separate funding remain as above)

Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
Existing allocations = Current: Proposed = Yellow:		Targeted:	Benefit Zones: *% of Targeted	General – Regional:	General – Sub Regional:	Who else has created the need:	Funding Source:	
Current – Alex	CV	-		-	2% Central Otago	98% Contact Energy	Fees & charges	
Alexandra Flood Protection	CV	80%	District – CODC (via River and Waterway Management rate)	20%		Actual Contact Energy	Fees & charges	Rates apply after Contact's actual share
Current – Leith	CV	93%	Direct 46.5% Indirect 46.5%	5%	2% Dunedin	Large amount of non-rateable property in direct zone	Indirect zone	Direct includes Stadium capped at 4%
Leith Flood Protection	CV	80%	*Direct 40% *Indirect 40%-Dunedin	20%		Rateable CV \$1.75bn Non-Rate CV ~\$1.7bn	Indirect zone	Indirect – all Dunedin district (no mapped area) No differential (cap) on Stadium
Current – Clutha Flood	CV	84%	10 zones A-F	12%	4% Clutha			Applies after rental income and contribution from Kuriwao reserve Cost is allocated to flood or drainage to calculate GR allocations then remainder is allocated over the same benefit zones for both F&D
Current – Clutha Drainage	CV	94%	U1-4 (urban)	-	6% Clutha			
Lower Clutha Flood	CV	80%	2 Zones *Rural 68% (old A-F)	20%				Applies after rental income, and Kuriwao contribution, then Cost is allocated to flood or drainage to calculate GR allocations then remainder is allocated over the same benefit zones for both F&D
Lower Clutha Drainage	CV	90%	*Urban 32% (old U1-4)	10%				
Current – Taieri Flood	CV	83%	Zones split East/West WF 1-4, 8 EF 1-10, 12-13	4%	13% Dunedin	Allocation to East is 11% of total (includes Mosgiel) Airport is in WF1 and pays but not for runway value (27% of their total CV)		Applies after rental income
Lower Taieri Flood Protection	CV	80%	2 Zones *West 89% *East 11%	20%		Airport non-rateable: 0.3% of total scheme CV	Airport non-rateable covered by General Rate	Applies after rental income Integrated benefit zone approach – still recognises some technical benefit weighting

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Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
Existing allocations = Current: Proposed = Yellow:		Targeted:	Benefit Zones: *% of Targeted	General – Regional:	General – Sub Regional:	Who else has created the need:	Funding Source:	
Current – East Drainage	Land Area 25% uniform / hectare 75% differential	92%	8 zones charged ED 1-2, 4-5, 8-10 only ED 1-2, 4-5, 7-10 (ED7 pays 12.6% of ED2)	-	8% Dunedin	ED7 pays 12.6% of ED2 Mosgiel does not pay drainage – on DCC stormwater, no ORC drainage provided	Reallocation within targeted rates	Applies after rental income
East Taieri Drainage	Land Area	90%	1 Zone	10%				Applies after rental income
Current – West Drainage	Land Area 30% uniform / hectare 70% differential	92%	5 zones WD 1-4 only WD 1-5	-	8% Dunedin	Airport is in WD1 and pays but not for runway area (81% of their total land area)		Applies after rental income
West Taieri Drainage	Land Area	90%	1 Zone	10%		Airport non-rateable: 1.1% of total scheme land area	Airport non-rateable covered by General Rate	Applies after rental income
Current – Tokomairiro	CV	100%	7 zones A-F, U1 (urban Milton)	-	-			
Tokomairiro Drainage	CV	80%	2 Zones *Rural 72% (old A-F) *Urban 28% (old U1)	20%				CV basis is appropriate – scheme is designed to provide flood protection via a drainage network
Current – Lower Waitaki	CV	90%	2 zones A and B	10%	-			
Lower Waitaki River Control	Amended to be funded from River and Waterway Management – Waitaki – activity aligns with river management more than flood control and amount rated doesn't justify separate funding							

ACTIVITY: River Management**GROUP ACTIVITY: Safety and Resilience**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Below is analysis for river management schemes in general and applies to all individual schemes							
River Management: Works within river systems that aid in channel management - control and repair of channel erosion, willow maintenance, vegetation control, obstruction removal.	Environment	Whole community: Yes	The activity occurs in rivers across all districts in the region.	Medium All the community in the district have the same access to benefit although they are less likely to realise that benefit the further they are from the river.	Recurring	Landowners immediately adjacent to the rivers may contribute to the need for the activity. Hydro generators may contribute to the need for the activity.	The cost of delivery is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
		Identifiable part: Yes	Communities living closer to the river may have increased opportunity to access.	Medium	Recurring		
		Individuals: No	-	-	-		

Activity funding needs analysis indicator / rationale	<p>Most benefit applies to those within the district although individually it is low for river management.</p> <p>A separate targeted rate and reserve should be used.</p> <p>In general, exacerbators are harder to identify. They are typically identified in relation to flood control rather than general river management.</p> <p>Capex is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p>
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FUNDING POLICY		
Operating Expenditure	River management – Dunedin	Targeted rates 100% [River and Waterway Management – Dunedin] – District / CV
	River management – Clutha	Targeted rates 100% [River and Waterway Management – Clutha] – District / CV
	River management – Central Otago	Targeted rates 100% [River and Waterway Management – Central Otago] – District / CV
	River management – Queenstown Lakes	Targeted rates 100% [River and Waterway Management – Queenstown Lakes] – District / CV AMENDED – Whakatipu and Wanaka have been combined
	River management – Waitaki	Targeted rates 100% [River and Waterway Management – Waitaki] – District / CV
	Lower Waitaki River Control	Targeted Rates 100% [River and Waterway Management – Waitaki] – District / CV AMENDED – was Lower Waitaki River Control 90% region 10% district 0%
	River management – Non-Scheme Management	Internal recharge to district River Management activities 100%
Capital Expenditure		Reserves 100% [River and Waterway Management Scheme Reserves] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Climate Change and Hazards**GROUP ACTIVITY: Safety and Resilience**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Natural Hazards Investigate and provide information on the potential impacts of natural hazards and their mitigation.	Resilience	Whole community: Yes	Everybody in the region	Medium	Recurring	None.	No reason to fund separately.
	Climate	Identifiable part: No	-	-	-		
		Individuals: No	-	-	-		
Flood and low flow risk management Respond to flood events, issue flood warnings and take action to reduce effects of flooding. Provide information on actual and expected rainfall, river flows and lake levels for low flow situations.	Resilience	Whole community: Yes	Everybody in the region	Medium	Long term	None.	No reason to fund separately.
		Identifiable part: Yes	Communities living in flood prone areas	High	Long term		
		Individuals: No	Individual property owners living in flood prone areas.	High	Long term		
Climate change adaptation Provide understanding of the effects of climate change to enable communities to make informed decisions about being prepared and adapting to those effects.	Climate	Whole community: Yes	Everybody in the region	Medium	Long term	None.	No reason to fund separately.
	Resilience	Identifiable part: No	Communities living in areas susceptible to climate change	High	Long term		
		Individuals: No	Individual property owners living in areas susceptible to climate change	High	Long term		

Activity funding needs analysis indicator / rationale

General rates regional. All activities are information based not service delivery and have wide community benefit over a long term.

Studies and information may be area specific, but it isn't cost effective to allocate smaller individual funding requirements.

Over time work should occur throughout the entire region and spread benefit.

Delivery may result from these activities but that will occur in other activities and be funded there ie flood protection.

There is no significant capex incurred in this activity.

FUNDING POLICY

Operating Expenditure	Natural hazards	General rates 100% - Regional
	Flood risk management	General rates 100% - Regional
	Climate change adaptation	General rates 100% - Regional
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

ACTIVITY: Transport**GROUP ACTIVITY: Transport**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Transport Planning Regional transport planning including the Regional Land Transport Plan (RLTP) and Regional Public Transport Plan (RPTP).	Transport Communities	Whole community: Yes	Everyone in the region	High	Recurring over the life of the plans – note planning activity continues every year.	Central government – can't charge directly although Waka Kotahi funding assistance is available for this.	No reason to fund separately.
		Identifiable part: No	-	-	-	Territorial authorities – can't charge directly.	
		Individuals: No	-	-	-		
Public Transport Provide public passenger transport services in Dunedin and Queenstown, including associated operational network planning and infrastructure.	Transport Communities	Whole community: Yes	Everyone in the region benefits from the service being available and from reduced emissions. Visitors from outside the region also benefit.	Low – benefit decreases as proximity to the service increases.	Long term – the benefit of reduced emission may only be realised sometime after initial investment. Short term – if the service is used but use is likely to be infrequent.	Private vehicle users – cause congestion, demand for parking and emissions. Visitors / commuters from outside the immediate network areas can increase demand and/or congestion / emissions – can't charge / rate directly. Ministry of Education – reducing school routes. Property developers – creating wider demand outside of existing network area. Central government – legislate that services are provided, can't charge directly although Waka Kotahi funding assistance is available for this. Territorial authorities – can't charge directly but funding contributions may be available.	Yes – the cost of the activity is significant and can fluctuate year on year. Funding separately allows: <ul style="list-style-type: none"> A mix of sources to be used including charging users directly and funding contributions from other entities. Funding of this activity to be shown clearly on the rates invoice. Funding to be ringfenced for that activity. Reserves to be used to smooth funding and spread over the long term.
		Identifiable part: Yes	The wider community benefit from improved air quality and reduced congestion. Those in closest proximity to the services have increased access and opportunity to benefit but may choose not to. Commercial properties and property developers benefit from not having to supply car parking. Territorial authorities benefit from reduced congestion and demand for parking.	Medium – the local / wider community have increased access to the service and more frequent benefit from reduced congestion / improved air quality.	Recurring – the service is available on a daily basis and congestion / air quality benefits are on-going. Short term – if the service is used but use is likely to be occasional.		
		Individuals: Yes	Those using the service benefit directly.	High	Short term – the benefit is received immediately when the service is used		
Total Mobility Administer the Total Mobility Scheme.	Transport Communities	Whole community: Yes	Everyone in the region benefits from the provision of a social service for those who cannot use public transport because of a disability.	Low – the service is only available to those that qualify and isn't available in all parts of the region	Short term	None although there is increased demand for this service in areas with no public transport.	No reason to fund separately. Users are already paying directly and the remaining cost doesn't warrant separate funding.
		Identifiable part: Yes	Everyone in the wider community benefits from the provision of a social service for those who cannot use public transport because of a disability.	Low – the service is only available to those that qualify.	Short term		

Council Agenda - 26 June 2024 - MATTERS FOR CONSIDERATION

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
		Individuals: Yes	Total mobility users directly	High – although they have to pay a portion of the cost directly.	Short term		
LTMA Administration Register services under the Land Transport Management Act.	Transport Communities	Whole community: Yes	The region may benefit from services being provided.	Low	Short term	None	Yes – service providers should be allocated this cost. The wider community will indirectly on-charged by the service provider.
		Identifiable part: Yes	The local / wider community should benefits from the services being provided and information held.	Low	Short term		
		Individuals: Yes	Service providers who benefit from being able to legally operate.	High	Short term and recurring over the period of registration		
Stock Truck Effluent Disposal Sites (STEDS) Investigation and planning of a regional stock truck effluent disposal network. Maintain stock truck effluent disposal sites in Central Otago.	Environment	Whole community: No	-	-	-	Territorial Authorities who don't accept the sites as vested assets and agree to maintain them (this only applies to one TA in the region).	Yes – the costs are only incurred in one district and all other TA's maintain STEDS in their district, but the amount needs to be considered as the cost may out weight the benefit despite this.
		Identifiable part: Yes	Farmers moving stock	High	Recurring		
		Individuals: Yes	Trucking companies using the facilities	High	Recurring		

Activity funding needs analysis indicator / rationale	<p>Users should contribute, grants and subsidies are available for this activity from Waka Kotahi and should be maximised where possible.</p> <p>Remaining cost is rate funded with an allocation to general rates to reflect that benefit.</p> <p>Separate targeted rates and reserves should be used for PT. Ringfences funding, allows for smoothing of rates and increases transparency and accountability.</p> <p>PT targeted rates should be uniform as the service / benefits are people focused rather than linked to property values.</p> <p>Capex is funded through the reserve established above and is repaid by the same funding sources as operating expenditure.</p> <p>Funding all of PT through user charges and targeted rates doesn't reflect the wider objectives of improving the social and environmental wellbeing of the community.</p> <p>Fare increases have to be considered in the context of negative impacts on patronage and the ability to pay of those users.</p> <p>A general rate allocation should be included to reflect wider benefits to those (or the targeted rate differentiated to include an allocation to the wider region).</p> <p>STEDS should be allocated to specific districts, but amount doesn't warrant a separate targeted rate to achieve this.</p>
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FUNDING POLICY		
Operating Expenditure	Public transport – Dunedin	<p>Other income actual (contributions from TA's, PTO's); and</p> <p>Fees & charges (fare revenue) actual; then</p> <p>Subsidies 51% (after receipt of fares and other above)</p> <p>Rates 49% (remainder after above) – Targeted Rates 80% - Defined Area* / CV General Rates 20% - Regional NEW General Rate allocation</p> <p>(*Dunedin City plus Palmerston defined area)</p>
	Public transport – Whakatipu	<p>Other income actual (contributions from TA's, PTO's); and</p> <p>Fees & charges (fare revenue) actual; then</p> <p>Subsidies 51% (after receipt of fares and other above)</p> <p>Rates 49% (remainder after above) – Targeted Rates 80% - Defined Area* / CV General Rates 20% - Regional NEW General Rate allocation</p> <p>(*Whakatipu defined area)</p>
	Public transport – Regional Trials	<p>Other income actual (contributions from TA's, PTO's); and</p> <p>Fees & charges (fare revenue) actual; then</p> <p>Subsidies 51% (after receipt of fares and other above)</p> <p>Then:</p> <p>Oamaru – Rates 49% (remainder after above) – Targeted Rates 80% - District* / Uniform General Rates 20% - Regional NEW Targeted Rate to be established</p> <p>(*Waitaki District excluding Palmerston defined area that is included in Dunedin PT rate)</p> <p>All Other – General Rates 49% (remainder after above) NEW activities – amounts not material and new rates not justified</p>
	Total mobility	<p>Subsidies 51%</p> <p>General rates 49% - Regional</p>
	Transport planning	<p>Subsidies 51%</p> <p>General rates 49% - Regional</p>
	LTMA administration	<p>Fees & charges 50%</p> <p>General rates 50% - Regional</p>
	STEDS	General rates 100% - Regional AMENDED – was General Rates – Sub Regional (Central Otago) 100%
Capital Expenditure	Public transport	Reserves 100% [Public Transport Scheme Reserves] – recovered from depreciation via operating expenditure funding method above
	Total mobility, transport planning, LTMA administration	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above
	STEDS	Reserves 100% [General Reserve] – recovered from depreciation via operating expenditure funding method above

ANALYSIS BY NETWORK – SPECIFIC CONSIDERATIONS (note community outcomes, benefit timing and consideration of separate funding remain as above)

Description	Rating Basis	Distribution of benefits				Exacerbators		Notes / Options
<i>Describe key parts of the activity:</i>		<i>Targeted:</i>	<i>Benefit Zones:</i>	<i>General – Regional:</i>	<i>General – Sub Regional:</i>	<i>Who else has created the need:</i>	<i>Funding Source:</i>	
Current – Dunedin PT	CV	100%	Defined benefit zone – proximity to routes Differential – location and land use: Class A 3.75 times Inner City, St Kilda / St Clair that are not residential	-	-	Bus users, visitors / commuters from other towns Local Councils who request specific / increased services Central Government – policies	Fares Other income – TA contributions Subsidies	
Public Transport Dunedin	Uniform	31% of total cost Equates to: 80% of rates allocation	As above	8% of total cost Equates to: 20% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	
Current – PT Whakatipu	CV	100%	Defined benefit zone – area surrounding network Differential – land use: Class A 2 times Commercial, community services, public communal (licenced / unlicenced), transport, recreational	-	-	Bus users, visitors / commuters from other towns Local Councils who request specific / increased services Central Government – policies	Fares Other income – TA contributions Subsidies	
Public Transport Whakatipu	Uniform	27% of total cost Equates to: 80% of rates allocation	As above	7% of total cost Equates to: 20% of rates allocation			30% of total cost (fares and other) 36% of total cost (subsidies - 51% after above)	
Current – n/a (new services and/or trials)								
Public Transport New Service District	Uniform	31% of total cost Equates to: 80% of rates allocation	District where new service is introduced	8% of total cost Equates to: 20% of rates allocation			20% of total cost (fares and other) 41% of total cost (subsidies - 51% after above)	
Public Transport Trials (small scale, new rates establishment not justified)	Uniform		District where new service is introduced	39-49% of total cost Equates to: 100% of rates allocation			0-20% of total cost (fares and other) 41-51% of total cost (subsidies - 51% after above)	

ACTIVITY: Internal Overheads**GROUP ACTIVITY: Internal Overheads**

Description	Community Outcome	Distribution of benefits			Period of Benefit	Exacerbators	Separate Funding
Describe key parts of the activity: Note any sub activities that may require separate funding	Select primary from: <ul style="list-style-type: none"> Partnerships Communities Environment Resilience Climate Transport 	Who benefits: <ul style="list-style-type: none"> Whole community Identifiable part Individuals 	Who are they: <ul style="list-style-type: none"> Location Land use Specific users 	How much do they benefit: <ul style="list-style-type: none"> High, medium, low How is benefit / access distributed: <ul style="list-style-type: none"> Evenly vs variably (on what basis) 	When do the benefits occur (vs investment): <ul style="list-style-type: none"> Short term (same year) Recurring (ongoing every year) Long term (later years) 	Who else has created the need: <ul style="list-style-type: none"> Who Action / inaction Can they be charged Will it change their behaviour 	Should the activity be funded separately: <ul style="list-style-type: none"> Cost / benefit Transparency Accountability
Human Resources / Health and Safety, Finance & Rates, Corporate Support, Property, IT	N/a – internal overheads						FTE
Vehicles and Plant	N/a – internal overheads						Actual usage
Treasury	N/a – internal overheads					Port on-lending – Port recharged all costs and interest	Treasury – interest to general reserve and then reallocated to all reserves
Regional Integrated Ticketing System (RITS)	Transport					Other RITS Councils pay 75% of this cost – remaining 25% is ORC's share	ORC's share: 75% Dunedin / 25% Queenstown

Activity funding needs analysis indicator / rationale	Executive management and support, corporate planning and performance and legal all moved to Regional Leadership. RITS moved from Transport so Transport reflects ORC costs only. Activity is fully recharged internally and externally.
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FUNDING POLICY		
Operating Expenditure	HR / H&S, Finance and Rates, Corporate Support, Property, IT	Overhead reallocation 100% - FTE
	Vehicles and Plant	Overhead reallocation 100% - actual use
	Treasury	Other income 100% - Port Otago on-lending General rates offset 100% - Port Otago dividends, managed fund income, investment property income Reserves 100% - interest cost and non-managed fund interest income
	RITS	Other income 75% - RITS Regional Councils Internal recharge 25% - Dunedin PT 75%, Whakatipu 25%
Capital Expenditure	All above	Reserves 100% [Asset Replacement Reserve] – recovered from depreciation via operating expenditure funding method above

10.2. Rates Report and Rates Resolution**Prepared for:** Council**Report No.** CS2423**Activity:** Governance Report**Author:** Sarah Munro, Finance Manager - Reporting**Endorsed by:** Nick Donnelly, General Manager Corporate Services**Date:** 26 June 2023**PURPOSE**

- [1] The purpose of this report is to provide details of each of the rates to be set, and to recommend that Council adopts the rates resolution for the 2024-2025 financial year.

EXECUTIVE SUMMARY

- [2] Following the adoption of the Long-Term Plan 2024-2034, Council is required to adopt a rates resolution, which formally sets the rates for the 2024-2025 financial year.
- [3] The rates resolution is attached to this report.
- [4] A table is attached to this report showing the rates effect of the rates contained in the rating resolution on a range of properties within the Otago region. The table includes rates for the 2023-2024 year for comparative purposes.

RECOMMENDATION*That the Council:*

- 1) **Receives** this report and the attached Rating and Sample Reports.
- a) **Adopts** the Rating Resolution for the 2024-2025 financial year.

DISCUSSION**GENERAL RATES**

- [5] The GST inclusive general rate requirement for the 2024-2025 year of \$33,403,000 represents an increase of 2.78% on the 2023-24 rate of \$32,502,000.
- [6] Of the general rate requirement, the total amount of rates to be collected by way of Uniform Annual General Charge is \$8,350,000 equating to a charge of \$69.36 (including GST) on each rateable property compared to \$68.76 in the 2023-24 year.
- [7] General rates, excluding the portion collected as a Uniform Annual General Charge, are charged on a capital value basis.

Equalisation of Capital Values

- [8] Revaluations of property for rating purposes are conducted on a cyclic three-yearly basis.
- [9] Waitaki and Clutha Districts were revalued in the current rating year. The Dunedin City and the Central Otago Districts were reviewed in the prior rating year. Queenstown Lakes District revaluation was carried out in 2021.
- [10] Council obtained a certificate of projected values from Quotable Value Limited that provides an assessment of the overall “equalised” capital values of the city and each of the districts within Otago, as at the common date of 1 September 2023.
- [11] The equalised values are applied to apportion the general rate amount to be collected on a capital value basis from the region as a whole and are also applied in those instances where rates are to be collected on a common basis where the rating base takes in more than one district.
- [12] The following table shows the equalised values for the city and districts as at 1 September 2023 that are applicable for 2024-2025 rates and the comparative values applicable to the 2023-2024 rates.

Equalised capital values of Otago region				
City/District	Value for the 2024/2025 year		Value for the 2023/2024 year	
	Value \$billion	District %	Value \$billion	District %
Central Otago	18.360	12.83%	17.911	12.56%
Clutha	8.810	6.16%	10.890	7.64%
Dunedin	41.761	29.19%	43.924	30.81%
Queenstown	66.662	46.59%	60.420	42.38%
Waitaki (part)	7.480	5.23%	9.429	6.61%
Total	143.073	100.00%	142.574	100.00%

Significant General Rate Amounts

- [13] The following are the significant general rate amounts to be levied on the basis of capital value:

	General Rates 2024/25 (GST Inclusive) \$	General Rates 2023/24 (GST Inclusive) \$
Contact Energy Limited:		
Clyde Hydro Dam	122,836	114,462
Roxburgh Hydro Dam	60,128	56,032
Dunedin Waste Water Business Unit:		
Three major facilities	149,944	186,564
Total	332,908	357,058
Percentage of total general rates	1.00%	1.10%

- [14] The amount of general rate to be collected from these ratepayers, and the percentage of these rates in relation to the total general rate, is not considered unreasonable given the effects of the presence and operations of these properties.

RIVER AND WATERWAY MANAGEMENT RATES

- [15] The targeted rates to be levied for the purposes of maintenance and enhancement of rivers and waterways within the territorial authority city/districts and within the Lower Waitaki river area are as follows:

River and waterway management rates (inclusive of GST)		
Rating Area	2024/25 \$	2023/24 \$
Central Otago District	572,295	414,000
Clutha District	509,312	483,000
Dunedin City	262,627	402,500
Queenstown-Lakes District- Wakatipu area	N/A	477,250
Queenstown-Lakes District- Wanaka area	N/A	362,250
Queenstown-Lakes District	585,882	N/A
Waitaki District	721,128	460,000
Lower Waitaki rating area	N/A	207,000
Total	2,651,244	2,806,000

- [16] In the Long-Term Plan 2024-2034 the following river management rates were merged:
- Queenstown-Lakes District- Wakatipu area and Queenstown-Lakes District- Wanaka area are merged into one Queenstown-Lakes District rate.
 - Waitaki District and Lower Waitaki rating area are merged into the Waitaki District rate.

- [17] River and waterway management rates are assessed differentially on the rateable capital value of all rateable land situated within the territorial authority city/districts.

FLOOD AND DRAINAGE SCHEME RATES

- [18] The targeted rating levels for the various flood protection and drainage scheme rating districts are as follows:

Flood and drainage scheme rates (inclusive of GST)		
Targeted Rating district	2024/25 \$	2023/24 \$
Rates charged on a capital value basis:		
Lower Taieri Flood	1,200,659	1,207,500
Lower Clutha Flood and drainage	1,189,523	1,207,500
Tokomairiro Drainage	161,346	195,501
Leith Flood protection	1,444,845	1,679,633
Rates charged on an area basis:		
West Taieri Drainage	951,671	943,001
East Taieri Drainage	742,768	736,001
Total	5,673,858	5,969,136

- [19] These rates are levied on either a classified or differentially targeted basis in accordance with assessed benefits.

Lower Taieri

- [20] The total rate requirement for Lower Taieri is set on the capital value within each of the relevant classifications. The Lower Taieri Scheme has 2 differentials. WF1 and WF2 mapping area is in one differential paying 89% of the rate requirement. The second differential is EF1 – EF10, EF12 and EF13 mapping area paying 11% of the rate requirement.

Tokomairiro Schemes

- [21] The total rate requirement for Tokomairiro is set on the capital value within each of the relevant classifications. The Tokomairiro Scheme has 2 differentials. Tokomairiro A to F mapping area is in one differential paying 72% of the rate requirement. The second differential is Tokomairiro U1 mapping area paying 28% of the rate requirement.

Leith Flood Protection

- [22] This rate is set on a capital value basis comprising two classifications, the Direct Benefit Zone and the Indirect Benefit Zone. The Direct Benefit Zone is a mapped area that contributes 50% of the rate requirement. The remaining 50% rate requirement is attributed to the Indirect Benefit Zone which includes all properties in the Dunedin City area excluding those in the Direct Benefit Zone.

Lower Clutha

- [23] The total rate requirement for this scheme is set on the capital value within each of the 10 relevant mapped area classifications.

West Taieri Drainage

- [24] This rate is set on an area basis within a defined mapped area. All mapped areas of the scheme WD1 – WD5 pay the same differential.

East Taieri Drainage

- [25] This rate is set on an area basis within a defined mapped area. All mapped areas of the scheme ED1, ED2, ED4, ED5, ED7- ED10 pay the same differential.

DUNEDIN TRANSPORT RATE

- [26] The Dunedin transport services targeted rate is to be levied on two classifications of ratepayer, Class A and Class B.

- [27] Class A ratepayers are made up of those properties within the inner city and St Kilda/St Clair areas that do not have a land use description of any of the following:

- Residential: bach,
- Residential: multi-use within residential, multi-use residential,
- Residential: multi-unit,
- Residential: single unit excluding bach,
- Residential: vacant, and
- MU: Residential.

- [28] Class B comprises all properties within the transport services targeted rating area other than those designated as Class A. Class A ratepayers will pay a differential rate equating to 3.75 times the amount paid by Class B ratepayers.

- [29] Dunedin Transport rates to be levied are as follows:

Dunedin Transport Rate (inclusive of GST)		
Classification	2024/25 \$	2023/24 \$
Class A	2,869,388	2,532,960
Class B	8,123,494	7,069,519
Total	10,992,882	9,602,479

QUEENSTOWN TRANSPORT RATE

- [30] The Queenstown transport services targeted rate is to be levied on two classifications of ratepayer, Class A and Class B. Class A ratepayers will pay a differential rate equating to 2.0 times the amount paid by Class B ratepayers.

- [31] Class A ratepayers are made up of those properties within the Queenstown Transport Services Rating Area that have the land use description of:

- Commercial: Retail, Multi-use within Commercial, and Services,
- Community Services: Multi-use within Community Services,
- Multi-use: Commercial,
- Residential: Public Communal-licensed, and Public Communal-unlicensed,
- Transport: Air Transport, and Multi-use within Transport, and

- Recreational: Entertainment, Multi-use within recreational, Active indoor, Active outdoor, Passive indoor, and Passive outdoor.

[32] Class B comprises all properties within the Queenstown Transport Services rating area other than those designated as Class A.

[33] The Queenstown transport rates to be levied are as follows:

Queenstown Transport Rate (inclusive of GST)		
Classification	2024/25 \$	2023/24 \$
Class A	1,078,296	610,131
Class B	3,184,967	1,756,921
Total	4,263,263	2,367,052

OAMARU TRANSPORT RATE

[34] The Oamaru transport services targeted rate is to be levied on all properties in the Waitaki District that was excluded from the mapped area of the Dunedin passenger transport Class B rate. This rate is charged on targeted uniform basis on all rateable land.

Oamaru Transport Rate (inclusive of GST)		
Classification	2024/25 \$	2023/24 \$
Oamaru transport rate	56,350	N/A
Total		N/A

DAIRY MONITORING RATE

[35] The Dairy Monitoring rate will be levied on a targeted uniform basis on all rateable land, situated within the Otago region that operates a Dairy Farm.

[36] The GST inclusive rate requirement of \$241,500 for the 2024-2025 year remains the same as the rates levied in the 2023-2024 period.

WILDING TREE RATE

[37] The Wilding Tree rate will be levied on a targeted uniform basis on all rateable land situated within the Otago region.

[38] The GST inclusive rate requirement of \$287,495 for the 2024-2025 year represents an increase of 25% on the amount of \$230,000 levied in the 2023-2024 period.

CIVIL DEFENCE AND EMERGENCY MANAGEMENT RATE

[39] The Civil Defence and Emergency Management rate will be levied on a targeted uniform basis on all rateable land situated within the Otago region.

[40] The GST inclusive rate requirement of \$4,289,646 for the 2024-2025 year represents an increase of 11.81% on the amount of \$3,836,398 levied in the 2023-2024 period.

NAVIGATIONAL SAFETY RATE

[41] The Navigation safety rate will be levied on a targeted uniform basis on all rateable land situated within the Otago region with the exclusion of land in Queenstown Lakes District.

[42] The GST inclusive rate requirement is \$964,494 for the 2024-2025 year.

CATCHMENT MANAGEMENT RATE

[43] The Catchment management rate is to fund Council's biodiversity, land and water implementation, water quality remediation and integrated catchment management activities. It will be assessed differentially on the rateable capital value of all rateable land situated within the territorial authority city/districts.

Catchment Management Rates (inclusive of GST)		
Classification	2024/25 \$	2023/24 \$
Central Otago	860,003	N/A
Clutha	483,268	N/A
Dunedin	1,940,385	N/A
Queenstown	3,107,412	N/A
Waitaki (part)	412,674	N/A
Total	6,803,472	N/A

BIOSECURITY RATE

[44] The Biosecurity rate is to fund the management of pest plants and animals. It will be assessed differentially on the rateable land value of all rateable land situated within the territorial authority city/districts.

Biosecurity Rates (inclusive of GST)		
Classification	2023/24 \$	2023/24 \$
Central Otago	609,154	545,555
Clutha	395,097	372,078
Dunedin	1,346,404	1,303,463
Queenstown	2,343,180	2,095,417
Waitaki (part)	287,807	258,175
Total	4,981,642	4,574,688

[45] The attached resolution provides that the due date for rates to be paid is 31 October 2024.

[46] It also provides for penalty dates in November 2024 and May 2025 as follows:

- A 10% penalty will apply to all unpaid rates on 1 November 2024.
- A 10% penalty will apply to all rates levied in previous financial years remaining unpaid on 1 May 2025.

Direct Debit Payment Methods

[47] Direct debit payment options do not incur a late payment penalty and allow ratepayers to pay rates during the 2024-2025 rating period. In the prior year direct debit payment

methods were expanded from annual and triannual to include weekly, fortnightly and monthly.

- [48] The triannual direct debit method has continued to be offered during the 2023-2024 rating period however this is a confusing payment frequency for ratepayers and feedback from ratepayers is that they find it difficult to remember the payment frequency of these. There is also a high administration requirement for this direct debit frequency. In the 2024-2025 rating period this will no longer be offered as a method and notification will be sent to all current triannual direct debit ratepayers requesting for them to change direct debit frequencies.

Financial Considerations

- [1] Financial considerations associated with this report have been reported separately as part of the Long-Term Plan 2024-2034 adoption process.

Significance and Engagement

- [2] Consultation on these rates requirements was undertaken as part of the Long-Term Plan 2024-2034 consultation process with feedback submitted and considered as part of that process. Recommendations were made in regard to rate requirements and the details in the rates resolution reflect the amounts agreed.

Legislative and Risk Considerations

- [3] The Otago Regional Council sets its rates in accordance with the requirements of the Local Government (Rating) Act 2002 - Sections 23 and 24, and the Local Government Act 2002.

Climate Change Considerations

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

Communications Considerations

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

ATTACHMENTS

1. Rating Resolution for Adoption 202425 [10.2.1 - 8 pages]
2. Rates Resolution Supporting Examples 2024 25 [10.2.2 - 14 pages]

Rating Resolution for Adoption

That in accordance with the provisions of the Local Government (Rating) Act 2002, the Otago Regional Council Long Term Plan 2024-34, and all other power or authorities in that behalf enabling it, the Otago Regional Council sets the following rates for the period commencing on the 1st day of July 2024 and ending on the 30th day of June 2025, namely:

1. General Rates

A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 made on every rating unit within the Otago region, assessed as a fixed amount of \$69.36 per rating unit. Revenue sought from the Uniform Annual General Charge amounts to \$8,350,809 (including GST).

A general rate set under sections 13 and 14 of the Local Government (Rating) Act 2002 made on every rating unit within the Otago region, assessed differentially on the rateable capital value of all rateable land situated within the territorial authority districts as detailed below:

District	Rate in \$ on Capital Value	Revenue sought \$
Central Otago	0.00017311	\$3,166,664
Clutha	0.00017009	\$1,779,469
Dunedin	0.00016080	\$7,144,797
Queenstown Lakes	0.00019505	\$11,441,966
Waitaki	0.00017009	\$1,519,528
Total		\$25,052,424

2. River and Waterway Management Rates

2.1 Territorial Authority Districts

For the purpose of providing for maintenance and enhancement works of waterways within the Otago region, a targeted rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, made on every rating unit, assessed differentially on the rateable capital value of all rateable land situated within the territorial authority districts and the Wakatipu and Wanaka river and waterway management rating districts, as detailed below:

District	Rate in \$ on Capital Value	Revenue sought \$
Central Otago District	0.00003128	\$572,295
Clutha District	0.00004868	\$509,312
Dunedin City	0.00000591	\$262,627
Waitaki District	0.00008072	\$721,128
Queenstown Lakes District	0.00000999	\$585,882
Total		\$2,651,244

3. Flood Protection and Drainage Scheme Rates

3.1 Lower Clutha, Tokomairiro and Lower Taieri Schemes

For the purpose of providing for the maintenance and improvement of works, in the river and drainage schemes listed below, a targeted rate set under sections 16, 17, 18 and 146(1)(b) of the Local Government (Rating) Act 2002, made on every rating unit within the scheme area, assessed differentially on the rateable capital value of all rateable land within the scheme classifications as detailed below.

The targeted rates set below are the rate in the dollar on the rateable capital value of rateable land situated within each classification.

Lower Clutha Flood Protection & Drainage Scheme		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
A	0.00726537	\$47,687
B	0.00288478	\$196,832
C	0.00272451	\$366,397
D	0.00170950	\$67,015
E	0.00090817	\$61,975
F	0.00010684	\$44,290
U1	0.00288478	\$5,299
U2	0.00096159	\$291,086
U3	0.00021369	\$23,426
U4	0.00016027	\$85,516
Total		\$1,189,523

Tokomairiro Drainage Scheme		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
A	0.00016128	\$116,169
B	0.00016128	
C	0.00016128	
D	0.00016128	
E	0.00016128	
F	0.00016128	
U1	0.00008891	\$45,177
Total		\$161,346

Lower Taieri Flood Protection Scheme		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
WF1	0.00139189	\$1,066,185
WF2	0.00139189	
EF1	0.00003080	\$134,474
EF2	0.00003080	
EF3	0.00003080	
EF4	0.00003080	
EF5	0.00003080	
EF6	0.00003080	
EF7	0.00003080	
EF8	0.00003080	
EF9	0.00003080	
EF10	0.00003080	
EF12	0.00003080	
EF13	0.00003080	
Total		\$1,200,659

3.2 East Taieri Scheme

For the purpose of providing for the maintenance and improvement of works, in the East Taieri drainage scheme, the following two rates are set:

Targeted Differential Rate

A targeted rate set under sections 16, 17, 18 and 146(1)(b) of the Local Government (Rating) Act 2002, made on every rating unit within the scheme area, except those rating units situated within classifications ED3 and ED6, assessed differentially on the area of land of all rateable land situated within the scheme classifications as detailed below.

The targeted differential rates set below, are the dollars per hectare of rateable land situated within each classification.

East Taieri Drainage Scheme - Targeted Differential Rate		
Classification	Rate \$ per hectare	Revenue Sought \$
ED1	\$158.24	\$742,768
ED2	\$158.24	
ED4	\$158.24	
ED5	\$158.24	
ED7	\$158.24	
ED8	\$158.24	
ED9	\$158.24	
ED10	\$158.24	
Total		\$742,768

3.3 West Taieri Scheme

For the purpose of providing for the maintenance and improvement of works, in the West Taieri drainage scheme, the following two rates are set:

Targeted Differential Rate

A targeted rate set under sections 16, 17, 18 and 146(1)(b) of the Local Government (Rating) Act 2002, made on every rating unit within the scheme area, assessed differentially on the area of land of all rateable land situated within the scheme classifications as detailed below.

The targeted differential rates set below, are the dollars per hectare of rateable land situated within each classification.

West Taieri Drainage Scheme - Targeted Differential Rate		
Classification	Rate \$ per hectare	Revenue Sought \$
WD1	\$123.48	\$951,671
WD2	\$123.48	
WD3	\$123.48	
WD4	\$123.48	
WD5	\$123.48	
Total		\$951,671

3.4 Leith Flood Protection Scheme

For the purpose of providing for flood protection works, in the Leith Flood Protection scheme area, a targeted rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, made on every rating unit within the scheme area, assessed differentially on the rateable capital value of all rateable land situated within the scheme classifications as detailed below:

Leith Flood Protection Scheme		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
A – Direct benefit zone	0.00039449	\$722,423
B – Indirect benefit zone	0.00001696	\$722,423
Total		\$1,444,846

4. Transport Services Rates

For the purpose of providing for urban passenger transport services within the Dunedin city area and a service to Palmerston, and public passenger transport services within the Queenstown area, targeted rates set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, made on every rating unit within the transport rating areas, assessed differentially on the rateable capital value of all rateable land situated within the transport rating classifications, as detailed below:

Dunedin Transport Services Rate		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
Class A	0.00088622	\$2,869,388
Class B (within Dunedin City)	0.00023633	\$8,063,884
Class B (within Waitaki District)	0.00024997	\$59,610
Total		\$10,992,882

Queenstown Transport Services Rate		
Classification	Rate in \$ on Capital Value	Revenue Sought \$
Class A	0.00021676	\$1,078,296
Class B	0.00010838	\$3,184,967
Total		\$4,263,263

Oamaru Transport Services Rate		
Classification	Uniform Rate \$	Revenue Sought \$
Charged to all properties in Waitaki excluding properties in Class B (within Waitaki District) Dunedin transport services mapped rating area.	\$5.45	\$56,350

5. Catchment Management Rate

Rate for the purpose of funding biodiversity, land and water implementation, water quality remediation and integrated catchment management activities. A targeted rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, assessed on the capital value of all rateable land situated within the territorial authority districts within the Otago region.

Catchment Management Rate		
	Rate in \$ on Capital Value	Revenue Sought \$
Central Otago	0.00004701	\$860,003
Clutha	0.00004619	\$483,268
Dunedin	0.00004367	\$1,940,385
Queenstown Lakes	0.00005297	\$3,107,412
Waitaki	0.00004619	\$412,674
Total		\$6,803,742

6. Dairy Monitoring Rate

For the purpose of providing for monitoring the environmental effect of dairy farms, a targeted uniform rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, assessed on all rateable land used for dairy farming in the Otago region.

Dairy Monitoring Rate		
	Uniform rate \$	Revenue Sought \$
All rating units	\$561.63	\$241,500
Total		\$241,500

7. Wilding Tree Rate

For the purpose of providing for the control of wilding trees, a targeted uniform rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, assessed on all rateable land in the Otago region.

Wilding Tree Rate		
	Uniform rate \$	Revenue Sought \$
All rating units	\$2.39	\$287,495
Total		\$287,495

8. Civil Defence and Emergency Management

Rate For the purpose of providing for Civil Defence and Emergency Management functions undertaken by the Council, a targeted uniform rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, assessed on all rateable land in the Otago region.

Civil Defence and Emergency Management Rate		
	Uniform rate \$	Revenue Sought \$
All rating units	\$35.63	\$4,289,646
Total		\$4,289,646

9. Navigational Safety

Rate For the purpose of providing harbour and navigation safety functions undertaken by the Council, a targeted uniform rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, assessed on all rateable land in the Otago region excluding Queenstown Lakes District who have a separate harbourmaster service provided by Queenstown Lakes District Council.

Navigational Safety Rate		
	Uniform rate \$	Revenue Sought \$
All rating units excluding those in Queenstown Lakes District	\$10.68	\$964,494
Total		\$964,494

10. Biosecurity Rate

10.1 Territorial Authority Districts

For the purpose of managing pest plants and animals through inspections, education and promotion of landowner led initiatives alongside undertaking control works for specified pests including rooks and wallabies within the Otago region. This is a targeted rate set under sections 16, 17 and 18 of the Local Government (Rating) Act 2002, made on every rating unit, assessed differentially on the rateable land value of all rateable land situated within the territorial authority, as detailed below:

District	Rate in \$ on Land Value	Revenue Sought \$
Central Otago	0.00006049	\$609,154
Clutha	0.00005928	\$395,097
Dunedin	0.00005644	\$1,346,404
Queenstown Lakes	0.00006760	\$2,343,180
Waitaki	0.00005928	\$287,807
Total		\$4,981,642

11. Other Matters

11.1 Rate Collection

That the Otago Regional Council collects the rates set and assessed in the Otago region, and that the rates become due and payable on or before 31 October 2024.

11.2 Penalties on Unpaid Rates

Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, penalties will be added to unpaid rates assessed by the Council within the Otago region and due to the Council during the 2024/2025 financial year as follows:

a) A penalty of 10% to be added to rates assessed during the 2024/2025 financial year, or any previous financial year, and which remain unpaid on 1 November 2024.

b) A penalty of 10% to be added to rates which have been levied in any previous financial year and which remain unpaid on 1 May 2025.

Penalties will not be added to rate balances where the ratepayer has elected the weekly, fortnightly, month direct debit option of payment and where all payments under this payment option are honoured on the due payment date.

The amount of unpaid rates to which a penalty shall be added shall include:

- Any penalty previously added to unpaid rates under Section 58 of the Local Government (Rating) Act 2002.
- Any additional charges previously added to the amount of unpaid rates, and under Section 132 of the Rating Powers Act 1988.
- Any rates previously levied under the Rating Powers Act 1988 that remain unpaid.

11.3 Valuation and Rating Records

That the valuation rolls and rate records for the rates collected by the Otago Regional Council be made available for inspection during normal working hours at the office of the Council, Philip Laing House, Level 2, 144 Rattray Street, Dunedin.

Attachment to the Rates Resolution Report 2024/25								
Dunedin City			Amount of rate per capital value					
Dunedin Residential	\$500,000		\$800,000		\$1,200,000		\$2,000,000	
Assumed Land Value - Biosecurity rate	\$200,000		\$500,000		\$750,000		\$1,500,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional rates								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	80.40	100.07	128.64	160.10	192.96	240.16	321.60	400.26
Catchment Management Rate (CV)	21.84	-	34.94	-	52.40	-	87.34	-
River & Waterway Management (CV)	2.96	4.57	4.73	7.31	7.09	10.97	11.82	18.28
Biosecurity (LV)	11.29	10.94	28.22	27.34	42.33	41.01	84.66	82.02
Leith scheme - indirect benefit (CV)	8.48	14.24	13.57	22.78	20.35	34.18	33.92	56.96
Transport - class B (CV)	118.16	103.98	189.06	166.37	283.59	249.55	472.65	415.92
	243.12	233.79	399.15	383.91	598.73	575.86	1,011.99	973.44
Total rates including Leith scheme indirect rate	361.18	336.97	517.21	487.09	716.79	679.04	1,130.05	1,076.62
Add the Leith scheme direct benefit rate margin (CV)	197.24	270.73	315.59	433.16	473.39	649.74	788.98	1,082.90
Total for properties in the Leith Direct Benefit zone	549.95	593.46	819.24	897.46	1,169.83	1,294.61	1,885.11	2,102.56

Attachment to the Rates Resolution Report 2024/25								
Dunedin City	Amount of rate per capital value							
Mosgiel Residential	\$500,000		\$800,000		\$1,200,000		\$2,000,000	
Assumed Land Value - Biosecurity rate	\$200,000		\$500,000		\$750,000		\$1,500,000	
Assumed hectares	0.050		0.065		0.500		1.000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	80.40	100.07	128.64	160.10	192.96	240.16	321.60	400.26
Catchment Management Rate (CV)	21.84	-	34.94	-	52.40	-	87.34	-
River & Waterway Management (CV)	2.96	4.57	4.73	7.31	7.09	10.97	11.82	18.28
Biosecurity (LV)	11.29	10.94	28.22	27.34	42.33	41.01	84.66	82.02
Transport - class B (CV)	118.16	103.98	189.06	166.37	283.59	249.55	472.65	415.92
Leith scheme - indirect (CV)	8.48	-	13.57	-	20.35	-	33.92	-
Lower Taieri Flood - Class-EF8 (CV)	15.40	7.08	24.64	11.33	36.96	16.99	61.60	28.32
East Taieri rate per ha - Class ED7	7.91	14.46	10.29	18.80	79.12	144.60	158.24	289.19
	266.43	241.09	434.08	391.25	714.81	703.27	1,231.83	1,233.99
Total rates	384.49	344.27	552.14	494.43	832.87	806.45	1,349.89	1,337.17

Attachment to the Rates Resolution Report 2024/25								
Dunedin City								
Dunedin Commercial	\$750,000		\$1,000,000		\$1,500,000		\$2,500,000	
Assumed Land Value - Biosecurity rate	\$500,000		\$750,000		\$1,000,000		\$2,000,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	120.60	150.10	160.80	200.13	241.20	300.20	402.00	500.33
Catchment Management Rate (CV)	32.75	-	43.67	-	65.51	-	109.18	-
River & Waterway Management (CV)	4.43	6.86	5.91	9.14	8.87	13.71	14.78	22.85
Biosecurity (LV)	28.22	27.34	42.33	41.01	56.44	54.68	112.88	109.36
Transport - class A (CV)	664.67	584.88	886.22	779.84	1,329.33	1,169.76	2,215.55	1,949.60
Leith scheme - indirect (CV)	12.72	21.36	16.96	28.48	25.44	42.72	42.39	71.20
	863.39	790.53	1,155.89	1,058.60	1,726.78	1,581.07	2,896.78	2,653.34
Total Rates	981.45	893.71	1,273.95	1,161.78	1,844.84	1,684.25	3,014.84	2,756.52

Attachment to the Rates Resolution Report 2024/25								
Dunedin City								
West Taieri Farm								
	\$1,000,000		\$1,500,000		\$2,500,000		\$4,000,000	
Assumed Land Value - Biosecurity rate	\$765,000		\$1,275,000		\$1,615,000		\$1,870,000	
Assumed hectares	15		20		30		50	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	160.80	200.13	241.20	300.20	402.00	500.33	643.21	800.52
Catchment Management Rate (CV)	43.67	-	65.51	-	109.18	-	174.68	-
River & Waterway Management (CV)	5.91	9.14	8.87	13.71	14.78	22.85	23.64	36.56
Biosecurity (LV)	43.18	41.83	71.96	69.72	91.15	88.31	105.54	102.25
Leith scheme - indirect (CV)	16.96	-	25.44	-	42.39	-	67.83	-
Lower Taieri Flood - Class WF1 (CV)	1,391.89	1,948.91	2,087.83	2,923.37	3,479.71	4,872.28	5,567.54	7,795.64
West Taieri rate per ha - Class WD1	1,852.16	1,875.15	2,469.55	2,500.20	3,704.33	3,750.30	6,173.88	6,250.50
West Taieri rate per ha -targeted uniform	-	586.95	-	782.60	-	1,173.90	-	1,956.50
Rural Water Quality (CV)	-	66.16		99.24		165.40		264.64
	3,514.57	4,728.27	4,970.35	6,689.03	7,843.54	10,573.36	12,756.33	17,206.61
Total Rates - Non-Dairy Farm	3,632.62	4,831.45	5,088.41	6,792.21	7,961.60	10,676.54	12,874.39	17,309.79
Add Dairy Farm uniform rate	561.63	560.32	561.63	560.32	561.63	560.32	561.63	560.32
Total Rates - Dairy Farm	4,194.25	5,391.77	5,650.04	7,352.53	8,523.23	11,236.86	13,436.02	17,870.11

Attachment to the Rates Resolution Report 2024/25								
Queenstown Lakes District			Amount of rate per capital value					
Wakatipu Residential	\$500,000		\$1,000,000		\$1,500,000		\$2,000,000	
Assumed Land Value - Biosecurity rate	\$250,000		\$500,000		\$750,000		\$1,000,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.39	68.76	69.39	68.76	69.39	68.76	69.39	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
	107.41	103.18	107.41	103.18	107.41	103.18	107.41	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	97.53	79.13	195.05	158.25	292.58	237.38	390.10	316.50
Catchment Management Rate (CV)	26.49	-	52.97	-	79.46	-	105.94	-
River & Waterway Management (CV)	4.99	6.36	9.99	12.72	14.98	19.08	19.98	25.44
Biosecurity (LV)	16.90	15.26	33.80	30.52	50.70	45.77	67.60	61.03
Transport - class B (CV)	54.19	30.66	108.38	61.32	162.57	91.98	216.76	122.64
	200.10	131.40	400.19	262.81	600.29	394.21	800.39	525.61
Total Rates	307.51	234.58	507.60	365.99	707.70	497.39	907.80	628.79

Attachment to the Rates Resolution Report 2024/25								
Queenstown Lakes District			Amount of rate per capital value					
Wanaka Residential	\$500,000		\$1,000,000		\$1,500,000		\$2,000,000	
Assumed Land Value - Biosecurity rate	\$250,000		\$500,000		\$750,000		\$1,000,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
	107.38	103.18	107.38	103.18	107.38	103.18	107.38	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	97.53	79.13	195.05	158.25	292.58	237.38	390.10	316.50
Catchment Management Rate (CV)	26.49	-	52.97	-	79.46	-	105.94	-
River & Waterway Management (CV)	4.99	9.15	9.99	18.29	14.98	27.44	19.98	36.58
Biosecurity (LV)	16.90	15.26	33.80	30.52	50.70	45.77	67.60	61.03
	145.91	103.53	291.81	207.06	437.72	310.58	583.62	414.11
Total Rates	253.28	206.71	399.19	310.24	545.10	413.76	691.00	517.29

Attachment to the Rates Resolution Report 2024/25								
Queenstown Lakes District Wakatipu Commercial <i>Assumed Land Value - Biosecurity rate</i>	Amount of rate per capital value							
	\$500,000		\$1,000,000		\$1,500,000		\$2,000,000	
	\$250,000		\$500,000		\$750,000		\$1,000,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
	107.38	103.18	107.38	103.18	107.38	103.18	107.38	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	97.53	79.13	195.05	158.25	292.58	237.38	390.10	316.50
Catchment Management Rate (CV)	26.49	-	52.97	-	79.46	-	105.94	-
River & Waterway Management (CV)	4.99	6.36	9.99	12.72	14.98	19.08	19.98	25.44
Biosecurity (LV)	16.90	15.26	33.80	30.52	50.70	45.77	67.60	61.03
Transport - class A (CV)	108.38	61.32	216.76	122.64	325.14	183.96	433.52	245.28
	254.29	162.06	508.57	324.13	762.86	486.19	1,017.15	648.25
Total Rates	361.67	265.24	615.95	427.31	870.24	589.37	1,124.53	751.43

Attachment to the Rates Resolution Report 2024/25								
Central Otago District			Amount of rate per capital value					
Alexandra Residential			\$500,000		\$1,000,000		\$1,500,000	
Assumed Land Value - Biosecurity rate 2023/2024			\$250,000		\$500,000		\$750,000	
			2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
Uniform regional charges								
Uniform annual general charge			69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate			35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate			2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate			10.68	-	10.68	-	10.68	-
			118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)			86.55	80.65	173.11	161.30	259.66	322.60
Catchment Management Rate (CV)			23.51	-	47.01	-	70.52	-
River & Waterway Management (CV)			15.64	11.50	31.28	22.99	46.93	45.98
Biosecurity (LV)			15.12	13.67	30.24	27.34	41.01	54.68
			140.82	105.82	281.65	211.63	317.45	423.26
Total Rates			258.88	209.00	399.71	314.81	540.53	526.44

Attachment to the Rates Resolution Report 2024/25								
Central Otago District	Amount of rate per capital value							
Central Otago Farm	\$700,000		\$1,400,000		\$2,100,000		\$2,800,000	
<i>Assumed Land Value - Biosecurity rate 2023/2024</i>	<i>\$562,500</i>		<i>\$1,125,000</i>		<i>\$1,687,500</i>		<i>\$2,250,000</i>	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	121.17	112.91	242.35	225.82	363.52	338.73	484.70	451.64
Catchment Management Rate (CV)	32.91	-	65.82	-	98.73	-	131.63	-
River & Waterway Management (CV)	21.90	16.09	43.80	32.19	65.70	48.28	87.60	64.37
Biosecurity (LV)	34.03	30.76	68.05	61.52	102.08	92.27	136.10	123.03
Rural Water Quality	-	46.31	-	92.62	-	138.94	-	185.25
	210.01	206.07	420.01	412.15	630.02	618.22	840.03	824.29
Total Rates - Non-Dairy Farm	328.07	309.25	538.07	515.33	748.08	721.40	958.09	927.47
Add Dairy Farm uniform rate	561.63	560.32	561.63	560.32	561.63	560.32	561.63	560.32
Total Rates - Dairy Farm	889.70	869.57	1,099.70	1,075.65	1,309.71	1,281.72	1,519.72	1,487.79

Attachment to the Rates Resolution Report 2024/25								
Clutha District			Amount of rate per capital value					
Balclutha Residential			\$400,000	\$500,000	\$650,000	\$850,000		
Assumed Land Value - Biosecurity rate			\$300,000	\$400,000	\$500,000	\$600,000		
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	68.03	89.18	85.04	111.47	110.56	144.91	144.57	189.50
Catchment Management Rate (CV)	18.48	-	23.10	-	30.02	-	39.26	-
River & Waterway Management (CV)	19.47	22.03	24.34	27.54	31.64	35.80	41.38	46.81
Biosecurity (LV)	17.78	19.95	23.71	26.60	29.64	33.25	35.57	39.90
Lower Clutha Flood Protection - Class U2 (CV)	384.64	437.92	480.80	547.40	625.04	711.62	817.35	930.58
	508.41	569.07	636.99	713.01	826.90	925.58	1,078.14	1,206.79
Total Rates	626.46	672.25	755.05	816.19	944.96	1,028.76	1,196.20	1,309.97

Attachment to the Rates Resolution Report 2024/25								
Clutha District			Amount of rate per capital value					
Milton Residential			\$400,000	\$500,000	\$650,000	\$850,000		
Assumed Land Value - Biosecurity rate			\$300,000	\$400,000	\$500,000	\$600,000		
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	68.03	89.18	85.04	111.47	110.56	144.91	144.57	189.50
Catchment Management Rate (CV)	18.48	-	23.10	-	30.02	-	39.26	-
River & Waterway Management (CV)	19.47	22.03	24.34	27.54	31.64	35.80	41.38	46.81
Biosecurity (LV)	17.78	19.95	23.71	26.60	29.64	33.25	35.57	39.90
Tokomairiro Drainage - Class U1 (CV)	35.56	53.80	44.45	67.26	57.79	87.43	75.57	114.33
	159.33	184.96	200.65	232.86	259.65	301.39	336.35	390.54
Total Rates	277.39	288.14	318.71	336.04	377.71	404.57	454.41	493.72

Attachment to the Rates Resolution Report 2024/25								
Clutha District	Amount of rate per capital value							
Clutha Farm	\$500,000		\$1,000,000		\$1,500,000		\$2,000,000	
<i>Assumed Land Value - Biosecurity rate</i>	<i>\$375,000</i>		<i>\$750,000</i>		<i>\$1,125,000</i>		<i>\$1,500,000</i>	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
	118.06	103.18	118.06	103.18	118.06	103.18	118.06	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	85.04	111.47	170.09	222.94	255.13	334.41	340.17	445.88
Catchment Management Rate (CV)	23.10	-	46.19	-	69.29	-	92.38	-
River & Waterway Management (CV)	24.34	27.54	48.68	55.07	73.02	82.61	97.36	110.14
Biosecurity (LV)	22.23	24.94	44.46	49.88	66.69	74.81	88.92	99.75
Lower Clutha Flood Protection - Class C (CV)	1,362.26	1,550.97	2,724.51	3,101.93	4,086.77	4,652.90	5,449.03	6,203.86
Rural Water Quality	-	41.28	-	82.55	-	123.83	-	165.10
	1,516.97	1,756.18	3,033.93	3,512.37	4,550.90	5,268.55	6,067.87	7,024.73
Total Rates - Non-Dairy Farm	1,635.03	1,859.36	3,151.99	3,615.55	4,668.96	5,371.73	6,185.93	7,127.91
Add Dairy Farm uniform rate	561.63	560.32	561.63	560.32	561.63	560.32	561.63	560.32
Total Rates - Dairy Farm	2,196.65	2,419.68	3,713.62	4,175.87	5,230.59	5,932.05	6,747.56	7,688.23

Attachment to the Rates Resolution Report 2024/25								
Waitaki District			Amount of rate per capital value					
Oamaru Residential			\$450,000		\$600,000		\$750,000	
Assumed Land Value - Biosecurity rate			\$150,000		\$250,000		\$500,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
Oamaru public transport	5.45	-	5.45	-	5.45	-	5.45	-
	123.51	103.18	123.51	103.18	123.51	103.18	123.51	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	76.54	100.24	102.05	133.66	127.56	167.07	170.09	222.76
Catchment Management Rate (CV)	20.79	-	27.72	-	34.64	-	46.19	-
River & Waterway Management (CV)	36.32	28.27	48.43	37.70	60.54	47.12	80.72	62.83
Biosecurity (LV)	8.89	10.41	14.82	17.35	29.64	34.70	44.46	52.04
	142.54	138.92	193.02	188.70	252.39	248.89	341.46	337.63
Total rates	266.05	242.10	316.53	291.88	375.90	352.07	464.96	440.81

Attachment to the Rates Resolution Report 2024/25								
Waitaki District								
Amount of rate per capital value								
Waitaki Farm	\$500,000		\$1,000,000		\$1,500,000		\$2,000,000	
Assumed Land Value - Biosecurity rate	\$375,000		\$750,000		\$1,125,000		\$1,500,000	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2023/2024	2023/2024
Uniform regional charges								
Uniform annual general charge	69.36	68.76	69.36	68.76	69.36	68.76	69.36	68.76
Emergency management uniform rate	35.63	32.47	35.63	32.47	35.63	32.47	35.63	32.47
Wilding trees uniform rate	2.39	1.95	2.39	1.95	2.39	1.95	2.39	1.95
Navigational safety uniform rate	10.68	-	10.68	-	10.68	-	10.68	-
Oamaru public transport	5.45	-	5.45	-	5.45	-	5.45	-
	123.51	103.18	123.51	103.18	123.51	103.18	123.51	103.18
Variable charges (capital value/land value/hectares)								
General rate (CV)	85.04	111.38	170.09	222.76	255.13	334.14	340.17	445.52
Catchment Management Rate (CV)	23.10	-	46.19	-	69.29	-	92.38	-
River & Waterway Management (CV)	40.36	31.42	80.72	62.83	121.08	94.25	161.44	125.66
Biosecurity (LV)	22.23	26.02	44.46	52.04	66.69	78.06	88.92	104.09
Rural Water Quality	-	42.34	-	84.68	-	127.02	-	169.36
	170.73	211.16	341.46	422.31	512.18	633.47	682.91	844.63
Total Rates - Non-Dairy Farm	294.24	314.34	464.96	525.49	635.69	736.65	806.42	947.81
Add Dairy Farm uniform rate	561.63	560.32	561.63	560.32	561.63	560.32	561.63	560.32
Total Rates - Dairy Farm	855.86	874.66	1,026.59	1,085.81	1,197.32	1,296.97	1,368.05	1,508.13

10.3. Otago Catchment Communities Proposal

Prepared for: Council
Report No. OPS2419
Activity: Governance Report
Author: Libby Caldwell, Manager Environmental Implementation and Pip Eckhoff, Team Leader Catchments
Endorsed by: Gavin Palmer, General Manager Operations
Date: 26 June 2024

PURPOSE

- [1] The purpose of this paper is for Council to consider further funding being provided to Otago Catchment Communities (OCC).

EXECUTIVE SUMMARY

- [2] Otago Regional Council has provided \$913,405 of funding to OCC since the 2020/2021 financial year.
- [3] The purpose of the funding is for 'connecting and supporting catchment groups within Otago to support improved environmental outcomes including by providing the outcomes and deliverables in schedule 1' which is included in Attachment 1.
- [4] Formal notification that there was an underspend of funding by OCC was received on the 26th of May 2023. Initially it was indicated that there would be \$330,000 underspent and following further communications this was decreased to \$234,955
- [5] OCC staff have provided a business case (Attachment 3) which outlines a proposal to utilise the underspend for ORC to consider.
- [6] The business case requests that \$234,000 is provided to OCC from ORC over a three-year period to 'bolster facilitation and coordination assistance' for member groups. This funding will enable OCC to provide a 0.5 additional FTE to 'enhance coordination and facilitation resources'. If the business case is supported by Council there are two options provided by OCC, to reallocate the underspend for this financial year or to provide additional funds over the next three years.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Decides** whether Option 1, 2 or 3 is adopted in terms of funding to be provided to OCC.
- 3) **Directs** the Chief Executive to progress the adopted option.

BACKGROUND

- [7] OCC is an incorporated society which represents catchment groups in Otago. Their vision is to 'create and support an Otago wide network of catchment groups that are addressing environmental issues now and for generations to come'.

- [8] Otago Regional Council has provided \$815,703 of funding to OCC since 1 July 2020. Detail of funding is shown in Table 1.

Table 1: Funding claimed and paid over years to OCC

YEAR	2020/21	2021/22	2022/23	2023/24	Total
Amount funded	\$178,000	\$225,000	\$315,000	\$195,405	\$913,405

- [9] There is a current funding agreement in place between OCC and ORC (Attachment 1). The Agreement was approved by Council on the 25th May 2022¹². This has provided for \$1.175M in funding as follows:
- \$315,000 for the 2022/2023 Funding Year;
 - \$430,000 for the 2023/2024 Funding Year; and
 - \$430,000 for the 2024/2025 Funding year.
- [10] The purpose of the funding is for 'connecting and supporting catchment groups within Otago to support improved environmental outcomes including by providing the outcomes and deliverables in schedule 1', included in Attachment 1.
- [11] Since its establishment OCC have connected and supported catchment groups across the region. Similar to other environmental funding provided by ORC (e.g. Ecofund) there has been no detailed analysis assessing the extent of any positive environmental outcomes as a result of the work of OCC. Through annual reporting details have been provided by OCC around funding being used to support groups and projects and for engagement with the community. As part of future work an assessment of the outcomes or 'value' of the funding will be carried out alongside other ORC investments.
- [12] Community connections continue to be made by OCC staff. There is some work required to assist ORC by providing local knowledge and to assist in identifying capability and knowledge gaps so that the Environmental Implementation team at ORC can work to support these areas. This is set out in the funding agreement between ORC and OCC. There is also work to be done by ORC to promote the expertise and assistance that is available within ORC to support catchment groups, which in turn can be leveraged by OCC through their networks and relationships.
- [13] Councillor Bryan Scott represents Otago Regional Council on the OCC committee.

DISCUSSION

- [14] Formal notification that there was an underspend of annual funding was received from OCC on the 26th of May 2023. This letter is included as Attachment 2 and indicated that it was expected that \$330,000 was estimated to be underspent.

¹ [council-minutes-20220523.pdf \(orc.govt.nz\)](#)

² [council-agenda-20220525.pdf \(orc.govt.nz\)](#)

- [15] OCC staff advised ORC staff via email on the 29th June 2023 that the expected underspend in the budget had decreased to approximately \$290,000.
- [16] OCC staff provided a further update by email on the 31st July 2023 which amended the expected underspend to be \$234,955.
- [17] Following consideration around this underspend OCC were advised by staff that the unspent funds were able to be held by OCC but for the 2023/24 financial year a reduction in funding from \$430,000 (committed through the annual plan 2023/24 and funding agreement (Attachment 1)) would not be provided. It was advised that the balance of \$195,405 would be provided to allow for \$430,000 to be available for the 2023/24 financial year. At this time it was advised that the \$234,955 would be held in our budgets and if OCC required this budget for the financial year this would be considered.
- [18] OCC staff presented their annual report to the Environmental Implementation Committee on the 8th November 2023. Within this report and presentation, the committee was advised there was an underspend.
- [19] On the 9th of April 2024 OCC staff provided a business case (Attachment 3) which outlines a proposal to utilise the underspend.
- [20] The business case requests that \$234,000 is provided to OCC from ORC over a three-year period to 'bolster facilitation and coordination assistance' for member groups. This funding will enable OCC to provide a 0.5 additional FTE to 'enhance coordination and facilitation resources'.
- [21] Provision of 0.5 FTE by OCC would mean that ORC can reduce staff time engaging with catchment groups within the area that OCC increases its presence, however it is important that strong connections between ORC, OCC and the wider on-farm support network (industry and MPI) are maintained. This would allow ORC staff to focus support on targeted work programmes and to work with landowners who are not part of catchment groups to support best practice land-use.
- [22] The reasons identified for the underspend by OCC in Attachment 2 include:
 - i. Time delay in the establishment of the incorporated society and the MPI co-funding
 - ii. Funding streams could not be opened until after 8 months of operation.
- [23] A support letter from the Ministry of Primary Industries (MPI) has been provided (Attachment 4) alongside the business case. MPI co-fund OCC to deliver their work. The MPI support letter refers to supporting farmers however it should be noted that OCC has a mandate to support all catchment groups, rural and urban.
- [24] The existing funding agreement will cease on the 30th June 2025. Within the draft Long-Term Plan 2024-2034 \$450,000 has been included per annum over the 10-year period, to support catchment groups in Otago. The Draft LTP proposes that this is funded

through the catchment management rate. The catchment management rate is charged like a general rate.

- [25] The effectiveness of OCC as a means of delivering community outcomes will be reported to the Environmental Implementation Committee in November 2024 as part of an update on community environmental projects being funded by ORC.

OPTIONS

- [26] Option 1: Provide funding to OCC as requested in their business case as Option A (Attachment 3) by increasing funding over the next three financial years to \$508,000 per year from the 2024/25 year until 30 June 2027. This is \$174,000 more than what has been provided for in the draft Long-Term Plan 2024-34. If this was ongoing for the 10 years of the Long-Term Plan 2024-34 the total would be \$580,000 more than has been provided for.

Option 1 – Pros and Risks Table	
Pros	Risks
Investment will result in increased support for catchment groups in the area where the investment is targeted.	Due to historic underspends there is a moderate risk that allocated funding may not be spent by OCC in the delivery of the annual work programme
ORC staff time can be reallocated to targeted work programmes and assistance for land owners who are not part of catchment groups.	The recent government budget has allocated a significant amount of funding to MPI to support catchment groups around the country. Getting clarity on the wider catchment group support network and funding streams is required to ensure ORC's investment is the best use of this funding.
Investment may respond to some of the pressures faced by catchment groups as central government funding of programmes ends.	Assessment of environmental outcomes or 'value' should be undertaken to ensure any increase over and above the \$430,000 annually is justified.
	Funding may be better spent delivering actions on-ground such as the Catlins CAP actions.
	Additional unallocated funding would be required in year 1 of the LTP with the increase being added to Y2 and beyond through the annual plan process.

- [27] Option 2: Provide funding to OCC as requested in their business case as Option B (Attachment 3) by providing an up-front payment of \$234,000 at the end of the 2023/24 financial year. This would allocate the underspend to OCC and not have an impact of future budgets.

Option 2 – Pros and Risks Table	
Pros	Risks
Investment will result in increased support for catchment groups in the area where the investment is targeted.	Due to historic underspends there is a moderate risk that allocated funding may not be spent by OCC in the delivery of the annual work programme
ORC staff time can be reallocated to targeted work programmes and assistance for land owners who are not part of catchment groups.	The recent government budget has allocated a significant amount of funding to MPI to support catchment groups around the country. Getting clarity on the wider catchment group support network and funding streams is required to ensure ORC's investment is the best use of this funding.
Investment may respond to some of the pressures faced by catchment groups as central government funding of programmes ends.	Assessment of environmental outcomes or 'value' should be undertaken to ensure any increase over and above the \$430,000 annually is justified.
	Funding may be better spent delivering on-ground actions through the allocation to alternative freshwater improvement projects.
	The payment of this grant in the 23/24 financial year will have an impact on the year-end financial results. Note: staff are currently forecasting an overall surplus for the financial year.

- [28] Option 3: Do not allocate the underspend of \$234,000 to OCC and retain this as savings to offset other activity of ORC.

Option 3 – Pros and Risks Table	
Pros	Risks
Demonstrates prudent financial management with \$430k already being allocated to OCC annually subject to future funding agreements.	OCC may not be able to complete as much support work as indicated in the annual work plan.
Provides time for other organisations to establish – such as MPI On Farm Support and Wai Connections to determine if there is a gap in support to catchment groups that needs funding by ORC.	

CONSIDERATIONS

Strategic Framework and Policy Considerations

[29] This paper does not trigger policy considerations.

Financial Considerations

[30] The Council has a budget available of \$430,000 which was allocated to support the work of OCC as per the funding agreement (Attachment 1). Of this, \$195,405 has been allocated to be funded this financial year alongside the unspent funds from the previous year. There is \$234,955 remaining in this budget.

[31] The LTP has allocated \$450k annually for this activity. Any increase would be unbudgeted in year 1 and could be added for subsequent years through the annual planning process.

Significance and Engagement

[32] This paper does not trigger ORC's policy on Significance and Engagement.

Legislative and Risk Considerations

[33] This paper does not trigger legislative considerations.

Climate Change Considerations

[34] This paper does not trigger climate change considerations.

Communications Considerations

[35] Further work is required to align the work programmes of OCC and ORC to ensure that there is clear communication about the value of the investment into catchment groups and on-farm support.

NEXT STEPS

[36] Staff will action the decision of Council following consideration of this paper

[37] Staff will continue to work with OCC staff and the committee to establish strong working relationships and achieve greater alignment of work programmes.

ATTACHMENTS

1. OCC ORC Funding Agreement 2022 to 2025 Signed [9.3.1 - 10 pages]
2. OCC Underspend Letter to ORC Apr2023 KB Edit [9.3.2 - 1 page]
3. 04 09 2024 Otago Catchment Community Inc Business Case [9.3.3 - 5 pages]
4. MPI support Email [9.3.4 - 1 page]

OTAGO REGIONAL COUNCIL - FUNDING AGREEMENT

BETWEEN **OTAGO REGIONAL COUNCIL** a body corporate under the Local Government Act 2002 ("Funder" and "Council")

AND **OTAGO CATCHMENT COMMUNITY INCORPORATED** [an incorporated Society under the Incorporated Societies Act 1908] ("Recipient")

Collectively referred to as the "Parties"

BACKGROUND

- A. The Recipient has applied for a grant of (2022/2023) \$315,000, (2023/2024) \$430,000, and (2024/2025) \$430,000, (exclusive of Goods and Services Tax) for: Otago Regional Councils contribution towards connecting and supporting catchment groups within Otago to support improved environmental outcomes including by providing the outcomes and deliverables in schedule 1. ("Grant Purpose")
- B. In consideration of the Recipient agreeing to comply with the terms of this Agreement, the Funder has agreed to make a grant of:
 - (a) \$315,000 for the 2022/2023 Funding Year;
 - (b) \$430,000 for the 2023/2024 Funding Year; and
 - (c) \$430,000 for the 2024/2025 Funding Year(exclusive of Goods and Services Tax) to the Recipient.
- C. The Recipient accepts the Grant on the terms and conditions in this Agreement.

IT IS THEREFORE AGREED

Interpretation

1. "Agreement" means this Grant Agreement including any schedules or attachments.
"Funding Year" means the period from 1 July to 30 June of the following year.
"Grant" means (2022/2023) \$315,000, (2023/2024) \$430,000, and (2024/2025) \$430,000, (exclusive of Goods and Services Tax).
"Reports" means the report(s) set out in clause 4.3.
"Working Day" means any day on which banks are generally open for business (other than a Saturday or public holiday in Otago).

Term

2. This Agreement commences on 1st July 2022 and terminates on 31th July 2025 unless terminated earlier or extended in accordance with this Agreement.
3. Final confirmation of funding for each Funding Year is subject to Annual Plan approval, changes may occur if priorities or funding levels change. The Funder will advise the Recipient of the Council's decision.

Use of the Funding

4. The Recipient shall:
 - 4.1 Use the Grant solely for the Grant Purpose(s), subject to any variation under clause 11;
 - 4.2 Spend the Grant within the Term, subject to any variation under clauses 11 and 12.

4.3 Keep and maintain records of account in accordance with generally accepted accounting practice, as required by law and as necessary to provide a complete and detailed record and explanation of the expenditure of the grant.

4.4 Notify Council immediately if it applies for or receives duplicate funding for the Grant Purpose from any other source. If the Recipient receives such funding the Recipient acknowledges that the Council may act reasonably to either reduce the amount of the Grant received or claim such amount back from the Recipient

4.5 Return any unspent Grant money to the Council within 20 Working Days of the termination of this Agreement or within 20 Working Days of the completion of the Grant Purpose or expiry of the term of this agreement, whichever is the sooner.

4.6 Repay the Grant or part of the Grant as required by Council if the Agreement is terminated under clauses 14 or 16 or if the Grant or parts of the Grant is misspent or misappropriated or not used for the Grant Purpose.

Recipient's Responsibilities

5. The Recipient must:

5.1 Ensure that the Grant Purpose are achieved with all due care, skill and diligence and industry standards.

5.2 Notify the Council of any breach of the Agreement and/or any relevant matter that might affect the Recipient's ability to meet its obligations under the Agreement as soon as practicable of becoming aware of the matter.

5.3 Comply with all practicable laws and cooperate with Council in the Council's compliance with applicable laws including but not limited to the Local Government Official Information and Meetings Act 1987 and Privacy Act 2020.

5.4 Provide all Report(s) as required by the Council. The due date(s) and requirements for the Reports are set out in Schedule 1. The format for the Reports will be as specified by the Funder.

Conflicts of Interest

6. The Recipient shall promptly disclose to the Council full particulars of, and take appropriate steps to manage, any actual, perceived or potential conflict which may arise between the Recipient (or its personnel) and the duties owed to the Funder under this Agreement.

Payment of Grant

7. Provided and to the extent that funding for that Funding Year has been approved under clause 3, the Council will pay the grant for each Funding Year to the Recipient once the Recipient:

7.1 Provides a satisfactory tax invoice; and

7.2 Meets all criteria or conditions specified by the Council as prerequisites to payment of the Grant; and

7.3 Meets any terms of this Agreement which must be complied before the Grant is paid and continues to comply with the terms of this Agreement during the term of the Grant.

Publication

8. The Recipient agrees to acknowledge the Grant and the Funder in its publications or any media release relating to use of the Grant.

9. The Recipient shall obtain the prior written approval of the Council before publishing any publication or formal media release which refers to the Grant or the Funder.
10. The Recipient agrees that the Council may publish the Recipient's name and Grant Purpose in any public statement or on its website.

Variation of Grant

11. The Recipient must apply in writing to vary the Term of Grant, Grant Purpose or any Grant condition.
12. The Recipient acknowledges that it is at the sole discretion of Council whether to approve any variation.

Recovery of Grant

13. The Council may reduce, suspend or withhold the Grant or require all or part of the Grant not spent or spent outside the Terms of the Agreement to be repaid by the Recipient if:
 - 13.1 It reasonably considers the Recipient's delivery of the Grant Purpose(s) to be unsatisfactory; or
 - 13.2 The Recipient fails to comply with any obligation under this Agreement; or
 - 13.3 The Recipient has not provided a Report to the Council's reasonable satisfaction; or
 - 13.4 Any other circumstances or events arise that in the reasonable opinion of the Council are likely to adversely affect the Recipient's ability to fulfil the Grant Purpose(s) in accordance with terms of the Grant conditions.

Termination

14. Either party may terminate this Agreement by giving 90 Working Days' written notice to the other party.
15. The Council will provide the Recipient with 20 Working Days' written notice to remedy any breach of this Agreement.
16. The Council may terminate this Agreement by giving 20 Working Days' written notice if the Recipient:
 - 16.1 Breaches this Agreement and fails to remedy the breach within 20 Working Days' of receiving written notice of the breach; or
 - 16.2 Has provided any information which is false or incorrect; or
 - 16.3 Commits a breach of this Agreement which is not capable of being remedied; or
 - 16.4 Provides a report that does not sufficiently detail the requirements contained in Schedule 1 to the Funder's satisfaction or fails to include any additional requirements specified by the Funder; or
 - 16.5 Brings the Council into disrepute by its actions; or
 - 16.6 Ceases to conduct any substantial part of its business in a normal manner or threatens to do so; is or is unable to pay its debts as they fall due; becomes insolvent for the benefit of its creditors; has any of its assets subject to any form of seizure; goes into voluntary or compulsory liquidation; has a receiver, administrator or any similar officer appointed; is wound up; or suffers from an analogous event.

Effects of Termination

17. The expiry or termination of the Agreement will:
 - 17.1 Not limit or remove the rights of the parties that existed up to and including the date of the expiry or termination of the Agreement; and

- 17.2 Not affect any clauses that are intended to have continuing effect.

Liability and Indemnity

18. The Council will not be liable (in contract or tort, including negligence or otherwise) to the Recipient or any other person for any direct or indirect damage, loss, or costs whatsoever in relation to the Grant or this Agreement, or for any works or activities undertaken by using this Grant.
19. If the Recipient suffers loss or damage while using the Grant to achieve the Grant Purpose, the Council is not liable, and the Recipient will carry full liability for its own actions.
20. The Recipient must indemnify the Council against any claims against the Council arising out of this Agreement.

Dispute Resolution

21. The parties shall attempt in good faith to settle any dispute by negotiation and/or mediation before litigation.

No Assignment or Subcontracting

22. The Recipient may not assign, transfer or sub-contract any of its rights or obligations under this Agreement without the prior written consent of the Council.

Notices

23. Any written notice to be given by one party to the other for the purposes of this Agreement may be given by personal delivery, tracked courier mail or email.
24. Any Notice or communication is to be treated as given at the following time:
- 24.1 If it is delivered, when it is left at the relevant address;
- 24.2 If it is sent by tracked courier mail, 5 working days after it is posted;
- 24.3 If it is sent by email, as soon as the sender receives a successful receipt notification to the correct email address.
- 24.4 However, any notice or communication is given on a day that is not a Working Day or after 5.00pm on a Working Day, the notice or communication is deemed to have been given at the beginning of the next Working Day.
- 24.5 Each party's appointed representative is set out in Schedule 2 along with the address for service.

Variation

25. This Agreement may be varied by agreement in writing between the parties.

Waiver

26. Any waiver of any breach under this Agreement will not be deemed to be a waiver of any other breach of this Agreement.
27. The failure of either party to enforce any provision of the Agreement at any time will not be a waiver of such provision.

Governing Law

28. This Agreement is governed by the laws of New Zealand.

ExecutionSigned on behalf of the **OTAGO REGIONAL COUNCIL**Signed: Name: Pim BorrenDate: 21 June 2022Signed for the **OTAGO CATCHMENT COMMUNITY INCORPORATED** by:Name: Katie BarnsPosition: Committee Chair

I confirm that I have authority to sign for the Recipient:

Signed: Date: 17/6/22**Schedule 1****Outcomes and Deliverables**

#	Outcome	Performance Measure	Deliverable	Timeframe
1	Agreed work programmes delivered.	For input and approval, provide ORC with a work plan and detailed budget, outlining how the ORC grant will be allocated, KPIs, outcomes sought and the rationale for the allocation.	Final Work Plan submitted for approval by ORC.	30 June proceeding each Funding Year.
2	Accountability and Governance achieved.	Provide annual report to Council. The report is to highlight:	One Annual Report per funding year	31 July of each Funding Year.

#	Outcome	Performance Measure	Deliverable	Timeframe
		a) the work undertaken as described in the work plan b) the project data as outlined in [4] below c) any funding and operational issues d) any future opportunities or directions e) assessment of contribution to improving water quality and/or improvement in environmental domains.		
		Formal membership on Otago Catchment Community committee.	ORC staff and governance representative invited to attend all committee meetings and participate in decision-making processes (governance rep only).	Ongoing
3	Community connections made.	Assist ORC by providing local knowledge and expertise to create community connections.	Quarterly meetings with Team Leader Environmental Implementation to discuss connections/issues/opportunities and to identify and pursue aligned tasks and actions.	Quarterly
	Building Catchment Group Capabilities	Actively identify to ORC capability and knowledge gaps within the Catchment Group sector, so that these can be considered and supported as part of the Environmental Implementation Team's regional support.	A record of gaps and opportunities as outlined by OCC during the meeting is documented at the Quarterly meetings with the Team Leader Environmental Implementation.	Quarterly
4	Project data reported.	Number of memberships in the Otago Catchment Community <ul style="list-style-type: none"> # of members by Freshwater 	Data report submitted. When available, output reporting to be uploaded into ORC GIS spatial database (with assistance from ORC).	30 September following each Funding Year.

#	Outcome	Performance Measure	Deliverable	Timeframe
		<p>Management Unit (FMU)/Rohe</p> <ul style="list-style-type: none"> # of new members since previous annual report. <p>Pursue opportunities with communities to support ORC's water, biodiversity, biosecurity and land management work.</p> <p>Number of catchment groups actively supported (financially or with resourcing)</p> <ul style="list-style-type: none"> # of groups by FMU/Rohe # of new groups since previous annual report # of group meetings or events held. <p>Locations of group operations</p> <ul style="list-style-type: none"> List of catchments and corresponding FMU/Rohe. <p>Evidence of OCC staff and contractors delivering on OCC objectives and values as outlined in the work programme.</p> <ul style="list-style-type: none"> Stories, photos and other evidence showing activities carried out. Evidence should be linked to a specific group/catchment. <p>Outline of activities and projects</p>	<p>List referrals made from OCC to Catchment Groups and ORC regarding water, biodiversity, biosecurity and land management work as outlined by the Team Leader Environmental Implementation.</p>	

#	Outcome	Performance Measure	Deliverable	Timeframe
		<p>undertaken whose main aim is to improve water quality in Otago.</p> <ul style="list-style-type: none"> Brief overview of project, objectives, outputs (e.g., area of planting, length of fencing etc) and outcomes. <p>Summary of joint initiatives with ORC.</p> <ul style="list-style-type: none"> Initiatives or projects identified and implemented. 		
5	Maintain and enhance collaborative partnership with Otago Regional Council.	<p>Promote expertise and assistance available from ORC to support Catchment Groups.</p> <p>Where appropriate, Invite staff to capability initiatives or professional development opportunities offered to catchment groups</p>	<p>Initiatives and opportunities promoted, and these are reported through annual report.</p> <p>Where appropriate, ORC staff attend capability initiatives and/or professional development led by OCC.</p>	<p>Annually</p> <p>As occurs</p>

Schedule 2

Contacts

Otago Regional Council Contact:

Name: Gavin Palmer

Position: General Manager, Operations

Address: 70 Stafford Street, Dunedin 9054

Email: gavin.palmer@orc.govt.nz

Phone: 03 474 0827

Recipients Contact:

Name: Sam Dixon

Position: Regional Coordinator

Registered Office: 3945 Wanaka-mount Aspiring Road, Wanaka, 9382, New Zealand

Email: sam.dixon@otagocatchments.co.nz

Phone: 027 777 0940



Ms Libby Caldwell
Environmental Implementation Manager
Otago Regional Council
Level 2 Phillip Lang House
144 Rattray Street
Dunedin 9016

April 21, 2023

Notification of Otago Catchment Community (OCC) Inc ORC funding underspend

Kia ora Libby,

Firstly, the steering committee and contractors of Otago Catchment Community (OCC) Inc would like to thank-you for your remote participation in our March face-to-face meeting. Your presence assisted in by answering many of our questions regarding the Otago Regional Council (ORC) funding stream building a robust discussion which set the foundations for our meeting to be decision based rather than merely an option building exercise.

As discussed at the March meeting, OCC has underspent our ORC funding stream by approximately \$330,000. The primary reason for this underspend is the time delay in the establishment of the incorporated society and the MPI co-funding. The MPI funding delay stalled our ability to get financial support directly into the catchment groups through our three funding streams. The Seed and Small Project funding could not be opened for the first 8 months of operation and our Direct Group funding which was not open in our first 12 months of operation.

However, our funding streams are open, are well subscribed and being utilised by groups as evidenced by the numerous planting, field days, and educational opportunities now offered in the catchment space. In parallel, from an operations perspective we are actively working with catchment groups throughout Otago to help them identify opportunities where financial assistance will help them improve their catchment's environmental outcomes. As a result of this, and the increase in the number of catchment groups that are forming through our work, we are not predicting to continue this underspend going forward.

Additionally, the OCC has been informed by MPI that their co-funding after the 24-25 Financial year will decrease from \$200,000 to \$100,000. We would like to propose that OCC hold onto the unspent funds to ensure sustainability of the catchment group support model by continuing the same financial support to Otago's groups during the years of 2025-2028.

Naku noa, nā

Katie Barns
Otago Catchment Community Inc, Treasurer

Sam Dixon
Otago Catchment Community Inc, Regional Coordinator



OTAGO CATCHMENT
COMMUNITY INC



Otago Catchment Community Inc. Business Case

For increased capacity of facilitation and coordination on the ground to support Catchment Groups in Otago

OCC Vision & Objectives

"To create and support an Otago wide network of catchment groups that are addressing environmental issues now and for generations to come."

This Vision is backed by our Objectives:

- *Assisting with the formation and direction setting of all Catchment Groups*
- *Establishing sustainable funding pipelines to support changing needs*
- *Catchment Groups effectively communicate their stories*
- *Encouraging and supporting groups to run independently*
- *Facilitate collaboration between Catchment Groups, Government, Iwi, Regional Authorities and stakeholders*
- *Facilitating access to experts, information, technology and education*

Introduction

Otago Catchment Community INC. (OCC) has successfully increased the spread and effectiveness of catchment groups throughout Otago. This combined with the finishing of government funded projects has highlighted the need for OCC to increase its facilitation resources by 0.5 FTE equivalent. Therefore, this business case has been developed to express OCC's future funding needs.

Context

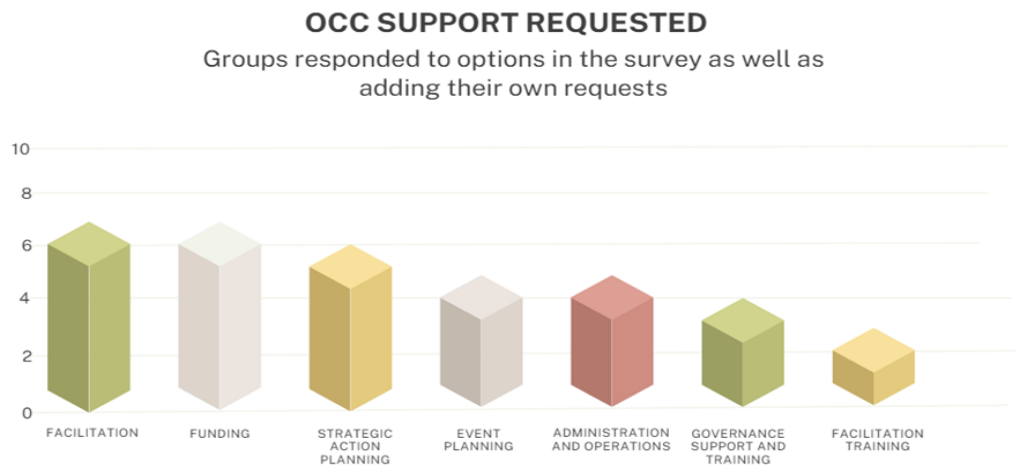
OCC faces the challenge of accommodating the growth and diversification of its member groups. Over the past three years, OCC has expanded its member base from 11 to 17 groups, with an additional 28 sub-catchment groups—a significant increase from the initial 15 sub-catchment groups. OCC Coordinators also support eight groups progressing towards membership.

While central government funding has aided coordination and facilitation efforts across Otago, OCC has played a crucial role in fostering collaboration and stewardship within the region. The impending departure of government funding direct to groups underscores the need for OCC to enhance its capacity for coordination and facilitation, aligning with the growing needs of Otago groups (Graph 1: OCC Support Requested). Despite the challenging political climate and cost-saving measures evident, OCC has successfully secured \$450,000 in funding from the Ministry for Primary Industries (MPI) for the next three financial years. This achievement highlights our organisation's proven value to the government. With our track record of success, supporting this business case to increase OCC's outcomes with Catchment Groups would not only enhance our impact but also foster continued collaboration and progress towards shared goals.

This business case emphasises OCC's role as a trusted resource for Otago's Catchment Groups. Positioned on the ground, we provide tailored support, empowering groups to succeed. Recent survey results affirm the effectiveness of OCC's facilitation in promoting knowledge sharing, stakeholder engagement, project initiation, and network expansion, further demonstrating OCC's pivotal role in empowering Catchment Groups (Graph 1: OCC Support Requested).



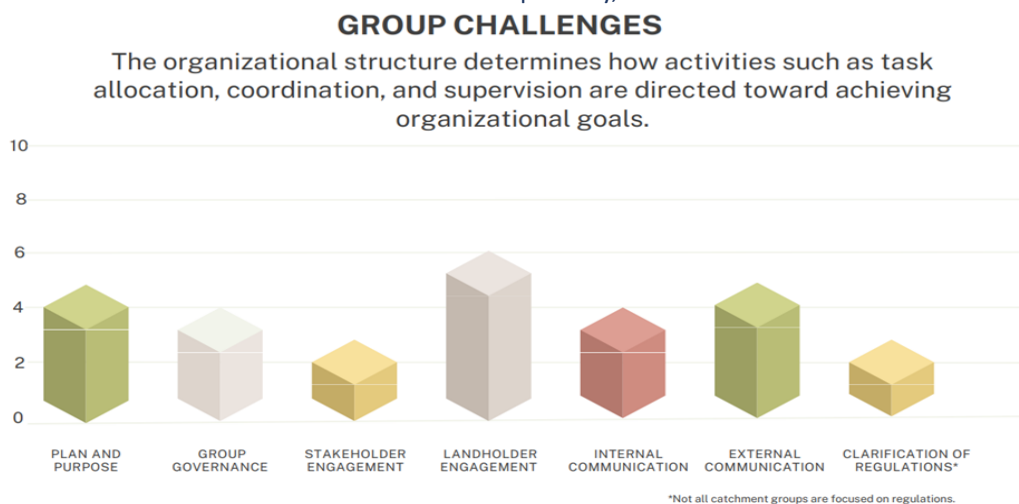
Graph 1 – Taken from OCC Annual Catchment Group survey, 2023.



The 2023 survey highlighted the challenges groups have faced over the past 12 months. Graph 2 highlights these challenges which with increased capacity through OCC's support, we expect to alleviate these for groups. These challenges can be broadly broken into the following four themes:

1. **People** – Administration, coordination, management and working with landholders and farmers in offering support toward meeting accreditation such as NZFAP+ and FWFP, one to one support where required.
2. **Funding** - Ensuring existing projects continue to run well and new projects such as community nurseries get up and going. Funding noted by several groups as important next steps in following 12 months – both for continued running of the catchment group (noted above) as well as development of new projects.
3. **Projects** - New projects listed as willow control work, work in supporting FWFP, tributary group work, and expanding support and work into smaller landholders and urban communities in catchments (Also expressed as further and wider community engagement).
4. **Engagement** - With stakeholders and with landholders to be addressed by several, this is also tied into work identified in the communications space.

Graph 2 – Taken from OCC Annual Catchment Group survey, 2023



Within the context of this business case, it is essential to consider the proposed budget for OCC spanning the years 2024 to 2027, which is attached at the back for detailed examination. This proposed budget displays the reductions in CG project funding to aid in enabling this additional OCC Business Case: Reinstating Otago Regional Council underspend for Otago Catchment Community to build capacity.



facilitation recourse. Additionally, the current tracking budget, accurate as of March 22, 2024, is provided alongside commentary on budget lines.

To smoothly navigate this transition, OCC is committed to maintaining robust support for its member groups. This increased level of service can be funded with surplus funds from previous periods, OCC proposes leveraging the retained funds of \$234,000 from the Otago Regional Council (ORC) over a three-year period to bolster facilitation and coordination assistance for these groups. The proposed Budget (2024-2027) outlines OCC's strategy to allocate the extra funds directly into Budget Section 4, Catchment Group Support. This will enable OCC to enhance coordination and facilitation resources equivalent to an additional 0.5 FTE.

Funding requested payment options, Option B has been put forward as suggested by ORC management

Option	Financial Year	Total
Option A	2024/25	\$508,000
	2025/26	\$508,000
	2026/27	\$508,000
	Total	\$1,524,000
Option B	2024/25(Up-front payment \$234,000)	664,000
	2025/26	\$430,000
	2026/27	\$430,000
	Total	\$1,524,000

Expected Outcomes:

- Enhanced Coordination:** Strengthened coordination and facilitation capabilities will streamline communication channels, foster collaboration, and extend engagement opportunities for groups across Otago. This proactive approach ensures the effective dissemination of new information and ideas, supporting the ongoing development of community-led initiatives throughout the region.
- Seamless Transition:** Providing tailored support to groups transitioning from central Government funding guarantees the uninterrupted progress of community-led environmental projects. Enabling groups to maintain and manage their current trajectory of improving land use capability and water quality outcomes.
- Maximised Impact:** By leveraging available resources, OCC will be optimally positioned to fulfill its goals of empowering efficient catchment groups with the necessary resources to realise their visions. Through effective coordination and facilitation, OCC will alleviate volunteer fatigue, foster stronger connections among agencies and groups, and create opportunities for collective action. Otago will benefit from a network of well-organised community-led catchment groups actively contributing to environmental conservation, water quality initiatives and community engagement.
- Empowering Otago:** The outlined support empowers Otago's groups to actively pursue their environmental objectives, aligning with ORC's goals for improved water quality outcomes. This investment ensures that catchment groups operate efficiently, receive necessary support, and contribute to a resilient and sustainable Otago.

Conclusion

In conclusion, reallocating the unutilised funds of \$234,000 from Otago Catchment Community towards enhancing facilitation and coordination is not just a short-term solution for addressing OCC's evolving needs, but also signifies an opportunity to amplify the organisation's impact. This strategic investment not only underscores OCC's commitment to fostering collaboration, innovation, and stewardship within the Otago community but also provides essential on-the-ground support to advance ORC and OCC's long-term objectives of improved water quality and protection and care of the environment.

OCC Business Case: Reinstating Otago Regional Council underspend for Otago Catchment Community to build capacity.

3



OCC Proposed Budget 24-27				Comments
	24-25 Budget	25-26 Budget	26-27 Budget	This budget requires approval from ORC to utilise the additional funding request.
Opening balance	0	0	0	
Other Income				
ORC Grant	430,000	430,000	430,000	Highlighted additional funding request Reduced by \$50,000 from previous contract
Additional funding request	78,000	78,000	78,000	
MPI Grant	150,000	150,000	150,000	
Total Other Income	657,000	658,000	658,000	
1. Administration				
Accountancy Fees	3,500	3,500	3,500	Accountant fee
Advertising	5,000	5,000	5,000	Advertising material
Audit Fees	2,900	3,100	3,100	Annual Financial Audit
Bank Charges	200	200	200	Bank Fees
Insurance	2,000	2,000	2,000	OCC Insurance
Legal Expenses	2,000	2,000	2,000	Legal Fees
Subscriptions	1,000	1,000	1,000	Microsoft, Website etc.
General Expenses	3,500	3,500	3,500	General admin expenses
2. Governance				
Committee Mileage Reimbursement	4,000	4,000	4,000	Milage reimbursement for committee travel
Governance - honorariums	17,000	17,000	17,000	
Governance Training	7,000	7,000	7,000	
3. Connections				
Iwi Consultation	2,000	2,000	2,000	Koha for Consultation
Catchment Group Events	29,975	27,775	26,775	CG events, Forum, CG Petty Cash CG members attending National Conferences
Conference Expenses	5,000	5,000	5,000	
Contractors Training	8,000	6,000	5,000	
4. Catchment Group Support				
CG Funding	45000	45000	45000	CG Project Funding, Decreased from previous year's (\$100,000). \$175,000 available, target of 14 groups Additional coordinator bringing OCC to 2.7 FTE increased by 12,000km for extra coordination increased by \$1,100 for extra coordination
CG Direct Group Fund	175000	175000	175000	
Contractors	300,000	304,000	306,000	
Mileage Reimbursement	39,425	39,425	39,425	
Coordinators Accommodation	5,500	5,500	5,500	
Total Operating Expenses	657,000	658,000	658,000	
Surplus/(Deficit)	0	0	0	
Closing Balance	0	0	0	
Committed funds				

OCC Business Case: Reinstating Otago Regional Council underspend for Otago Catchment Community to build capacity.



OCC BUDGET TRACKING & REPORTING 2023-2024 AS AT 22 March 2024				
	23-24 Budget	Spent As At 22 March 2024	Remaining 23-24 Financial Yr	Comments
1 Jul 23 Opening Balance	\$388,868.00			
Income				
ORC Grant	196,000	97,703	98,298	Two more instalments for year
MPI Grant	200,000	200,000	0	Fully allocated for year
Total Other Income	784,868	686,571	98,298	
Operating Expenses				
Accountancy Fees	3,500	2,065	1,435	\$1,435 to be re-allocated to 'Training'
Advertising	5,000	2,287	2,713	To be utilised on funding rounds and promotion of good news stories
Audit Fees	2,700	2,600	100	\$100 to be re-allocated to 'Training'
Bank Charges	200	30	170	\$150 to be re-allocated to 'Training'
Insurance	2,500	1,640	860	\$860 to be re-allocated to 'Training'
Legal Expenses	35,000	7,065	27,935	Inc Soc Rules update, 10 member groups also to update with remainder
Subscriptions	2,000	918	1,082	Microsoft, Power BI etc
General Expenses	4,500	2,066	2,434	OCC general expenses
Committee Mileage Reimbursement	4,000	740	3,260	Invoices to come in from recent meeting.
Governance - honorariums	18,000	7,571	10,429	Upcoming payments due June 24
Governance Training	7,000	0	7,000	To be executed through merging with 'Training' opportunities
Iwi Consultation	2,000	0	2,000	Looking for opportunities to execute and Mana Whenua 101 training
Catchment Group Events	30,000	10,842	19,158	Upcoming expenditure: CG podcast Channel and facilitation skills training
Conference Expenses	6,000	442	5,558	Awaiting invoices total \$4500
Training	7,000	7,082	-82	Budget to be built up with Admin re-allocation, further spends forecasted
CG Funding				
Committed last year paid this year	59,224	20,773	38,451	Working with groups to execute committed spend
2023-2024	82,798	13,566	69,232	\$21,283 approved this financial year with \$7,717 still to pay. Planning to distribute through opportunities identified in survey.
CG Direct Group Fund				
Committed last year paid this year	90,900	75,900	15,000	Awaiting two invoices totalling \$15,000
2023-2024	170,000	53,544	116,456	Awaiting one invoice of \$14,650. Remainder is budgeted for May DGF Round
Contractors	224,998	155,236	69,762	2.2 FTE Contractors
Mileage Reimbursement	27,550	11,877	15,673	Contractors Mileage
Full Budget Total	784,870			
Current Spend to date		376,244		
Budgeted Expenditure 22 Mar – 30 June			408,626	
Surplus/Deficit			0	

OCC Business Case: Reinstating Otago Regional Council underspend for Otago Catchment Community to build capacity.

From: Janet Gregory (Janet) <Janet.Gregory2@mpi.govt.nz>
Date: Wednesday, 20 March 2024 at 9:05 AM
To: Sam Dixon <sam.dixon@otagocatchments.co.nz>, Anna Robinson <anna.robinson@otagocatchments.co.nz>
Subject: Support for OCC additional 0.5FTE Coordinator

Hi Sam and Anna,

I am supportive of the business case for an additional 0.5 FTE facilitator for the Otago Catchment Community (OCC) as it will improve efficiencies for OCC and increase capacity to provide additional facilitation and assistance to the catchment groups, which was the top priority in the catchment group survey.

If this person is to cover the South and West Otago Districts where groups are transitioning from larger MPI funding, they will be able to provide stability to maintain and continue to improve farmer engagement and knowledge, which is crucial to improving practices that impact on land and water. The greater capacity within OCC will also enable greater support for catchment groups in the Upper Clutha District which are becoming more independent.

MPI is supportive of this approach as we know having strong and independent facilitators within OCC is critical in engaging farmers as they build trusted relationships in the local communities and enable stronger partnerships with regional councils and other funders. Our support is evident by the new three year funding agreement which has just been signed for a total of \$450,000 from July 2024 – June 2027 to support OCC regional coordination.

Regards
Janet

Janet Gregory | South Island Lead, Extension Services
Agriculture & Investment Services – Tapuwae Ahuwhenua Ministry for Primary Industries - Manatū Ahu Matua
14 Sir William Pickering Dr | Private Bag 4765 | Christchurch 8140 | New Zealand
Telephone: 64-3-743 0172 | Mobile: 022 011 7849 | Web: www.mpi.govt.nz

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10.4. Membership Representation Review: Initial Proposal

Prepared for: Council
Report No. GOV2416
Activity: Governance Report
Author: Amanda Vercoe, GM Governance, Culture, Customer, Stephen Hill, Representation Review Advisor, Electionz.com
Endorsed by: Richard Saunders, Chief Executive
Date: 26 June 2024

PURPOSE

- [1] To adopt an initial proposal for the ORC's 2024 Membership Representation Review.

EXECUTIVE SUMMARY

- [2] Under the Local Electoral Act 2001, Council is required to undertake a Membership Representation Review (the review) every six years. The last review was undertaken in 2018, and no changes were made.
- [3] At a Council meeting on 22 May 2024, Council directed staff to present an initial proposal for adoption that:
- a. retained the current electoral boundaries for the region based on existing communities of interest;
 - b. retained the current total number of councillors; and
 - c. reduced the number of councillors in the Dunedin constituency from six (6) to five (5), and increased the number of councillors in the Dunstan constituency from three (3) to four (4).
- [4] This paper seeks adoption of the initial proposal, in line with statutory requirements.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Adopts** the following initial representation proposal pursuant to section 19I of the Local Electoral Act 2021 for consultation purposes:
 - a. That the Otago Regional Council shall comprise of four (4) regional constituencies.
 - b. These four constituencies will be:
 - i. **Moeraki Constituency**, comprising the Otago portion of the Waitaki District territorial area, being part of the Ahuriri and Corriedale wards, and the entirety of the Oamaru ward and Waihemo ward.
 - ii. **Dunedin Constituency**, comprising the comprising central Dunedin and the Waikouaiti Coast, West Harbour, Otago Peninsula and Saddle Hill community board areas located within the Dunedin City territorial area.
 - iii. **Dunstan Constituency**, comprising the Central Otago District and Queenstown Lakes District territorial areas.

- iv. **Molyneux Constituency**, comprising the Clutha District territorial area and Mosgiel-Taieri and Strath-Taieri community board areas located within the Dunedin City territorial area.
- c. There will be 12 Councillors, elected as follows:
 - i. 1 councillor elected by the electors of the Molyneux Constituency
 - ii. 5 councillors elected by the electors of the Dunedin Constituency
 - iii. 4 councillors elected by the electors of the Dunstan Constituency
 - iv. 2 councillors elected by the electors of the Molyneux Constituency.
- 3) **Notes** that the decision to reduce the number of Dunedin councillors from 6 councillors to 5, and increase the number of Dunstan councillors from 3 to 4 reflects and responds to significant population growth in the Dunstan constituency since the last representation review was undertaken.
- 4) **Notes** that the population that each member will represent is as follows:

Constituency	Population	Members	Population member-ratio	Difference from quota	% difference from quota
Moeraki	22,300	1	22,300	1,083	5.11
Dunedin	115,200	5	23,040	1,823	8.59
Dunstan	78,800	4	19,700	-1,517	-7.15%
Molyneux	38,300	2	19,150	-2,067	-9.74
Otago Regional Boundary Total	254,600	12	21,217		

- 5) **Notes** that a public notice outlining the initial proposal will be made (as attached).
- 6) **Notes** that there will be a one month submission period.
- 7) **Agrees** to appoint a panel to hear submissions on the initial proposal consisting of all councillors on a date to be determined, but likely to be alongside the early August committee round.

BACKGROUND

- [5] The scope of the review is the representation arrangements for Otago Regional Council, including:
 - a. Number of electoral subdivisions (constituencies)
 - b. Boundaries and names of constituencies, and
 - c. Number of elected members.
- [6] The following steps have been taken to date:

- a. **23 August 2023** – Council resolved to change electoral system to Single Transferable Vote (STV) for the 2025 and 2028 elections.
- b. **Late 2023** – No decision was taken to consider the introduction of a Māori Ward.
- c. **21 November 2023** – Workshop to outline the Membership Representation Review process and considerations
- d. **6 December 2023** – Council paper to agree approach to the review
- e. **February 2024** – Early engagement through letters to territorial authorities, Rūnaka and an online community survey
- f. **21 March 2024** – workshop to consider early engagement feedback, data, communities of interest and potential options
- g. **22 May 2024** – council paper to consider potential options for the initial proposal
- h. **26 June 2024** – council paper seeking adoption of an initial proposal.

DISCUSSION

- [7] The initial proposal in this paper has been developed from the early engagement feedback, workshop with elected members on 21 March 2024 and the subsequent Council discussion on 22 May 2024.
- [8] The key issue the ORC was dealing with in the 2024 review was significant population growth in the Dunstan Constituency since the last representation review – this was affirmed through early engagement, where challenges with access to elected members came through as a theme. A secondary issue related to where the Mosgiel community board area from the Dunedin City Territory best fitted, from a community of interest perspective.
- [9] Through the workshop and subsequent Council meeting alternative options were considered, including establishing a new constituency for part of the upper lakes, with various boundaries considered. However, there were challenges to do this within the legislated +/-10% rule (the population per member ratio), without splitting up territorial authority boundaries. Consideration was also given to moving the Mosgiel-Taieri community board area and Strath Taieri community board area into the Dunedin constituency, however, the end decision was to leave these areas in the Molyneux constituency for the reasons outlined in paragraph 12.

Dunstan constituency – change to number of elected members

- [10] Council directed that no changes be made to the boundary for the Dunstan Constituency, based on the community of interest reasons below:
 - retaining alignment with the territorial boundaries of Queenstown Lakes District and Central Otago District maintains the integrity of perceptual, functional and political dimensions
 - it is in keeping with Section 19U(c) of the Local Electoral Act (that regional council boundaries should reflect territorial ward and city boundaries).
 - the region includes rapidly growing urban areas like Queenstown, Wānaka, Cromwell and also Luggate and Hawea that have interests in common in terms of urban

housing, transport connections, civil defence and emergency preparedness and visitor numbers

- the region includes communities of interest around rural areas with viticulture, horticulture, along with sheep and beef and dairy farming
- the region is also united in its large geographical areas to cover to reach all populations.

- [11] However, to address fair and effective representation, Council directed that the number of councillors elected in this constituency should increase to four (4), with the additional councillor coming from the Dunedin constituency.

Molyneux constituency – no change

- [12] Council also directed that the Mosgiel-Taieri community board area and Strath Taieri community board area from the Dunedin City territory should remain with the Molyneux constituency for the purposes of the initial proposal. This reflects the following community of interest reasons below:
- the region includes rural interests, with sheep and beef farming and dairy farming, along with other rural activities and rural support centres like Mosgiel and Balclutha
 - the region includes common activities for ORC related to flood and drainage assets
 - the Molyneux constituency is spread over a large geographic area, and retaining two councillors would enable more fair and effective representation.

Dunedin constituency – change to number of elected members

- [13] Based on the discussion for the Molyneux constituency, Council directed no changes to the boundary of the Dunedin constituency. However due to the change in number of councillors elected in the Dunstan constituency, the number of councillors elected in the Dunedin constituency is proposed to decrease to five (5) from the original six (6).
- [14] Council considered that given the relatively compact size and form of the Dunedin City area, the representation needs of the community can be effectively supported by five elected members.

Moeraki constituency – no change

- [15] No changes were made to the Moeraki constituency boundary, or number of elected members.

Total number of councillors – no change

- [16] No changes have been proposed to the overall number of councillors.

OPTIONS

- [17] To adopt the initial proposal, or to instead direct staff to do further work. The statutory deadline for initial proposals to be adopted is 31 July 2024, so should Council not adopt the initial proposal, clear direction will be required on what further work needs to be done, in order to meet that timeframe.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [18] This review is a statutory requirement.

Financial Considerations

- [19] The initial proposal has limited budgetary implications. There may be a small increase to mileage and accommodation costs with an additional councillor from the Dunstan constituency, but this can be accommodated within existing budgets.
- [20] The review itself was unbudgeted but can be absorbed within the budget of the Governance, Culture and Customer directorate budgets. An estimate of cost is around \$35,000, including consultant help plus advertising for early engagement and consultation and submissions process. This excludes staff time, which has been drawn from the Governance Team, the Communications and Marketing Team and the GIS Team at various points in the process.

Significance and Engagement

- [21] This process requires formal consultation under the Local Electoral Act 2001.
- [22] Early engagement was undertaken with territorial authorities, mana whenua and the community through an online survey.

Legislative and Risk Considerations

- [23] The review is required under legislation. There is a risk of objections or appeals to the Council decision, which would trigger a review and determination by the Local Government Commission. If the Council's final proposal is outside of the legislated +/- 10% rule (the population per member ratio) then this would also trigger a referral to the Local Government Commission for review and final determination.

Climate Change Considerations

- [24] Nil.

Communications Considerations

- [25] A communications plan has been developed for the consultation period which include a media release and public notice after today's council meeting. This will be followed by advertising (digital and print) on the initial proposal and will be a whole of region campaign as well as targeted advertising in the Dunstan and Dunedin constituencies, given this is where change is proposed.

NEXT STEPS

- [26] An indicative timeframe for next steps includes:
- **End of June** (within 14 days of the Council resolution) - public notice #1 of initial proposal and opening consultation and inviting submissions
 - **End of July** (not less than one month after consultation opens), submission period closes.
 - If no submissions, proposal can be notified by Council as the final **(28 August Council Meeting)**

- If there are submissions, a hearings process must be run and may recommend to Council that amendments are made (**likely timing – mid-August**).
- Final proposal to be adopted on **Wednesday 25 September** at Council Meeting.
- Public notice #2 of final proposal by **Thursday 9 October**.
- Appeals and objections period until **Wednesday 6 November**.
- If no appeals, then public notice #3 of final proposal to be given
- If appeals or objections are received, these are to be forwarded to the Local Government Commission by Friday 20th December for determination (decisions made by 11 April 2025).
- If final proposal is outside the +/- 10% rule, it also has to be sent to the Local Government Commission.

ATTACHMENTS

1. ORC Initial Proposal 2024 [**9.4.1** - 1 page]
2. DRAFT public notice initial proposal June 2024 [**9.4.2** - 3 pages]

Representation Review

ORC Initial Proposal 2024



Constituency	Population	Members	Population Member-Ratio	Difference From Quota	Difference From Quota %
Moeraki	22,300	1	22,300	1,083	5.11%
Dunedin	115,200	5	23,040	1,823	8.59%
Dunstan	78,800	4	19,700	-1,517	-7.15%
Molyneux	38,300	2	19,150	-2,067	-9.74%
Otago Region Total	254,600	12	21,217		

Information on this map may not be used for the purposes of any legal disputes. The user should independently verify the accuracy of any information before taking any action in reliance upon it. This map was generated for A4 printing on 13/06/2024 at the scale of 1:1,995,000.

Otago Regional Council

Initial proposal for representation arrangements for the 2025 and 2028 local elections

On 26 June 2024 the Otago Regional Council reviewed its representation arrangements, and resolved that the following proposal apply for the Council for the elections to be held on 11 October 2025 and in 2028 (or another representation review is undertaken).

Council Representation

It is proposed that the Council comprise 12 members elected from four constituencies. The four constituencies reflect the following identified communities of interest:

Constituency	Communities of interest
Moeraki Constituency	<i>Comprising the Otago portion of the Waitaki District territorial area, being part of the Ahuriri and Corriedale wards, and the entirety of the Oamaru ward and Waihemo ward</i>
Dunedin Constituency	<i>Comprising the comprising central Dunedin and the Waikouaiti Coast, West Harbour, Otago Peninsula and Saddle Hill community board areas located within the Dunedin City territorial area.</i>
Dunstan Constituency	<i>Comprising the Central Otago District and Queenstown Lakes District territorial areas</i>
Molyneux Constituency	<i>Comprising the Clutha District territorial area and Mosgiel-Taieri and Strath-Taieri community board areas located within the Dunedin City territorial area</i>

The population that each member will represent is as follows:

Constituency	Population	Members	Population per member
Moeraki Constituency	22,300	1	22,300
Dunedin Constituency	115,200	5	23,040
Dunstan Constituency	78,800	4	19,700

Constituency	Population	Members	Population per member
Molyneux Constituency	38,300	2	19,150
Total	254,600	12	21,217

In accordance with section 19V(2), Local Electoral Act 2001 the population that each member represents must be within the range of 21,217 +/- 10% (19,096 – 23,338), unless particular community of interest considerations justify otherwise.

All of the proposed constituencies fall within the stipulated range.

Further Information

Copies of the Council's resolution and maps setting out the areas of the proposed constituencies may be viewed and obtained from

- Otago Regional Council Dunedin office: 144 Rattray Street, Level 2, Philip Laing House, Dunedin
- Otago Regional Council Queenstown office: 1092 Frankton Road, Alta House Level 1/Terrace Junction, Frankton, Queenstown

Any queries regarding the Council's decision should be directed to Amanda Vercoe, 027 220 3634, governance@orc.govt.nz

Relevant information is also available on the Council's website <https://www.orc.govt.nz/our-council-our-region/our-council/council-representation-review>

Submissions are invited

Persons with an interest in the proposed representation arrangements are invited to make written submissions on the Council's representation proposal.

Submissions are to be forwarded to:

- Attention – Amanda Vercoe, 027 220 3634
- Physical address - Council Offices
 - Otago Regional Council Dunedin office: 144 Rattray Street, Level 2, Philip Laing House, Dunedin
 - Otago Regional Council Queenstown office: 1092 Frankton Road, Alta House Level 1/Terrace Junction, Frankton, Queenstown
- Email – governance@orc.govt.nz

Submissions must be received by Council no later than Monday 29 July, 5pm.

Richard Saunders
Chief Executive

26 June 2024

DRAFT

10.5. Otago Regional Council's Draft Strategic Climate Action Plan

Prepared for:	Council
Report No.	STG2403
Activity:	Governance Report
Author:	Hilary Lennox, Manager Strategy
Endorsed by:	Amanda Vercoe, General Manager Governance, Culture and Customer Richard Saunders, Chief Executive
Date:	26 June 2024

PURPOSE

- [1] The purpose of this paper is to seek Council endorsement of Otago Regional Council's draft Strategic Climate Action Plan so that public consultation can commence in August 2024.

EXECUTIVE SUMMARY

- [2] The development of the Strategic Climate Action Plan (SCAP) was committed to in the Long-Term Plan 2021 – 2031 (LTP). The Strategy Team has developed the attached draft SCAP working in collaboration with teams across ORC, and in consultation with Kāi Tahu, territorial local authorities (TLAs), and key stakeholders across the Otago region.
- [3] This paper recommends that Council endorse the draft SCAP so that a public consultation process can be launched in late August. Following endorsement of the draft SCAP, the Communications Team will undertake design work to ensure the draft SCAP is a well-presented document with the appropriate look and feel, including all the necessary figures and diagrams, prior to public consultation.

RECOMMENDATION

That the Council:

- 1) **Endorses** the draft Strategic Climate Action Plan for public consultation.
- 2) **Notes** the designed version of the SCAP will be circulated to councillors, prior to public consultation commencing.
- 3) **Notes** public consultation is planned to commence in late August, for four weeks.
- 4) **Notes** that the Strategy Team will work with the Councillor Working Group following public consultation to make any necessary amendments to the draft SCAP.
- 5) **Notes** that the Strategy Team will return to the Council later in the year with a final version of the SCAP for adoption.

BACKGROUND

- [4] The development of the Strategic Climate Action Plan (SCAP) was committed to in the Long-Term Plan 2021 – 2031 (LTP), with the aim of identifying goals and actions to reduce greenhouse gas emissions and help our communities adapt to the changing climate. The presence of this action in the LTP reflects the prominence of climate change related workstreams across the ORC, and the growing public expectation for ORC to take action to address climate change in a coordinated manner.

- [5] The Strategy Team has developed the attached draft SCAP working in collaboration with teams across ORC, and in consultation with Kai Tahu, territorial local authorities (TLAs), and key stakeholders across the Otago region.
- [6] The draft SCAP outlines ORC's strategic vision and plan to achieve this through our work, taking a practical approach focused on the levers ORC can control to effect change. It sets a long-term vision that has two components (mitigation and adaptation), and several 10-year goals that will guide ORC's climate work moving forward. This is complimented by an Action Plan that provides the detail on climate-related work we undertake/will undertake to deliver on the goals and ultimately the vision. The draft SCAP explains that the Action Plan will be reviewed periodically so that it remains agile and responsive, and that progress towards our goals will be monitored and reported on.
- [7] While the draft SCAP is focused primarily on ORCs work and how we lead, partner, collaborate, or influence climate action in the community, it has been developed with the wider ecosystem of climate actors in mind. As noted above, extensive early engagement was undertaken to ensure the draft SCAP is designed to align with the climate action underway by others. This informed both the goals and actions proposed and helped with the identification of opportunities for ORC to work with others to catalyse climate action for the Otago region. Note, engagement with Kai Tahu is still underway, and the Strategy Team will continue to engage with ka Rūnaka for input at the next stage of the process (see below).
- [8] Public consultation on the draft SCAP is planned for August 2024, with a view to receiving feedback on the goals, community expectations on the level of ambition, and the balance of priorities for ORC action in the first few years of the SCAP's implementation. It is planned for this consultation to run from late August for 4 weeks.
- [9] The draft SCAP will then be revised – with guidance from the Councillor Working Group - considering the feedback received. The SCAP will then be returned as a final version for the Council to adopt.
- [10] This paper recommends that Council endorse the draft SCAP so that a public consultation process can be launched in late August.

DISCUSSION

ORC needs the SCAP to set our various climate workstreams on a common pathway to success

- [11] Climate change is increasingly impacting all aspects of ORC's work, and ORC is under increased pressure from the region's communities, TLAs, and central government to take action. This is already reflected in much of ORC's work.
- [12] Climate change is a key consideration woven through the ORC's proposed Regional Policy Statement 2021 (pRPS). This includes both climate related objectives, and specific policies and methods. For example, the pRPS includes Objective IM-01, which states:

"Otago communities, including Kāi Tahu, understand what climate change means for their future, and climate change responses in the region, including adaptation and mitigation actions, are aligned with national level climate change responses and are recognised as integral to achieving the outcomes sought by this RPS."

- [13] ORC's Long Term Plan 2021-2031 also demonstrates climate change as a factor increasingly impacting ORC's work. Resilience and climate change is one of ORC's five workstreams, and all workstreams across the five categories include work towards the climate change. This prominence of climate change is further reflected in the more recent Long Term Plan 2024-2034.
- [14] Additionally, the ORCs Strategic Directions 2024-2034 specifically address climate, with a specific focus area and goals including reducing ORCs organisational carbon footprint; considering climate change mitigation and adaptation in all of our decisions; and promoting climate resilient agriculture and horticulture in Otago. Climate change can also be seen as a theme across the other focus areas, such as the goal under the Transport focus area to foster emissions reductions by providing public transport services.
- [15] The draft SCAP has been developed to guide the ORC's climate focused work towards a clear long term vision, with 10-year goals to act as stepping stones towards achieving that vision.

This is an ORC focused plan, to ensure we can effectively deliver it

- [16] The draft SCAP is primarily focussed on activities within ORC's direct sphere of influence and control: the focus is on where ORC can drive change and operate most effectively. This means maximising opportunities from the available levers, leading by example, holding ourselves to account for the action ORC can and should be delivering, and then looking at how we can partner with others to drive action across the region. By focusing on ORC's actions first, we will have more to bring to the table when we work with other actors operating in the climate space, many of whom are further along on their climate journey.
- [17] The accountability aspect of the draft SCAP is important. With the draft SCAP being focused on goals that ORC can influence, then it should be possible to track progress against them. Feedback from the early engagement (discussed below) included reflections on what makes an effective strategy. Observations were shared of other strategies that set goals that rely heavily on others for their delivery, which led to slow progress due to inconsistent resourcing across agencies, and finger-pointing regarding the barriers for success.
- [18] The draft SCAP is, therefore, focused on goals that ORC can influence, and actions that ORC can take. These have been developed in close consultation with other whom ORC works with closely across the region. This early engagement (discussed further below) sought to ensure that the draft SCAP aligns with the objectives of others and put us on a common pathway to success.

The draft SCAP has been developed in consultation with mana whenua and key stakeholders internally and externally

- [19] In developing the draft SCAP, the Strategy Team worked with Council, and a Council appointed working group, teams from across ORC, and the Executive Leadership Team to ensure the visions and goals reflect a common direction for all functions of the ORC, and that the Action Table accurately reflects work already planned or underway.

- [20] In 2023, ORC began outreach to Kāi Tahu through Aukaha and Te Ao Marama on the development of the draft SCAP. Aukaha and Te Rūnanga o Ngāi Tahu indicated the priority for engagement would be on partnering with Kāi Tahu on climate adaptation planning for ka Rūnaka. This is proposed as a standalone goal as part of the draft SCAP.
- [21] In addition to this goal, the Strategy Team has sought to ensure Kāi Tahu have had input into the draft SCAP, including through direct meetings with Te Rūnanga o Ngāi Tahu, Aukaha, Te Ao Marama, and Kāti Huirapa Rūnaka ki Puketeraki. Hui with Te Rūnanga o Ōtākou and Te Rūnanga o Moeraki were planned but had to be postponed unfortunately. Input will continue to be sought through direct engagement.
- [22] Considerable engagement with the region's TLAs was also undertaken in developing the draft SCAP. This engagement was led through the Otago Climate Change Officers Group, through which the scope of the draft SCAP was introduced, and its influence on ORC's work was explained. This group engagement was followed up with one-on-one meetings with each TLA, which explored the more detailed components of the SCAP, and importantly, how the draft SCAP compares to each of their climate plans and strategies, and opportunities for collaboration and synergies.
- [23] Engagement with the TLAs provided varied insights, lessons, and opportunities. For example, Dunedin City Council and Queenstown Lakes District Council shared the importance of accountability and focusing on the tools at hand (rather than relying on others) for the success of their plans. On the other hand, Waitaki District Council is at an earlier stage of their climate planning, and raised several opportunities for collaboration, noting the importance of co-designing those actions to ensure longevity and alignment across our operating environments.
- [24] Targeted early engagement was also undertaken with the following key stakeholders from across the Otago region (in no particular order):
- Beef and Lamb
 - Ravensdown
 - Disabled Persons Assembly
 - Central Otago Environmental Society
 - Port Otago
 - Oceana Gold
 - Sustainable Glenorchy
 - Extinction Rebellion
 - Te Whatu Ora
 - University of Otago
 - Central Otago Winegrowers Association
 - Southern Lakes Sanctuary
 - Business South
 - Destination Queenstown
 - Fish and Game
 - Silver Fern Farms
 - Tourism Industry Aotearoa
 - Horticulture New Zealand
 - Fonterra
 - Ministry for Primary Industries

- Balance Agri-Nutrients
- Department of Conservation
- Deer Industry NZ
- Federated Farmers
- Environment Canterbury
- Te Pūkenga
- Ernslaw One
- Southern Wood Council
- Wenita Forest Products
- Seniors Climate Action Network

- [25] Several other groups were also contacted (including representatives from the energy sector) but were not able to attend the scheduled meetings.
- [26] This was a valuable process that generally provided positive feedback on the draft SCAP so far. Some key themes across the engagement with this list of key stakeholders were:
- A strong focus on mitigation as compared to adaptation, with few outliers.
 - The importance of working with communities and local experts across all of ORC's climate-focused work.
 - Conflicting views for and against regional emissions targets, but a general understanding of the difficulties of implementing a regional target once explained by ORC.
 - A strong message that ORC leadership is important, with a focus on ORC's own emissions and climate resilience.
 - Feedback that a strong focus area should be on the information ORC provides to the public and ensuring this is reaching the right audiences for which it is useful, and is produced at a level that is granular enough to inform decision making by those audiences.
 - Adaptation concerns of the stakeholders being weighted towards energy security and water management (both storage and flooding).
 - A lack of understanding around ORC's roles and responsibilities in the Otago region leading to unimplementable expectations, suggesting role communication and clarification must be clear in the draft SCAP.
- [27] Following this engagement, a comprehensive stakeholder feedback analysis process was undertaken, which informed the current version of the draft SCAP.
- Implementing the SCAP comes next – this is a wider process, but with some SCAP specific priorities*
- [28] The Action Plan of the draft SCAP provides an overview of what ORC will do to deliver on the SCAP within the 2024-2034 LTP cycle. Over time, these actions will need to align to the goals more effectively and efficiently. This comes down to the implementation of the SCAP.
- [29] Implementation of SCAP is being considered as a wider piece of work, which will inform not just the SCAP, but also ORC's Strategic Directions 2024-2034, and some of ORC's other subject-specific strategies (e.g. the Biodiversity Strategy, which will soon be

revised). This work will be looking to set out how our governance structures set us up to effectively deliver strategies, and how we can track progress against them consistently.

- [30] In addition to the wider implementation process, there is \$650,000 over ten years allocated in the draft 2024-2034 Long Term Plan to commence implementation of initiatives identified in the draft SCAP. How this funding will be spent is yet to be determined, but two priority actions are likely to include:
- A gaps analysis of the goals of the SCAP, considering what ORC is already doing towards achieving them, and what ORC needs to do to inform the necessary change overtime.
 - Improving ORC's own emissions measurement and management processes to set us up towards an organisational emissions reduction target, and start demonstrating the leadership that the SCAP commits ORC to.

Endorsement is sought to undertake public consultation on the draft SCAP

- [31] Public consultation on the draft SCAP is proposed for late August. Given that the development of the SCAP is not defined in legislation, this will not follow the same process as for a regional plan for example, and a hearing is not proposed.
- [32] Public consultation will instead consist of welcoming feedback on the draft SCAP, which will be made publicly available on the ORC website and promoting this process through the various public-engagement channels (social media etc).
- [33] This public engagement will provide an understanding of the Otago community's expectations on ORC to take coordinated and strategic climate action, and whether this will be effectively delivered this through the SCAP. The public will also be asked questions, including the public views on our priority actions over the next few years.
- [34] The draft SCAP will then be revised – with guidance from the Councillor Working Group - considering the feedback received. The SCAP will then be returned as a final version for the Council to adopt.

OPTIONS

- [35] Option 1 (recommended): Council endorses the draft Strategic Climate Action Plan so that public consultation can be launched in late August
- [36] Option 2: Council directs staff to undertake further work on the draft Strategic Climate Action Plan before it can be endorsed.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [37] Climate is a focus area in the ORC's revised Strategic Directions 2024,2034, with dedicated goals relating to the organisation's emissions, consideration in ORC's decisions, and the resilience of the region's agriculture and horticultural systems. Climate is also reflected in goals under some of the other focus areas. Adopting and implementing the SCAP (when finalised) is one of the key mechanisms through which ORC can make progress towards its strategic goals as defined in the Strategic Directions 2024-2034 document.

- [38] As noted above, climate is also a key consideration in the pRPS and the 2024-2034 Long-Term Plan. This reflects the pertinence of this issue and the requirement for ORC to take action in this space.

Financial Considerations

- [39] All of the actions identified as 'underway or planned' in the Action Table will be resourced using funding that is already allocated in the 2024-2034 Long-Term Plan.
- [40] There is \$650,000 over ten years allocated in the draft 2024-2034 Long Term Plan to commence implementation of initiatives identified in the draft SCAP. How this funding will be spent is yet to be determined, but it is likely that it will be used to commence some of the actions identified as 'new' in the Action Table.
- [41] Many of the other 'new' actions can be delivered by staff as part of existing work programmes, with much of this being led by the Strategy Team.

Significance and Engagement

- [42] As noted above, the Strategy Team has sought to ensure Kāi Tahu have had input into the draft SCAP, including through direct meetings with Te Rūnanga o Ngāi Tahu, Aukaha, Te Ao Marama, and Kāti Huirapa Rūnaka ki Puketeraki. Hui with Te Rūnanga o Ōtākou and Te Rūnanga o Moeraki were planned but had to be postponed and will be rescheduled.
- [43] Kai Tahu Input will continue to be sought through direct engagement with Aukaha, Te o Marama, and ka Rūnaka.

Legislative and Risk Considerations

- [44] ORC is not required by legislation to produce a climate strategy or action plan, however, there is considerable risk from not having one. This includes reputational risk given that the region's communities and peers and putting increasing pressure on ORC to take more action (as demonstrated in the results of the annual survey), and risks associated with failure to adapt as an organisation.

Climate Change Considerations

- [45] The SCAP will be instrumental in focussing ORC's work programmes to ensure that the organisation is well set up to play its part in mitigating the region's emissions and helping the region to adapt effectively in the face of the changing climate.

Communications Considerations

- [46] Public consultation on the draft SCAP will be advertised on the ORC website and through the various public-engagement channels. A communications plan is being developed with help from ORC's Communications Team.

NEXT STEPS

- [47] Following endorsement of the draft SCAP, the Communications Team will undertake design work to ensure the draft SCAP is a well-presented document with the appropriate

look and feel, including all the necessary figures and diagrams. Public consultation will then be launched in August 2024.

ATTACHMENTS

1. 240612 Draft Strategic Climate Action Plan (1) [9.5.1 - 20 pages]

[Placeholder: foreword from the Chair]

[Suggested content: Otago is home to diverse communities, landscapes, and wildlife, all of which are already feeling the impacts of our changing climate. Though we are taking action to reduce our greenhouse gas emissions, we can still expect the impacts to intensify over time. While the changing climate affects us all, it does not affect us all in the same ways. We must adapt to manage the changes we are currently experiencing, and the changes yet to come. We can significantly reduce our greenhouse gas emissions whilst concurrently increasing our resilience, but we need a clear plan of how to do this. This is ORCs plan.]

Introduction

At the Otago Regional Council, we have a vision for a low-emissions Otago that is climate resilient in its ecosystems, communities, and businesses.

The purpose of this Strategic Climate Action Plan (SCAP) is to align ORC's work programmes with our vision, and clearly communicate how we are doing this for the communities we serve.

We will work towards our vision by focusing on a suite of 10-year goals, which will endure through the various planning and funding cycles that shape our work programmes. The goals will be achieved by undertaking the actions described in the Action Plan.

The Action Plan will be reviewed and updated every 3 years – or more often if required – to take advantage of emerging opportunities and ensure we stay on track to achieve our goals.

This SCAP will support our role¹ in promoting the social, economic, environmental, and cultural wellbeing of Otago's communities, taking a sustainable development approach. It will ensure we are best serving Otago now and into the future across all our work programmes as we become increasingly impacted by the changing climate.

We will report and monitor our progress as described in the Tracking Progress section of this SCAP, and we will continually improve this as we build on our internal and external reporting systems.

The bigger picture

To manage the impacts of climate change, we all must play our part in reducing our emissions and building resilience. This is both challenging and an opportunity for all of us to consider the way we live and work to be more sustainable.

We all operate within a wider context of climate action. In 2015 the Paris Agreement was agreed by almost every country in the world, committing signatories to take action to limit global warming to 2 degrees Celsius, striving for 1.5 degrees Celsius, and to adapt to the adverse impacts of climate change by fostering climate resilience. The signing of the Paris Agreement, the increasingly frequent and severe climate-related events occurring worldwide, and changing consumer preferences have

¹ Section 3(d) of the Local Government Act 2002

catalysed climate action worldwide. We all face the expectation to play our part in this global effort - from the corporate world and food producers trading internationally, right through to local councils, communities and individuals.

In New Zealand Aotearoa, the Climate Change Response Act sets out the Government's commitments to address climate change. This includes emission reduction targets of reducing all gases except biogenic methane to net zero by 2050, and reducing biogenic methane by 24-47% by 2050, with an interim target of 10% by 2030. These targets are guided by the Emissions Reduction Plan, which sets out the range of policies that will drive these reductions – many of which will involve local councils, including ORC.

On adaptation, the Climate Change Response Act commits the Government to publish a National Climate Change Risk Assessment every 6 years, and address the risks identified through a National Adaptation Plan. The Government is also undertaking work to develop a framework to strengthen Aotearoa's adaptation response.

At the local level, people across Otago are driving action to address climate change. We also see many businesses taking action to reduce their emissions and address their climate vulnerabilities, with a view to growing their success and resilience in a sustainable, climate-aware future.

As we developed this SCAP, we kept this bigger picture of international, national, and local action front of mind. We recognized the pressing need for a strategic climate action plan to help us play our part in driving climate action, to keep up with the world around us, and to be a regional leader.

Addressing Climate Change in Otago

[This will be a one pager of two halves – emission focused, and risk focused - with lots of graphics]

Mitigation half:

The information from the Otago Regional Emissions Inventory 2019 tells us that emissions in the region are primarily from agriculture, transport, and stationary energy.

[insert graphic demonstrating emissions inventory]

Through this SCAP we have identified what ORC can and should do to influence these emissions and support Otago's transition towards a low emissions region. [insert graphic showing activities within ORC control e.g. buses]

Adaptation half:

Climate change will impact all areas of our lives, including our natural environment, people, economy, built environment, and governance structures.

[insert graphic with short explanations as per below, but summarised so easier to digest]

What are the main risks from climate change in the region?

Natural Environment

The Natural Environment Domain refers to all aspects of the natural environment within Otago, which support indigenous species and associated ecosystems in terrestrial, freshwater, wetland, coastal and marine environments. Six key risks were identified for the Natural Environment Domain. These include risks to the terrestrial, freshwater, wetland, coastal and marine ecosystems, risks to water quality and risks to native ecosystems from invasive plants, pests and diseases.

Built Environment

The Built Environment Domain refers to the set and configuration of buildings, physical infrastructure, and transport. Nine key risks were identified for the Built Environment Domain. Risks to buildings and open spaces, risks to water supply infrastructure and irrigation systems and risks to stormwater and wastewater networks from climate hazards were all rated as high in the present day and are expected to increase with time.

Governance

The Governance Domain refers to the governing structures, frameworks and processes for decision making that exist in and between governmental, economic and social institutions. Governance sits across all aspects of New Zealand society, from the Treaty partnership between Māori and the Government (the Crown) to the relationships between local government and communities, the economy, the built environment and natural ecosystems.

Communities

Direct impacts on communities may include increased exposure to hazards such as heat waves and weather events, flooding and fires. Indirect social impacts include disruption to health services, social and economic factors including migration, housing and livelihood stresses, food security, socioeconomic deprivation and health inequality. The effects of climate change will not be spread evenly across the Otago, exacerbating existing socioeconomic and health inequalities. There are risks to community cohesion, physical and mental health, increased inequities and costs of living, and specific risk to both Kāi Tahu sites,

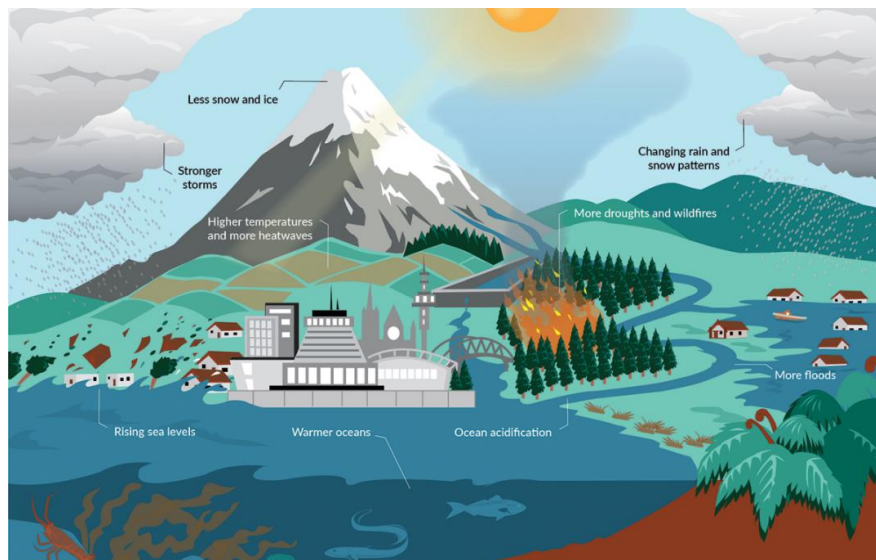
identity and practices as well as non-Kāi Tahu cultural heritage sites.

Economy

The Economic Domain refers to key economic sectors within Otago, which support people and livelihoods. All of the sectors identified rely heavily on the natural environment to sustain their activities. Seven key risks were identified for the Economic Domain. Of these risks, none were rated as high or extreme in the present day, however they are all predicted to increase to extreme, in the long term.

In 2021 the Otago Climate Change Risk Assessment provided us an overview of the physical climatic changes we can expect across the region at various levels of temperature rise. This told us that different areas of Otago – from the high alpine mountains, to the tussock grasslands, over to the coasts – will experience vastly different changes.

[insert infographic like that below but based on Otago]



This information can help the Otago region prepare for the challenges and opportunities that we are being presented with.

Otago Regional Council within this wider climate context

As a regional council, our roles and responsibilities are defined by legislation. The Local Government Act 2002 sets our purpose, general powers, principles and processes. This provides that we are to take a broad role in promoting the social, economic, environmental, and cultural wellbeing of our community, taking a sustainable development approach. Various other pieces of legislation – such the Resource Management Act, the Biosecurity Act and the Land Transport Management Act (to name but a few) - then define the specifics of what we do.

So far as our authority allows, ORC fulfils our roles and responsibilities as prescribed in these acts according to our Strategic Directions. Our overarching strategic vision for Otago is: *Our environment and communities are -healthy and connected ki uta ki tai (from the mountains to the sea).*

The changing climate is already affecting how we work, and in response to these impacts we have a significant amount of climate change focused workstreams underway. We recognise that to promote the social, economic, environmental, and cultural wellbeing of the Otago community, we must be proactive and consider how we are addressing climate change across all our work programmes. This drove the development of this SCAP.

ORC is part of a wider network of people and organizations working in the climate space, many of which we work with every day. This includes Central Government, Mana Whenua, and the region's district and city councils, as well as our businesses and communities. Each of us will be affected by climate change in different ways, and we each have specific roles in supporting the region to justly address climate change and thrive in a more sustainable future. These roles include leading action, partnering, and collaborating on action, and influencing one another's action. It is important that each of us is focused on the action we are best positioned to deliver, and that we are working together effectively and efficiently.

This SCAP is focused on what ORC is doing and will work to do in future. It will guide ORCs work in supporting the region to reduce its emissions and undergo a just transition to adapt to the impacts of climate change, thereby supporting the health, safety and wellbeing of our communities.

This SCAP was informed by engagement with Mana Whenua and key stakeholders to understand what they are doing in relation to climate, and how ORC can align our work so that our roles are complimentary.

Vision and goals

Our vision for a low-emissions Otago that is climate-resilient in its ecosystems, communities, and businesses has two components: climate mitigation and climate adaptation.

Our vision is ambitious, and we cannot achieve this on our own. The climate mitigation and climate adaptation goals we have set define our role in contributing to our vision and form our toolbox for climate action. Many of our goals are purposefully interlinked, demonstrating our commitment to working as a coordinated organisation.

Mitigation: Otago is a low-emissions region			
10-year goals			
1.1: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to mitigate emissions.	1.2: ORC operates low-emissions, efficient, and affordable public transport services that are widely used by the Otago community and visitors.	1.3: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate mitigation action.	1.4: ORC has delivered on the community's expectations to be a low-emissions organisation.

Adaptation: Otago is climate-resilient in its ecosystems, communities, and businesses						
10-year goals						
2.1: ORC enables Mana Whenua to exercise Rakatirataka and increase their climate resilience through supporting the identification of risks to the values of Mana Whenua, and collaborating on Māori-led adaptation planning.	2.2: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate adaptation action.	2.3: ORC effectively supports communities to reduce the impact of, be ready for, respond to, and recover from climate-related events.	2.4: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to increase their climate-resilience.	2.5: ORC supports the resilience of indigenous biodiversity.	2.6: ORC effectively manages climate-related biosecurity threats.	2.7: ORC has delivered on the community's expectations to be climate-resilient in its operations and infrastructure.

Goal 1.1: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to mitigate emissions.

ORC collects, produces, and provides a wide range of information that supports others to make well-informed decisions regarding their emissions and sequestration opportunities. This includes, for example, the Regional Greenhouse Gas Emissions Inventory, which provides an overview of the sources of emissions in the region.

A key focus of this goal is ensuring the information we produce is useful and is reaching the right audience. This is an important part of our role as a trusted source of information for decision makers in the Otago community.

Goal 1.2: ORC operates low-emissions, efficient, and affordable public transport services that are widely used by the Otago community and visitors.

ORC is responsible for providing public transport services. This provides us with a great opportunity to reduce the region's emissions by offering low-emissions, efficient, and affordable options for many people in Otago to get to where they want to go.

Over time, we aim to have more people choose to use our services, thereby reducing the region's emissions from transport. This would also have great co-benefits including saving people money on fuel and parking, and reducing congestion on our roads.

1.3: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate mitigation action.

ORC is part of a wider network of people and organisations working in the climate space, many of which we work with every day. We are in this together, and we will be stronger and more effective if we work together. This goal is focused on the way we work to deliver mitigation action in the Otago region.

Achieving this goal means honouring Te Tiriti o Waitangi and partnering with Mana Whenua to support mitigation action, which serves everyone in our community, and our future generations. This also means coordinating and collaborating with other authorities, including Territorial Local Authorities, and Central Government, to share our toolboxes and together build seamless, robust, and effective action to mitigate emissions in the region. Last but not least, this means working with our communities, who must be at the heart of all climate action.

1.4: ORC has delivered on the community's expectations to be a low-emissions organisation.

As an organisation with buildings, a vehicle fleet, and contracted work across the region, we contribute to climate change through our emissions. We recognise that we should be demonstrating leadership by measuring our emissions and managing them in accordance with our vision for the region. This is both the right thing to do and the economical thing to do.

This goal is focused on our commitment to reduce our organisation's greenhouse gas emissions at the scale and pace that our community expects us to.

2.1: ORC enables Mana Whenua to exercise Rakatirataka and increase their climate resilience through supporting the identification of risks to the values of Mana Whenua, and collaborating on Māori-led adaptation planning.

We are committed to making matauraka Māori an integral part of our work, including across our climate adaptation action. Through this goal, we will work to empower Mana Whenua to lead adaptation solutions that will enable Mana Whenua to thrive, now and in the future. What this looks like will be developed by working in partnership with Mana Whenua and focusing on the vulnerabilities and aspirations of local rūnaka.

2.2: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate adaptation action.

We will be stronger and more effective in our climate action by working together on the solutions.

This goal is focused on the way ORC operates, but we recognise that achieving our long-term vision for adaptation requires partnering with Mana Whenua, and collaborating with Central Government, Territorial Local Authorities, and communities, to bring together our knowledge, skills, and tools to build a climate-resilient future.

2.3: ORC effectively supports communities to reduce the impact of, be ready for, respond to, and recover from climate-related events.

We know a certain level of temperature rise is already locked in, and we must therefore prepare for the climate-related impacts of this. We are already experiencing some of these impacts. Draughts are becoming more intense and water security is becoming an issue across the region. Meanwhile, rainfall intensity is increasing in some areas, creating higher risk of floods, which is compounded by sea level and ground water rise. The South Dunedin flooding event in 2015 has already demonstrated to us the potential devastation this can cause.

As an agency responsible for Civil Defence Emergency Management, we must prepare Otago communities for climate-related events so they are stronger and can recover quickly when these events do occur. This goal is focused on ORC effectively fulfilling this responsibility so that Otago's communities are more resilient and can have confidence in our support.

2.4: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to increase their climate-resilience.

ORC collects, produces, and provides a wide range of information that supports others to make well-informed decisions to be climate resilient. This includes the Otago Climate Change Risk Assessment, but we also have information about opportunities that could arise from our changing climate. For example, ORC conducts research into which species may thrive in Otago as the climate changes. This information could inform decision making to improve how we all support our ecosystems and local economic growth, founded on environmental projections that are reliable into the future.

A key focus of this goal is ensuring the information ORC produces is useful, and is reaching the right audience, thereby maximising the value we provide.

2.5: ORC supports the resilience of indigenous biodiversity.

Te Wai Pounamu's ecosystems and landscapes are of central importance to Mana Whenua mātauraka and exercise of katiakitaka and rakatirataka. Indigenous biodiversity is also important for ecosystem

health and human wellbeing as well as supporting people's sustainable use of resources. Otago faces the twin crises of climate change and biodiversity loss. These crises are global and intricately linked: climate change puts direct pressure on biodiversity and decline in biodiversity is impacting the natural climate resilience and health of our ecosystems and the ability of our natural environment, such as soils and forests, to store carbon. As set out in section 30 of the RMA, ORC's role is to maintain indigenous biodiversity.

This goal is ORC's response to these crises and seeks to effectively address both, including through nature-based solutions. This will mean partnering with Mana Whenua while collaborating with local councils, Central Government, communities, and businesses to understand what indigenous species and ecosystems are vulnerable to climate change and how we can work together to maintain them.

2.6: ORC effectively manages climate-related biosecurity threats.

In Otago, climate change will exacerbate the pressure from biosecurity threats on indigenous biodiversity and our local economy. As Otago's climate changes, pests and diseases that have previously struggled to survive here may be more successful. Through awareness and proactive management, the negative impacts of this can be mitigated. As laid out in Section 12B of the Biosecurity Act, ORC's role is to prevent, reduce, or eliminate adverse effects from harmful organisms.

This goal is ORC's response to these threats. This will mean partnering with Mana Whenua and collaborating with local councils, Central Government, communities, and businesses to understand these pressures and work together to manage them.

2.7: ORC has delivered on the community's expectations to be climate-resilient in its operations and infrastructure.

As the climate changes and we face new and intensified risks, and emerging opportunities, we must adapt the way we work. This means ensuring ORC employees are aware of risks and opportunities arising from climate change, and that they are factoring this into all our decision-making so ORC can adapt our infrastructure and the way we work to best serve the community for years to come. Our infrastructure includes both the buildings we work in and our infrastructure which serves Otago communities, including the flood and drainage infrastructure we operate to keep communities dry.

This goal is focused on understanding the risks our organisation faces, and ensuring we are responding proactively to manage our resources and adapt the way we work and the services we provide to be more climate resilient in the long-term.

Action Plan

This Action Plan is the active part of the SCAP, providing an overview of everything we're doing to deliver on our goals.

This is the first version of the action plan. ORC already does a lot in the climate space, as this plan demonstrates. This includes: measuring and reporting on our region's greenhouse gas emissions; providing public transport services that support low-emissions travel; undertaking place-based climate and natural hazard planning; and supporting Emergency Management services to support the Otago community to reduce their vulnerability to climate-related events, as well as to be ready for them, respond to them, and recover effectively from them.

Despite this significant amount of climate-related work we already do, we know that we will need to do more – and might need to do some things differently - if we want to achieve our 10-year goals. As the plan shows, one of the first new actions we'll be undertaking is a gaps analysis. This will help us to identify what else we can and should be doing, and what will be the most efficient way to get us to where we need to go.

We will update this Action Plan every 3 years – or more often, if required – to reflect our progress. With each update, the Action Plan will become more and more aligned to our goals.

	Status	Action	Goals this contributes to	Team responsible
In-house	New	Undertake a gaps analysis of each goal and current work programmes to understand where changes are needed and develop clearer pathways towards achieving each goal.	All goals	Strategy
	Underway or planned	Develop an organisational emissions inventory.	1.4	Strategy, Fleet & Facilities
	New	Develop and implement an organisational emissions reduction plan for the ORC.	1.4	Strategy
	New	Develop and implement ORC procurement policies that prefer low emissions sources.	1.4	Fleet & Facilities
	New	Conduct an organisational climate change risk assessment (following agreed regional framework) to scope the risk levels to various ORC assets and infrastructure, and operations.	2.7	Strategy
	New	Reflecting on the organisational climate change risk assessment, implement an adaptation action plan for the organisation to improve resilience.	2.7	Strategy
	Underway or planned	Ensure ORC's budgeting process builds in climate assumptions, including emergency funds for repairing/replacing, and reviewing adaptation needs for ORC-owned infrastructure.	2.3, 2.7	Engineering, Finance

Advice, Information, and Education	Underway or planned	Undertake and publish a regional greenhouse gas emissions inventory.	1.1, 1.3	Strategy
	New	Ensure that common tools and methodologies are used across ORC and the region's city and district councils to model emissions reduction scenarios, projections, and inventories for the region.	1.1, 1.3	Strategy
	Underway or planned	Support and collaborate with the Zero Carbon Alliance and Otago Climate Officers Group to understand shared emissions reduction priorities and ensure we're coordinating on common emissions reduction pathways.	1.1	Strategy
	Underway or planned	Support Mana Whenua in undertaking climate change risk assessments and managing the exposure and vulnerability of taonga by providing technical information and guidance as needed.	2.1, 2.2	Natural Hazards
	Underway or planned	Collaborate with the region's city and district councils to build on the Otago Climate Change Risk Assessment to provide valuable adaptation information for the region.	2.2, 2.4	Strategy
	New	Ensure the ORC Natural Hazards Portal includes information on climate-related hazards so as to provide the community with a single location for information.	2.4	Natural Hazards
	Underway or planned	Ensure that ORC's messaging around climate adaptation and ORC's adaptation workstreams is communicated in a way to ensure it is understood by a wide audience.	2.4	Communications
	Underway or planned	Collaborate with the region's city and district councils to co-design community education messaging around adaptation needs for the region.	2.2, 2.4	Natural Hazards, Communications
	Underway or planned	Collaborate with the region's city and district councils to develop a regional sequestration study to better understand regional sequestration scenarios.	1.1, 1.3, 2.4	Strategy
	Underway or planned	Provide education and advice through catchment advisor programmes to increase knowledge and interest in environmental issues and build community resilience to the impacts of climate change.	2.4	Environmental Implementation
	Underway or planned	Attend Otago Extension Network meetings hosted by the Ministry for Primary Industries to understand initiatives underway to support farmers to deliver environmental outcomes and ensure ORC is operating effectively in this space.	1.1, 1.3, 2.2, 2.4	Environmental Implementation
	New	Consolidate research on agriculture and local food resilience in Otago region considering climate impacts, including climate forecasting, soil moisture and growing season estimates.	1.1, 2.4	Science

	Underway or planned	Participate in the Enviroschools programme to promote environmentally friendly behaviour change in Otago communities.	1.1, 1.3, 2.2, 2.4	Communications
	New	Expand Enviroschools to include a specific focus on climate change mitigation and adaptation behaviour change needs for future climate resilient communities.	1.1, 2.4	Communications
	Underway or planned	Ensure adapting to our changing climate and mitigating emissions is a regular feature in Te Mātāpuna newsletter as it relates to ORC work programmes.	1.1, 2.4	Communications
	Underway or planned	Maintain ORC website climate change pages with relevant and up-to-date information, options for council and private mitigation, and council's responses.	1.1, 2.4	Strategy, Communications
	Underway or planned	Collaborate with the region's city and district councils to fund the Regional Waste Officer role (employed by DCC) to pursue opportunities for regional-level approaches to waste management including resource recovery, waste reduction at source, and sludge management.	1.1, 2.2	Executive Advice
	New	Advocate to Central Government for government work to identify the impacts of climate change on regional economies.	2.2, 2.4	Policy
	New	Collaborate with Te Whatu Ora and the region's city and district councils to explore and better understand the impacts of climate change on human health, and explore how to incorporate these considerations into decision making.	2.2, 2.4	Strategy
	New	Investigate energy security issues in the region to determine whether this is a barrier to reducing reliance on solid fuel burning.	1.1	Science
	New	Explore opportunities to fund interns from University of Otago and Te Pukenga – Otago Polytechnic to participate in ORC climate work.	1.3, 2.2	Strategy
	New	Develop consistent assumptions on climate projections for Otago to underlie all ORC work and work to ensure alignment with the region's city and district councils.	All goals	Strategy, Science, Natural Hazards
	New	Ensure that climate change (mitigation and adaptation) is a regular item on the Mayoral Forum for councils to provide updates on their climate work.	1.1, 1.3, 2.2, 2.4	Strategy
	New	Assess the implications of the Māori Climate Platform (partnership between Tangata Whenua and MfE) if published and incorporate into ORC's work programmes.	1.3, 2.1, 2.2	Strategy
Environmental Monitoring	Underway or planned	Undertake a review of the environmental monitoring network to ensure it is fit for purpose and includes additional climate monitoring parameters.	2.3, 2.4	Science, Environmental Monitoring, Natural Hazards

	Underway or planned	Review the rainfall monitoring network to determine whether it can be used for purposes other than flood warning e.g., drought predictions, management of water allocation etc.	2.3, 2.4	Environmental Monitoring, Natural Hazards
	Underway or planned	Undertake operational monitoring of coastal mouths and respond to any channel flow and flood risks.	2.3, 2.4	Engineering
	Underway or planned	Collect data to inform assessments of climate related impacts across the region, including coastal, river cross-sections and morphology, landslide and sea-level rise.	2.4	Natural Hazards
	Underway or planned	Maintain a register of contaminated sites across the region and advocate for risk assessments and remediation of contaminated sites vulnerable to the effects of climate change.	2.2, 2.4	Compliance, Natural Hazards
Addressing Climate Impacts	Underway or planned	Provide adaptation planning support to Mana Whenua at a rūnaka level.	2.1, 2.3, 2.4	Natural Hazards
	Underway or planned	Undertake an Otago Natural Hazards Risk Assessment.	2.4	Natural Hazards
	Underway or planned	Based on the Otago Natural Hazard Risk Assessment, develop a prioritization framework to assess natural hazard exposure.	2.4	Natural Hazards
	Underway or planned	Develop an Otago Natural Hazards Adaptation Plan.	2.4	Natural Hazards
	New	Collaborate with the region's city and district councils to assess how our collective actions address the Otago Climate Change Risk Assessment, and the Natural Hazards Risk Assessment, and how we can improve.	2.1, 2.2, 2.3, 2.4	Strategy, Natural Hazards
	Underway or planned	Collaborate with the region's city and district councils to develop shared adaptation priorities based on a consistent risk assessment framework.	2.2	Natural Hazards, Strategy
	Underway or planned	Collaborate with the region's city and district councils to agree on consistent use of dynamic adaptive pathways planning.	2.2	Natural Hazards, Strategy
	Underway or planned	Collaborate with Queenstown Lakes District Council on adaptation needs, including with regard to wildfire risk on Mt. Iron, Ben Lomond, and other redzone locations, and Gorge Road Alluvial Fan risk.	2.2, 2.4	Natural Hazards

	Underway or planned	Collaborate with Queenstown Lakes District Council on the Head of Lake Wakatipu Natural Hazard Adaptation Strategy to inform adaptation in both Glenorchy and Kinloch, considering climate and other natural hazard risks.	2.2, 2.4	Natural Hazards
	Underway or planned	Collaborate with Clutha District Council on a multi-hazard adaptation strategy, including reviewing the Lower Clutha Flood Protection scheme with regard to engineering solutions compared to retreat; and considering adaptation risks relating to the wider Clutha Delta, including monitoring sea and ground water levels and shoreline change.	2.2, 2.4	Natural Hazards, Engineering
	Underway or planned	Collaborate with Dunedin City Council on the South Dunedin Futures work programme by providing risk assessments, natural hazard investigations, environmental monitoring of groundwater, sea level and rainfall, and supporting the identification and execution of adaptation options.	2.2, 2.4	Natural Hazards
	Underway or planned	Develop the Lower Taieri Plains Adaptation Strategy which reviews the flood protection schemes and the impacts of increased climate impacts and natural hazard risks on existing infrastructure, including flood banks, drainage systems and pump station adequacy.	2.2, 2.4	Natural Hazards, Engineering
	Underway or planned	Investigate adaptation needs as part of the Leith to Harbour amenity project.	2.2, 2.4	Natural Hazards, Engineering
	Underway or planned	Collaborate with Waitaki District Council on adaptation projects and initiatives for Waitaki coastal risk assessment and management.	2.2, 2.4	Natural Hazards
	Underway or planned	Ensure that Catchment Action Plans for different Freshwater Management Units include identification of climate adaptation needs.	2.4	Environmental Implementation
	New	Explore opportunities to support Otago's rural economies through water storage related projects.	2.4	Strategy, Science
	Underway or planned	Engage with landowners across Otago to understand existing knowledge about nature-based solutions for water quality and flood hazard mitigation outcomes, with a view to exploring barriers and benefits for adoption at an individual-property-level.	2.2, 2.6	Environmental Implementation, Natural Hazards
	Underway or planned	Develop drainage models for assessing scheme capacity against the impacts of climate change (East Taieri, West Taieri, Lower Clutha and Tokomairiro).	2.4, 2.7	Engineering, Natural Hazards
	Underway or planned	Advocate to Central Government for legislation to support local government with managed retreat and other adaptation actions.	2.2, 2.4	Natural Hazards, Policy

	Underway or planned	Advocate to Central Government for investment in adaptation initiatives through applications for funding through the Ministry for Business, Innovation and Employment, Rivers Special Interest Group, and other funding opportunities.	2.2	Engineering, Natural Hazards
Biodiversity and Biosecurity	Underway or planned	Partner with iwi and collaborate with communities and landowners to develop and implement projects which enhance water quality and indigenous biodiversity in selected water bodies.	2.1, 2.5	Environmental Implementation
	Underway or planned	Revise ORCs Biodiversity Strategy and ensure that it is aligned to the SCAP and factors in increased climate impacts and natural hazard risks and sets out actions ORC will deliver to enhance Otago's biodiversity.	2.5	Strategy
	Underway or planned	Implement an indigenous biodiversity monitoring programme across the region which provides accurate, relevant, and timely information to decision makers and the Otago public.	2.5	Science, Environmental Monitoring
	Underway or planned	Administer the Eco Fund to deliver projects to improve the resilience of local ecosystems and indigenous biodiversity.	2.5	Environmental Implementation
	Underway or planned	Expand ORC's Biosecurity Programme to better manage the impact of exotic pest species on indigenous biodiversity and improve the resilience and adaptive capacity of desirable ecosystems.	2.6, 2.5	Environmental Implementation
	Underway or planned	Deliver on the Regional Pest Management Plan.	2.6, 2.5	Environmental Implementation
	New	Advocate to central government for greater investment in strengthening biosecurity.	2.2, 2.6, 2.5	Policy, Environmental Implementation
Emergency Management	Underway or planned	Work through Emergency Management Otago to support Mana Whenua-led approaches to emergency readiness and response by co-funding a two-year Emergency Management Mana Whenua Facilitator.	2.1, 2.3	EMO
	Underway or planned	Collaborate with the region's city and district councils to ensure civil defence and emergency management is informed by specific risks across the region.	2.2, 2.3, 2.4	EMO, Natural Hazards
	Underway or planned	Act as a conduit between Fire and Emergency NZ and research institutes to understand how we can best use regulatory settings and regional relationships to manage increased wildfire risk for the region.	2.2, 2.4	EMO
	Underway or planned	Work through Emergency Management Otago to raise community awareness of climate hazards and how to prepare, including through the community response network which	2.3, 2.4	EMO

		provides training and resources to support communities' capabilities and capacity to manage emergency events.		
	Underway or planned	Implement the National Disaster Resilience Strategy.	2.3, 2.4	EMO
	Underway or planned	Operate a network of near real-time rainfall and water level stations across the region to support flood forecasting and emergency response with a 24/7 duty roster to support forecasting duties and any necessary response.	2.3, 2.4	Natural Hazards, Engineering, Environmental Monitoring, EMO
	Underway or planned	Support the Otago Civil Defence and Emergency Management Group in improving the resilience of Otago.	2.3, 2.4	Engineering
	Underway or planned	Review the Otago Lifelines Infrastructure Vulnerability Assessment to inform ongoing emergency management work.	2.3, 2.4	EMO, Natural Hazards
Transport	Underway or planned	Provide efficient, reliable, and accessible public transport services to meet community needs.	1.2	Transport
	Underway or planned	Decarbonize the public transport fleet.	1.2, 1.4	Transport
	Underway or planned	Explore opportunities to support decarbonisation through the Total Mobility Scheme.	1.2, 1.3	Transport
	Underway or planned	Collaborate with the region's city and district councils to reduce car usage and encourage uptake of public transport through traffic demand management initiatives such as parking plans, active transport, micro-mobility, and car-pooling.	1.2, 1.3	Transport
	Underway or planned	Coordinate public transport services with school travel plans.	1.2, 1.3	Transport
	Underway or planned	Submit on consent applications at the district level to maximize potential integration with the public transport network.	1.2, 1.3	Policy, Transport

	Underway or planned	Undertake total mobility survey, bus user survey, and annual survey to understand current modes of transport and community views on reliability, equitability, sustainability and safety.	1.2	Transport
	Underway or planned	Develop and implement a public and active transport connectivity strategy to encourage active modes of travel and reduce vehicle emissions.	1.2, 1.3	Transport
	Underway or planned	Support a Workplace Travel Plan Coordinator role to enable better coordination of workplace travel across the Zero Carbon Alliance.	1.2, 1.3	Strategy
	New	Explore feasibility of interregional public transport options and funding with Environment Southland and Environment Canterbury.	1.2, 1.3	Transport
Regional Policies, Plans, Future Development Strategies, Long Term Plans, Consents	Underway or planned	Ensure that climate-related impacts are understood when revising the Regional Plan: Air and Air Quality Strategy, including addressing barriers to greater uptake of low emissions domestic heating options.	1.1, 1.3, 2.2, 2.4	Strategy, Policy
	Underway or planned	Ensure that climate-related impacts are understood when developing the proposed Land and Water Regional Plan.	1.1, 1.3, 2.2, 2.4	Policy
	Underway or planned	Ensure that climate-related impacts are understood when revising the Regional Plan: Coast.	2.2, 2.4	Policy
	Underway or planned	Ensure that climate mitigation and adaptation policies are embedded in the Regional Policy Statement and Future Development Strategies, and that these reflect the natural hazard and climate impacts and risks for the region.	1.3	Policy
	Underway or planned	Collaborate with the region's city and district councils to ensure common mitigation and adaptation priorities are reflected in Long-Term Plans.	1.2, 2.2	Policy, Strategy
	New	Assess the efficacy of the provisions in the Regional Policy Statement and regional plans to give effect to the goals of this Strategic Climate Action Plan and ORC's organisational Strategic Goals.	All goals	Strategy, Policy
	New	Provide professional development and training to support resource consent team to develop capacity to assess new consent requirements regarding greenhouse emissions in Resource Management Act from 2022. May include improving technical literacy for consent considerations such as process heat standards and processes, alternative low-carbon heat methods, greenhouse gas emissions reduction plans etc.	1.1	Consents
	New	Ensure that all submissions made on behalf of ORC advocate for options that are less emissions intensive and/or enable emissions reduction.	1.1, 1.3	Policy

Tracking progress

ORC will track progress against the SCAP using a framework for reporting, monitoring, and re-evaluation. This process will ensure we are continually improving by undertaking the right actions to get us where we want to be.

The SCAP reporting framework has two levels:

1. Outcome: Reporting on progress against the 10-year goals we have set. This outcome monitoring is based on several indicators corresponding to the goals, as these are the outcomes we are seeking to deliver. This is otherwise known as “what success looks like”.
2. Output: Reporting on progress in delivering the actions that contribute to the outcomes. This will be based on ORC’s internal monitoring and reporting system.

The table below demonstrates how we will undertake our outcome reporting. The indicators for tracking progress are based on measures and data sources that we already have available to us, or that we will be developing as a priority in the first stage of implementing the SCAP.

We are still developing any easy-to-read format for our output reporting. This will be based on our internal monitoring and reporting system. We will make this available as part of our first cycle of reporting, monitoring and re-evaluation.

The two levels of reporting will feed into a simple traffic-light monitoring system, through which we will assess whether we are on-track, or whether we need to make adjustments in some areas. This monitoring and reporting will together inform our re-evaluation and, therefore, updates to our Action Plan.

We will publish our monitoring, monitoring and re-evaluation framework regularly when we update the Action Plan. This is expected to occur every 3 years, or more often, as required. Our first cycle of reporting, monitoring and re-evaluation will establish our baselines for each goal. These baselines will be what we track progress against, year-on-year.

Table 1: Outcome Indicators

Goal	Indicator (measure and data source)
1.1: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to mitigate emissions.	Customer perceptions survey respondents regarding ORC as valuable source of information
	Regional GHG emissions inventory
	Website traffic regarding ORC information accessed
	Other notable engagement with ORC material – i.e., increased collaboration with groups on climate mitigation across work programmes
1.2: ORC operates low-emissions, efficient, and affordable public transport services that are widely used by the Otago community and visitors.	ORC's organisational GHG emissions inventory
	Bus patronage survey response on efficiency and affordability of services
	Customer perceptions survey responses regarding community views on efficiency and affordability of services
	Bus delay data
1.3: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate mitigation action.	Customer perceptions survey responses regarding ORC coordination and collaboration with others in region
	Direct engagement with rūnaka and TLAs regarding ORC coordination and collaboration with others in region
1.4: ORC has delivered on the community's expectations to be a low-emissions organisation.	ORC's organisational GHG emissions inventory
	Customer perceptions survey responses regarding expectations on ORC's GHG emissions
2.1: ORC enables Mana Whenua to exercise Rakatirataka and increase their climate resilience through supporting the identification of risks to the values of Mana Whenua, and collaborating on Māori-led adaptation planning.	Customer perceptions survey regarding ORC support to Kai Tahu led adaptation action
	Direct feedback from rūnaka regarding ORC support to Kai Tahu led adaptation action
	Otago Climate Change Risk Assessment data on vulnerability of places of cultural value
	National Climate Change Risk Assessment data on vulnerability of places of cultural value
2.2: ORC works in partnership with Mana Whenua and coordinates and collaborates with other agencies and communities to deliver cohesive climate adaptation action.	Customer perceptions survey responses regarding ORC coordination and collaboration with others in region
	Direct engagement with rūnaka and TLAs regarding ORC coordination and collaboration with others in region
2.3: ORC effectively supports communities to reduce the impact of, be ready for, respond to, and recover from climate-related events.	Alignment of Civil Defence Plan to identified risks in Climate Change Risk Assessment
	Alignment of Emergency Management Otago plans and strategies to identified risks in Climate Change Risk Assessment

	Otago Climate Change Risk Assessment, and alignment to National Climate Change Risk Assessment
	National Climate Change Risk Assessment
	EMO Annual Survey responses regarding effectiveness of ORC approach
2.4: ORC provides reliable and relevant information to the region's leaders, Mana Whenua, communities, and businesses to support them to make well-informed decisions to increase their climate-resilience.	Otago Climate Change Risk Assessment data on number of high-risk areas identified
	Website traffic regarding ORC information accessed
	Other notable of engagement with ORC material – i.e., increased collaboration with groups on climate adaptation across work programmes
	Customer perceptions survey responses regarding ORC as valuable source of information
	EMO Annual Survey responses on climate risks and alignment to Otago Climate Change Risk Assessment
2.5: ORC supports the resilience of indigenous biodiversity.	ORC collected data on species at risk from the impacts of climate change
	Customer perceptions survey responses regarding risks for region
2.6: ORC effectively manages climate-related biosecurity threats.	ORC collected data on species at risk from the impacts of climate change
	Customer perceptions survey responses regarding risks for the region
	ORC collected data on spread of exclusion pests
2.7: ORC has delivered on the community's expectations to be climate-resilient in its operations and infrastructure.	ORC's Organisational Risk Assessment information on ORC infrastructure and operations at risk
	Budget data on unplanned expenditure for climate related responses
	Customer perceptions survey responses regarding expectations on ORC climate resilience
	Staff survey responses regarding ORC climate resilience
	MFE Adaptation Preparedness survey input

10.6. Annual report on climate collaboration

Prepared for: Council
Report No. STG2402
Activity: Governance Report
Author: Hilary Lennox, Manager Strategy
Endorsed by: Amanda Vercoe, General Manager Governance, Culture and Customer
Date: 26 June 2024

PURPOSE

- [1] To provide an annual report to Council on regional climate change collaboration, which is a performance target in the 2021-2031 Long-Term Plan and 2023-24 Annual Plan.

EXECUTIVE SUMMARY

- [2] Staff from ORC and the various territorial local authorities (TLAs) from across the region have worked constructively on climate change initiatives over the past two years.
- [3] Activities in the previous year of operation (2022-2023 Financial year) included:
- Establishing the Otago Climate Officers' Group (OCOG) including formalising the group through a Terms of Reference.
 - Conducting a regional climate stocktake.
 - Scoping a regional sequestration study.
 - Sharing information for the FYE2021 regional greenhouse gas emissions inventory.
 - Approving scenario parameters for projected emissions and scenario modelling work.
- [4] Activities in this year of operation (2023-2024 Financial year) included:
- Monthly OCOG meetings to provide updates, share ideas and resources, share experiences of lessons learned and opportunities identified, and to support each other's work.
 - Providing input into the early stages of the development of ORC's Strategic Climate Action Plan.
 - Identifying collaborative initiatives for inclusion in ORC's Strategic Climate Action Plan.
 - Providing feedback on the vision and goals of ORC's Strategic Climate Action Plan.
 - Providing support in the development of the FYE2021 regional greenhouse gas emissions inventory.
 - Funding and overseeing the production of a regional sequestration study.
- [5] In addition to regional initiatives, Otago Regional Council is or will soon be collaborating with:
- DCC on various initiatives as part of the Zero Carbon Alliance;
 - DCC on the South Dunedin Futures work programme;
 - QLDC on the Head of the Lake Wakatipu Natural Hazards Adaptation Strategy;
 - CDC on a multi-hazard adaptation strategy, including reviewing the Lower Clutha Flood Protection scheme and considering adaptation risks relating to the wider Clutha Delta; and
-

- With WDC on adaptation projects and initiatives for Waitaki coastal risk assessment and management.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

BACKGROUND

- [6] At the 14 August 2019 meeting, ORC passed a resolution “that the council: agrees that Otago must continue to prepare for the certainty that climate change will present emergency situations in many areas of our region and will therefore continue to give high priority to adaptation to climate change, especially in our flood and drainage schemes and in South Dunedin, and to minimising our carbon emissions.”
- [7] A subsequent level of service was included in both the 2021-2031 Long Term Plan and the 2023-24 Annual Plan: Lead a regional approach to climate change in partnership with local councils and iwi. The corresponding performance measure was set as: report on regional stakeholder collaboration on climate change. The 2023-24 target is: complete an annual report on regional climate change collaboration.
- [8] In recent years, councils in the region have begun to increasingly work together on various climate change related projects. At a regional level these include: the development of the Otago Climate Change Risk Assessment (OCCRA) in 2021 and Regional Greenhouse Gas Inventories for FYE19 and FYE21. Our local government peers in the region - Queenstown Lakes District Council, Dunedin City Council, Waitaki District Council, Central Otago District Council and Clutha District Council - have been instrumental in the success of these projects by providing district level data and contributing expertise and resources.
- [9] ORC has also been part of climate collaboration driven by the Dunedin City Council’s Zero Carbon Alliance, of which ORC is a member.
- [10] Staff from ORC and the region’s TLAs also meet and collaborate frequently as part of the OCOG. This collaboration includes talks with neighbouring regional councils, which began with discussions with Environment Southland and Environment Canterbury about the development of their respective regional climate strategies. It also includes ORC’s membership at staff level cross-council working groups such as the Aotearoa Council Climate Network (ACCN) and the Aotearoa Climate Adaptation Network (ACAN).

DISCUSSION

Formation of the Otago Climate Officers’ Group

- [11] During the 2022-23 financial year, ORC prioritised setting up the framework for regional climate collaboration through founding OCOG. Future areas for regional cooperation were agreed to, as were protocols and future meeting dates. A Terms of Reference was also formalised and the group began a number of projects.
- [12] These projects included collaborative work on the FYE21 Regional Greenhouse Gas Inventory, completing a regional climate stocktake, scoping and funding a regional

sequestration study, approving scenario parameters for projected emissions and scenario modelling work, and providing input during the development of ORC's Strategic Climate Action Plan. Further information about these work programmes follows.

Regional Greenhouse Gas Inventory

- [13] ORC led the development of regional greenhouse gas inventory for FYE21. This included collaborating with OCOG to incorporate the previous (FYE19) and most recent (FYE21) inventories to an open-source spreadsheet to enable much easier updates to be undertaken in the future. At the time of writing this report, staff from ORC and DCC were working together to finalise the FYE21 inventory.

Regional Sequestration Study

- [14] OCOG successfully collaborated on its very first co-funded regional study with a regional sequestration study initiated during this period. This involved scoping the project, issuing a request for proposals, and engaging a consultant to deliver the services. Members of the tender evaluation panel included representatives from OCOG. The study is designed for ORC and the TLAs to better understand regional sequestration scenarios.

ORC's Strategic Climate Action Plan

- [15] ORC has been engaging regularly with TLAs over the past year on the development of ORC's first Strategic Climate Action Plan. This included seeking input from OCOG in the early stages of the development of the plan, identifying collaborative initiatives for inclusion in the plan, and asking OCOG for feedback on the vision and goals.
- [16] As a result, the draft Strategic Climate Action Plan now contains a range of initiatives that ORC will undertake in collaboration with the region's TLAs, either on an individual basis or through the broader OCOG network.

Other Collaboration

- [17] While OCOG is the primary forum climate work at a regional scale, there are many other examples of climate collaboration that occur outside of OCOG. Climate change is increasingly a concern not just within the region but across Aotearoa, which is why local governments from across the motu are working together more frequently.
- [18] ORC staff and OCOG peers are part of the two national level council climate working groups: the Aotearoa Council Climate Network (ACCN), which covers mitigation; and the Aotearoa Climate Adaptation Network (ACAN), which covers adaptation. ORC staff have attended several hui, including the ACAN hui in October 2023 where ORC staff contributed to the development of adaptation metrics at a workshop facilitated by the Climate Change Commission.
- [19] ORC's Natural Hazards Team is (or will soon be) collaborating across with TLAs across the region to help communities with climate adaptation planning. This includes: a formal agreement with DCC through the South Dunedin Futures project; collaboration with QLDC on the Head of the Lake Wakatipu Natural Hazards Adaptation Strategy; collaboration with CDC on a multi-hazard adaptation strategy including reviewing the Lower Clutha Flood Protection scheme and considering adaptation risks relating to the wider Clutha Delta; and collaboration with WDC on adaptation projects and initiatives for Waitaki coastal risk assessment and management.

Zero Carbon Alliance

- [20] ORC is a signatory to Dunedin's Zero Carbon Alliance. This involves collaborating with the DCC and other key institutions (Te Pukenga – Dunedin campus, Te Whatu Ora – Southern, and the University of Otago) to support achievement of both organisational and city-wide emissions reduction goals.
- [21] One of the focus areas of the Zero Carbon has been staff travel to work because it represents one of the most significant collective opportunities to reduce city-wide emissions. Zero Carbon Alliance employees represent approximately 18% of Dunedin's workforce, and emissions associated with private vehicle trips are a significant contributor to emissions at both organisational and city-wide scales.
- [22] An additional focus area for FYE2024 has been reducing emission reductions from waste and exploring opportunities to increase resource recovery and decrease waste generation at source.

OPTIONS

- [23] This is a noting paper, so no options have been provided.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [24] Climate is a focus area in the ORC's revised Strategic Directions 2024,2034, with dedicated goals relating to the organisation's emissions, consideration in ORC's decisions, and the resilience of the region's agriculture and horticultural systems. Climate is also reflected in goals under some of the other focus areas. Collaborating with the region's TLAs is one of the key mechanisms through which ORC can make progress towards its strategic goals as defined in the Strategic Directions 2024-2034 document.
- [25] This report fulfils a level of service measure in ORC's 2021-2031 Long Term Plan.

Financial Considerations

- [26] No significant financial consideration – all activities for this year were within budget.

Significance and Engagement Considerations

- [27] This paper does not trigger ORC's policy on significance and engagement.
- [28] Forming OCOG has involved co-operation between ORC and the region's TLAs. Further collaboration between ORC and the TLAs is essential to progress further joint climate work.
- [29] The range of community-led work that has been undertaken over a long period of time is also acknowledged, and staff will look to see how ORC can further enable and collaborate with existing and proposed community-led initiatives.

Legislative and Risk Considerations

[30] This has no direct legislative or risk consideration.

Climate Change Considerations

[31] Collaboration with the region's TLAs to ensure that ORC is well set up to play its part in mitigating the region's emissions and helping the region to adapt effectively in the face of the changing climate.

Communications Considerations

[32] This annual report on climate collaboration may be reported in the media as interest in climate change is high.

NEXT STEPS

[33] ORC staff will continue to collaborate with staff from the region's TLAs through OCOG, the ZCA, or on site-specific projects, and will continue to collaborate with staff from other councils across the country as part of the ACCN and ACAN.

ATTACHMENTS

Nil

10.7. Resource Management Amendment (Freshwater and other matters) Bill

Prepared for: Council
Report No. POL2416
Activity: Governance Report
Author: Fleur Matthews, Manager Policy and Planning
Endorsed by: Anita Dawe, General Manager Policy and Science
Date: 26th June 2024

PURPOSE

- [1] This paper provides the opportunity for Council to consider a draft submission to the select committee on the Resource Management (Freshwater and Other Matters) Amendment Bill.

EXECUTIVE SUMMARY

- [2] The Resource Management (Freshwater and Other Matters) Amendment Bill is part of phase 2 changes to the resource management system and comprises a number of amendments to the Resource Management Act and regulations under that Act to reflect the Government's policy direction.
- [3] Staff consider that the topics of the Bill are relevant to Otago Regional Council (ORC) and therefore suggest that Council makes a submission. If Council wishes to submit on the Bill, it must do so by 30 June 2024.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Approves** a submission on the Resource Management (Freshwater and Other Matters) Amendment Bill.
- 3) **Delegates** the Chairperson and Chief Executive to sign the finalised submission, which will be lodged by 30 June 2024.

BACKGROUND

- [4] The Resource Management (Freshwater and Other Matters) Amendment Bill (the Bill) is part of Phase 2 of the Government's Resource Management reform programme.
- [5] The Bill has been referred to the Primary Production Select Committee, and submissions close on 30 June 2024. The Committee has encouraged submitters to focus on the matters in the Bill, as it will not hear oral submissions on issues that are not relevant to the content of the Bill.

DISCUSSION

- [6] The Bill addresses issues that the Government considers time-sensitive, including:
- Excluding the application of the hierarchy of obligations within the National Policy Statement for Freshwater Management 2020 from resource consent applications and resource consent decision-making processes.
 - Removing additional controls for coal mining consents, aligning consent pathways with those for other mineral extraction activities in or around wetlands and Significant Natural Areas (SNAs).
 - Suspending requirements for councils to identify, and include in plans, new SNAs under the National Policy Statement for Indigenous Biodiversity (NPSIB) 2023 for three years.
 - Extending the time for councils to identify new SNAs under the NPSIB until December 2030.
 - Removing low slope land requirements regulating the access of farm animals to water bodies.
 - Removing requirements relating to intensive winter grazing.
 - Expediting the creation or amendment of national direction under the RMA.
- [7] At the time of drafting this paper, staff had not had sufficient time to analyse these topics in detail and advise Council on which matters it may wish to submit. However, a draft submission will be tabled at Council, which will be assisted by an informal discussion with interested Councillors.
- [8] At the same time, Te Uru Kahika is preparing a submission on behalf of the regional councils and unitary authorities across New Zealand. Staff will provide input into this submission, and will provide a copy of the draft submission to Councillors once it is available. Te Uru Kahika's submission will concentrate on areas of agreement across the regional sector, but will note that individual councils' submissions have primacy over any points made. Council may choose to rely on Te Uru Kahika's submission for some matters, and for other matters may wish to make submission points that differ from Te Uru Kahika.

OPTIONS

- [9] Council could either submit on the Bill or choose not to submit on the Bill. Given the range of topics covered and their relevance to ORC, staff recommend that Council does make a submission.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [10] Making a submission on the Resource Management (Freshwater and Other Matters) Amendment Bill fits with Council's Strategic Direction in relation to healthy land and water, and environmental leadership.

Financial Considerations

- [11] There are no financial considerations associated with this paper.

Significance and Engagement

- [12] This paper does not trigger any requirements of He Mahi Rau Rika: Significance, Engagement and Māori Participation Policy 2021.

Legislative and Risk Considerations

- [13] The changes proposed in this Bill will have implications for Otago Regional Council, and therefore staff recommend that Council makes a submission.

Climate Change Considerations

- [14] There are no climate change considerations associated with this paper.

Communications Considerations

- [15] There are no communications considerations associated with this paper.

NEXT STEPS

- [16] If Council approves the draft submission, staff will finalise the submission to be lodged by 30 June. If there is an opportunity to appear before the select committee, an oral submission summarising the key points in the submission will be made.

ATTACHMENTS

Nil

10.8. He Mahi Rau Rika - Significance, Engagement and Māori Participation Policy Progress Update

Prepared for: Council

Report No. GOV2402

Activity: Executive Advice: Update on the implementation of He Mahi Rau Rika

Author: Kate Pettit, Senior Advisor Strategic Engagement, Sarah Martin, Senior Advisor Iwi Partnerships and Engagement

Endorsed by: Amanda Vercoe, General Manager Governance, Culture and Customer

Date: 26th June 2024

PURPOSE

- [1] This paper provides an update on the implementation of He Mahi Rau Rika¹ and introduces the draft community engagement approach for councillor input, including an overview of a newly created engagement framework, and toolkits and resources to support better engagement.
- [2] The engagement approach has been developed to ensure the consistent implementation of He Mahi Rau Rika. While many teams across the council use He Mahi Rau Rika effectively, it is often applied in an ad-hoc manner, with each team creating its own process. This lack of a unified approach can lead to inconsistency. By adopting a cohesive engagement approach, we aim to improve engagement with community, stakeholders and partners.

EXECUTIVE SUMMARY

- [3] Feedback indicates that ORC's current engagement efforts can be improved. A structured engagement approach will help ORC better connect with communities, ensuring their voices are heard and considered in decision-making. This will foster stronger relationships, improve transparency, and better serve the community's needs.
- [4] The draft approach aims to enhance our ability to understand the community perspective by providing structured opportunities for meaningful dialogue and increase community confidence that their input is valued in decision-making. Through its adoption, the community can expect increased visible council presence, coordinated efforts, accessible engagement opportunities, and diverse activities for involvement.
- [5] A consistent engagement approach is essential for ORC to connect with communities and understand their priorities. This draft approach presented below aims to empower communities, reduce silos, support stakeholder relationships, integrate evaluations, and build knowledge. It provides tools for engaging with the right communities at the right time, supports staff capacity building, integrates Māori knowledge, and aligns with best practices to enhance overall engagement.

¹ [He Mahi Rau Rika](#)

- [6] The development of two toolkits —Māori engagement and community engagement— provide practical guidance for effective engagement. Staff will have access to comprehensive resources, cross-council collaboration opportunities, significance assessment tools, and practical support for effective engagement with diverse communities.
- [7] Two options are provided to adopt the draft engagement approach, one which adopts the approach as it currently stands while the other adopts the approach incorporating any input from Council.

RECOMMENDATION

That the Council:

- a) **Approves** the adoption of the draft community engagement approach incorporating any recommendations from councillors.

BACKGROUND

Significance and Engagement Policy: Purpose and Intentions

- [8] The Local Government Act (LGA) 2002 Section 76AA mandates local authorities to adopt a Significance and Engagement Policy. This policy informs the public about the council's approach to community engagement, important decisions, assessment methods, and consultation expectations. It should be practical and inclusive.
- [9] The policy aims to:
 - 1. Identify the significance of various issues and activities.
 - 2. Clarify how and when communities will be engaged.
 - 3. Inform the council about the expected public engagement before making decisions.

He Mahi Rau Rika – ORC's Significance, Engagement and Māori Participation Policy.

- [10] ORC's Significance, Engagement and Māori Participation Policy, He Mahi Rau Rika, has been in place since 2022 and sets out ORC's engagement principles and clear commitments to engagement with the community and stakeholders. He Mahi Rau Rika applies to all staff and work programme across the council and its implementation has effectively informed a variety of engagement projects.
- [11] The policy adopts the IAP2 Public Participation Spectrum ([IAP2 Public Participation Spectrum](#)) and emphasises intentional community involvement in decision-making by fostering genuine two-way dialog that supports enduring relationships with iwi Māori communities and stakeholders.

- [12] The council acknowledges its statutory responsibilities to consult with iwi Māori under a wide range of legislation. However, the He Mahi Rau Rika outlines the councils' aspirations to go beyond statutory regulations to ensure meaningful engagement with mana whenua and the partnership principles of Te Tiriti o Waitangi.

DISCUSSION

Why does ORC need an engagement approach?

- [13] We've received feedback indicating that our current engagement efforts can be improved. Some ORC projects are demonstrating excellent engagement and outcomes, and others are seeking more assistance to deliver more effective engagement. Implementing a structured engagement approach will help us better connect with our communities, ensuring their voices are heard and considered in our decision-making processes. This approach will enable us to foster stronger relationships, improve transparency, and ultimately do a better job in serving and addressing the needs of those we represent.

Enhancing engagement for community

- [14] A recommendation from the 2023 Community Survey², was to implement targeted engagement strategies tailored to the diverse preferences of various demographic groups. Despite the increased awareness of, and engagement in, ORC's activities in recent years, the survey highlighted ongoing opportunities to enhance public engagement and awareness, particularly regarding some of the council's less widely known activities. The proposed engagement framework will assist with this action.
- [15] The engagement approach outlined below aims to enhance our ability to understand the community perspective by providing structured opportunities for meaningful dialogue. By actively listening to community members, we can gain deeper insights into their needs, concerns, and aspirations. This approach will ensure that their voices are integral to our decision-making processes, fostering a more inclusive and responsive organisation.
- [16] Other benefits include but not limited to:
- **Community empowerment:** Transparent and effective engagement efforts empower the community, fostering a sense of ownership over local projects and decisions.
 - **Community input in decision-making:** Community members will have greater confidence that their input is genuinely valued in decision-making processes, leading to increased support for ORC initiatives.
 - **Community participation:** An inclusive engagement approach ensures that the entire community has opportunities to be involved and participate in the council's work.
 - **Trust and transparency:** Effective engagement practices build community's trust in ORC to be responsive to feedback and create a culture of transparency.
 - **Community-council relationships:** Ongoing, consistent interactions help build stronger, more resilient relationships between community and ORC.

² [Otago Regional Council Community Survey - December 2023 \(p.70-156\)](#)

- **Community wellbeing:** Engaging and valuing the community's input contributes to a greater sense of wellbeing and connectedness.
- **Awareness, understanding and relevance:** Community will better understand and connect with regional projects and decisions.
- **A community-focussed council:** consistent and effective engagement practices will support the community to trust ORC as a reliable, community-focussed council.

Enhancing organisational practice

- [17] A more consistent engagement approach is essential for ORC to engage better with communities and to better understand what is important to them. By focusing on long-term improvement through best-practice, the approach aims to provide a consistent and user-friendly approach, foster internal collaboration, and build capacity and capability among staff.
- [18] Two reviews³ in the engagement space have identified opportunities to enhance engagement. These recommendations include: reducing silos across the organisation, supporting relationship management with stakeholders and community, integrating evaluation and reporting mechanisms, and building institutional knowledge.
- [19] The approach addresses the concerns and aspirations listed above. The approach also provides tools for effective evaluation and knowledge sharing, enabling ORC to engage with the right communities and stakeholders at the right time.
- [20] As well as the benefits for community, enhancing our engagement approach has many benefits for the organisation, including but not limited to
- Provides a consistent and effective approach to community engagement, making ORC recognisable.
 - Enhances organisational practice, supports staff in building capability, and integrates Māori knowledge into engagement.
 - Increases ORC's visibility, community awareness, and ensures engagement events are aligned with best-practice.
 - Facilitates teams working better together, integrates engagement with strategic plans, and promotes inclusive engagement.
 - Enables effective evaluation, knowledge sharing, and implementation of lessons learned, mitigating strategic risks and building institutional knowledge.

Draft Engagement approach

- [21] The engagement approach has been developed to improve engagement with the community. The approach supports long-term improvement, builds internal capacity, and ensures a more consistent approach to engagement.



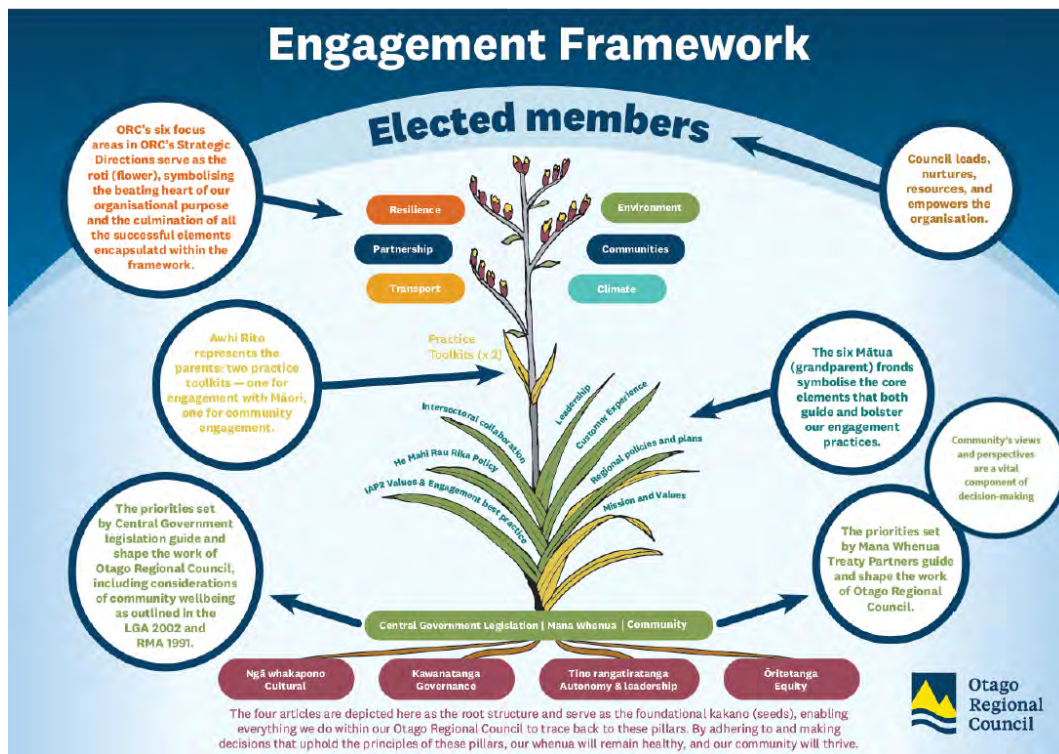
Vision: ORC is engaging effectively with diverse communities.

³ [Otago Lakes Management Review Report 2022](#) and ICM Collaboration Framework Report (2022), Ahikā.

	Purpose: Increase effective engagement with diverse communities to better understand community needs and viewpoints and increase participation in decision-making.		
	Get more people involved in decision-making processes	Build enduring relationships with the community, stakeholders and partners	Enhance transparency, accountability and awareness of ORC's work to foster deeper understanding and trust within the community
	Foster community empowerment and resilience	Listening to and integrating diverse community views into decision-making	Strengthen our commitment to our partnership with iwi Māori by developing an integrated approach to engagement.

Operational Objectives	Vision: ORC is an organisation that engages effectively by improving the way which engagement is undertaken.		
	Implement He Mahi Rau Rika, ORC's Significance, Engagement and Māori Participation Policy	Establish consistency in approach across the organisation through user-friendly, practical toolkits and resources	Establish processes to measure and evaluate community engagement at an organisation level and project level
	Reduce siloed engagement	Increase awareness and understanding of best-practice engagement	Enhance cultural awareness and understanding to effectively engage with all communities

The Draft Engagement framework



- [22] The framework has been designed using the Pā Harakeke model: a widely recognised approach⁴ emphasising the importance of relationships and interconnectedness and holds significant relevance as an environmental model. Each part of the plant plays a crucial role in the overall health and sustainability of the harakeke bush, highlighting the interconnectedness within ecosystems, where each component supports the whole.
- [23] An overview of the various aspects of the framework can be found in the Framework Summary⁵.
- [24] The engagement approach has been guided by equity, embracing an inclusive and holistic approach to community engagement. This reflects Council's commitment to partnership with iwi māori and the aspiration to incorporate mātauraka māori and customary knowledge into decision making, embedding the council's aspiration of using multigenerational, holistic-systems-thinking to create positive outcomes for Otago's environment and communities⁶. The approach also supports council's objectives to put communities at the heart of our decision-making by supporting communities to engage with us through well informed, and robust conversations and we listen and reflect their views and aspirations⁷.

⁴ [Frameworks for Bicultural Education - Ministry of Education, Whakahā o Te Pā Harakeke - Health Research Council, Te Pā Harakeke | Ministry of Business, Innovation & Employment Te Pa Harakeke Nurturing Care in the first 1000 day - South Island Alliance, Health NZ, Pā Harakeke - Social and Sustainable Procurement Framework - Kāinga Ora](#)

⁵ [Framework Component Summary.docx](#)

⁶ [Draft Strategic Directions 2024-2034](#)

⁷ [Strategic Directions 2024-2034](#)

- [25] The framework has been designed to provide a structured way of working and a clear approach that guides engagement practice and ensures alignment with broader organisational objectives. By aligning engagement efforts with the organisation's strategic goals, the framework helps staff understand how to meaningfully integrate iwi māori and community voices to help shape the council's work, contributing towards better environmental outcomes and a shared community vision for the region.
- [26] Mana whenua have been informed that ORC is developing an engagement approach which has a bi-cultural lens and they are being kept informed of the process. Aukaha have provided some feedback around the engagement approach which is being folded into its continued development.

What can community expect?

- [27] Our enhanced engagement approach aims to build stronger relationships, foster trust, and ensure the community voices are central to our decision-making processes. Community members can expect a variety of benefit which includes, but is not limited to:
- A more visible and active presence from the council at regional events, making it easier to be heard, connect and engage with us.
 - A coordinated effort across different engagement activities, providing a better experience for community members.
 - More accessible opportunities to engage, both in-person and online, to accommodate diverse needs and preferences.
 - A variety of engagement activities, such as public forums, workshops, surveys, and interactive online platforms, ensuring everyone has a chance to be heard and involved in shaping the council's work.

What can staff expect?

- [28] Staff can expect a comprehensive set of resources designed to support and enhance engagement. These include, but are not limited to:
- Toolkits that provide clear processes, best-practice guidance, and practical tools for effective community engagement.
 - Māori engagement resources and advice on engagement with mana whenua and the iwi Māori community.
 - A cross-council forum to identify gaps, suggest improvements and foster cross-departmental collaboration.
 - A tool for determining significance (as defined in LGA 2002) and level of public participation.
 - Reduced silos.
 - Practical resources to support effective engagement with diverse communities.
 - A format for evaluating successes of engagement events.
 - Access to training, case studies, records of lessons learned and regional, national, and international best-practice.

- Access to regular work-place training and support on the engagement approach and toolkit resources.

Engagement toolkits

- [29] As part of supporting better engagement, a series of resources and toolkits have been created, aimed at supporting staff to engage well. They provide staff with practical guidance, tools and resources for effective engagement.
- [30] Two toolkits have been developed; the Māori engagement toolkit and the community engagement toolkit, acknowledging the different approaches required for each.
- [31] Samples of the toolkit resources are shown below to show the variety of resources being developed. These are in working draft form. All final versions of the resources will be designed to align with the branding of He Mahi Rau Rika.



Please open this document in Desktop and save a copy to use. Please do not edit the answers in the column as this will stop the formulas from working.

This significance assessment tool asks questions based upon the significance criteria set out in He Mahi Rau Rika; ORC's Significance, Engagement and Māori Participation Policy. Use this tool to assess whether you should engagement with Kāi Tahu, communities and stakeholders about your project or issue.

Click on each cell in the 'answer' column to choose the relevant answer.
Your 'Outcomes' for each section will guide you on the next step

Legislative Requirements	
Question	Answer
Is engagement or consultation prescribed by any legislation? For example: the Local Government Act, Resource Management Act, Biosecurity Act, Civil Defence Emergency Management Act, Land Transport Act or Kāi Tahu Claims Act?	Yes

Significant threshold met through legislative requirements, please follow required guidance

Step 2

Key Criteria	
Questions	Answers
Does the project or issue have any impact on communities wellbeing culturally, socially, or environmentally?	Yes
Does the project or issue have any direct or indirect economical impact on community or part of community? This could be through rates, fees, or other costs incurred.	No
Does the project have an adverse affect effect on the Council's ability to undertake any statutory role or function?	No
Will this project or issue involve an unbudgeted expenditure exceeding 10% of Council's total annual expenditure (budgeted)? 10% of annual expenditure is \$114,000. (This excludes Civil Defence emergency event response expenditure; Externally funded work; Emergency works)	No
Does the project or issue have any implications for the relationships with mana whenua and iwi māori or their culture and traditions with any land, water sites, wāhi tapu, flora or fauna or other Kāi Tahu interests and values?	Yes

Key criteria for engagement significance threshold has been met, please continue to Step 3 to assess the additional criteria to determine the level of significance

Mana Whenua engagement significance threshold has been met, please speak to the Senior Advisor Iwi Partnerships and Engagement for further direction and support

Step 3

Additional Criteria	
Questions	Answers
Will decisions about the project or issue benefit from community and / or stakeholder involvement?	
Has any community or stakeholders shown any interest in this topic, project or issue or do you think you would get phone calls from them about it if they knew about it?	
Is the media interest in this topic, project or issue?	

Determining Significance Tool

Assessing which Rūnaka, Communities and Stakeholder to Engage with

Template: Understanding Engagement Audience
Step 1: Identify the engagement audience and populate the first three columns of the stakeholder analysis.
Step 2: Use the Influence/Interest Matrix and give a number to each <u>stakeholders</u> level of interest and level of interest. As you populate, you will see the matrix start to populate. Once you have inputted all your stakeholders, you can now populate the stakeholder analysis <u>columns</u> ; Level of influence, Level of interest.
Step 3: Complete the rest of the stakeholder analysis
Step 4: Write a short summary around who the audience is for this engagement project and copy and paste this over into the Engagement Plan.
Step 5: Use the information from your template to help you populate the tables in the Engagement Plan.



Internal Collaboration:
 Senior Advisor Iwi Partnerships and Engagement |
 Senior Advisor Strategic Engagement
 Catchment Advisors



Effective engagement projects need to identify and involve relevant people. Understanding the needs, perspectives, interests and concerns of those people regarding the scope of the project is critical to determining the best approach to engagement.

The key to successful community engagement is ensuring the community engagement reach is wide and includes a diverse range of perspectives and profile of interest. Effective community engagement depends on reaching beyond those who regularly engage, the most-heard voices, to promote engagement design that reaches the less-heard, or the hidden voices.

The people analysis questions in the table people will help to unpack the people factors that will illuminate the diversity of stakeholder and community needs and perspectives.

The Guide to Inclusive Engagement is also a great resource to help with understanding around how to ensure engagement is diverse, equitable and inclusive. This resource also provides some practical tips for designing inclusive community engagement.

People Analysis Questions	
Impact analysis	Who is directly impacted by this issue?
	Who is indirectly impacted?
	How are they impacted and by how much?
	Who would be interested in this based on impact?
Interest analysis	Who would be interested in this issue based on experience?
	Who is talking about the project or similar projects elsewhere?

'How-to guides' – Stage 1: Engagement Planning, step 8: Assess which rūnaka, communities and stakeholders to engage with.

The Place of Whakawhanaungataka at ORC



The Place of Whakawhanaungataka at ORC

OPTIONS

[32] There are two main options for consideration, these being:

Option One

[33] Adopt the engagement approach with Council's recommendation and changes.

Option Two

[34] Adopt the engagement approach as it is.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[35] The engagement approach has been developed to give effect to, He Mahi Rau Rika, and support the implementation of He Mahi Rau Rika and its objectives.

[36] The Framework has been developed to align with the focus areas of ORC's draft 2024-34 Strategic Directions by embedding a bi-cultural lens on engagement and community wellbeing.

Financial Considerations

[37] Nil

Significance and Engagement Considerations

[38] Nil

Legislative and Risk Considerations

[39] Alignment with Local Government Act 2002: The Framework has been designed to align with the requirements of the LGA 2002, ensuring compliance with regulations.

[40] Te Tiriti o Waitangi commitment: The Framework has been developed with a genuine commitment to upholding the principles in Te Tiriti o Waitangi, embodying a partnership approach with mana whenua.

Climate Change Considerations

[41] Nil

Communications Considerations

[42] Nil

NEXT STEPS

[43] If the approach is approved by Council, the approach will be rolled out within current resourcing capacity. This would include the delivery of an implementation plan which includes, but is not limited to:

Build awareness:

- Establish a Tiaki Community Engagement Hub for all staff.
- Promote the Framework and hub through internal communications.
- Host 'Muffin Talk' sessions to educate staff about the Framework.
- Display framework schematics in ORC offices and communal areas.

Build a culture of effective engagement:

- Integrate the Framework and hub into new employee inductions.
- Introduce internal engagement huddles for team collaboration.

Suite of toolkit resources:

- Roll out best-practice engagement resources.
- Offer bite-sized training sessions through the engagement hub.

Engagement training and support:

- Conduct periodic region-wide training sessions.
- Provide support through 'Engagement Open Office,' a central inbox, and support sessions.

Assessing staff capacity and capability:

- Develop a survey to assess understanding effective engagement and practical application of engagement approach and resources.

Annual report:

- Produce an internal annual report on community engagement.

[44] There are opportunities to consider developing additional engagement initiatives. How we phase and stage these would be directly influenced by resourcing capacity. These could include, but are not limited to:

- Increasing engagement with young people: establishing a youth ropū and/or increased involvement of Ōtepoti Youth Vision and other youth groups throughout the region.
- Establishment of Community Liaison Groups⁸ and/or Catchment Advisory Groups, such as the Lower Waitaki Scheme Liaison Group.
- Increased engagement with Community Boards
- Increased visibility at events and strategic engagement opportunities across the region.
- Regional networking events spearheaded by ORC.
- Building relationships with Māori and Pacific providers.

ATTACHMENTS

1. Framework Component Summary [9.8.1 - 2 pages]
2. Draft Engagement Framework [9.8.2 - 1 page]

⁸ [Draft Community Liaison Group ToR \(Example Only\)](#)

Engagement Framework – Component Summary

The Four Guiding Principles

The four guiding principles are the foundation of the Framework, guiding all actions within the Otago Regional Council. Prioritising these principles ensures the well-being of the land and promotes strong, connected communities.

Principle 1: Governance Kawanatanga	
<i>Honorable Governance Confirms tino rangatiratanga</i>	
Māori World View	Western World View
<ul style="list-style-type: none"> - Council affirms Māori as tangata whenua. - Decisions made with those most impacted. - Shared decision-making with whānau, hapū, and iwi. - Meaningful, ongoing, and transparent communication. 	<ul style="list-style-type: none"> - Council makes decisions transparently on behalf of communities. - Strengthened local democracy through connected communities. - Meaningful, ongoing, and reciprocal communication.
Principle 2: Autonomy & Leadership Tino Rangatiratanga	
<i>The right to exercise authority - self-determination / Tino Rangatiratanga, Whenua, Kāinga, Taonga</i>	
Māori World View	Western World View
<ul style="list-style-type: none"> - Te Reo Māori, tikanga, and kawa are valued and celebrated. - Māori achieve success as Māori. - Active Māori voice in decision-making. - Recognition and value of Māori diversity and self-determination. 	<ul style="list-style-type: none"> - Local values and community identity are celebrated. - Individuals and communities have an active voice. - Diversity is recognized and self-determination is enacted.
Principle 3: Equity Ōritetanga	
<i>Equality of rights and privileges</i>	
Māori World View	Western World View
<ul style="list-style-type: none"> - Equal rights and opportunities for Māori. - Barriers removed for equitable outcomes. - Content reflects dual heritage and includes Mātauranga Māori. - Equitable representation of Māori perspectives. 	<ul style="list-style-type: none"> - Equal rights and opportunities for all. - Barriers removed for equitable outcomes. - Content reflects dual heritage. - Equitable representation of community voices.
Principle 4: Cultural Freedom Ngā whakapono	
<i>The right to cultural and religious freedom</i>	
Māori World View	Western World View
<ul style="list-style-type: none"> - Protection of Māori customs and beliefs. - Practice without bias. 	<ul style="list-style-type: none"> - Protection of diverse cultures and religions. - Practice without bias.

Central Government Legislation | Mana Whenua Treaty Partners | Community

Central Government priorities and mana whenua aspirations and the communities views and perspectives are crucial, forming the vital link between the framework's foundations and its flourishing outcomes. Mana whenua priorities guide the council's work, integrating Māori knowledge and strengthening the partnership. Community views and aspirations are a vital component of our

decision-making that guide the council's work. Central Government legislation shape the council's operations, necessitating adaptation to evolving regulations and expectations for community engagement. Community engagement and wellbeing are intertwined, with statutory guidance urging councils like ORC to promote holistic community wellbeing while integrating these considerations into their work.

The Mātua

The six Mātua (fronds) symbolize the foundational elements guiding and strengthening engagement practices, providing a consistent approach aligned with national and international best practices, even as they evolve over time. These include:

- ORC mission and values
- Regional policies
- Customer experience Leadership
- He Mahi Rau Rika
- Intersectoral collaboration
- Engagement best-practice & IAP2 values

Awhi Rito

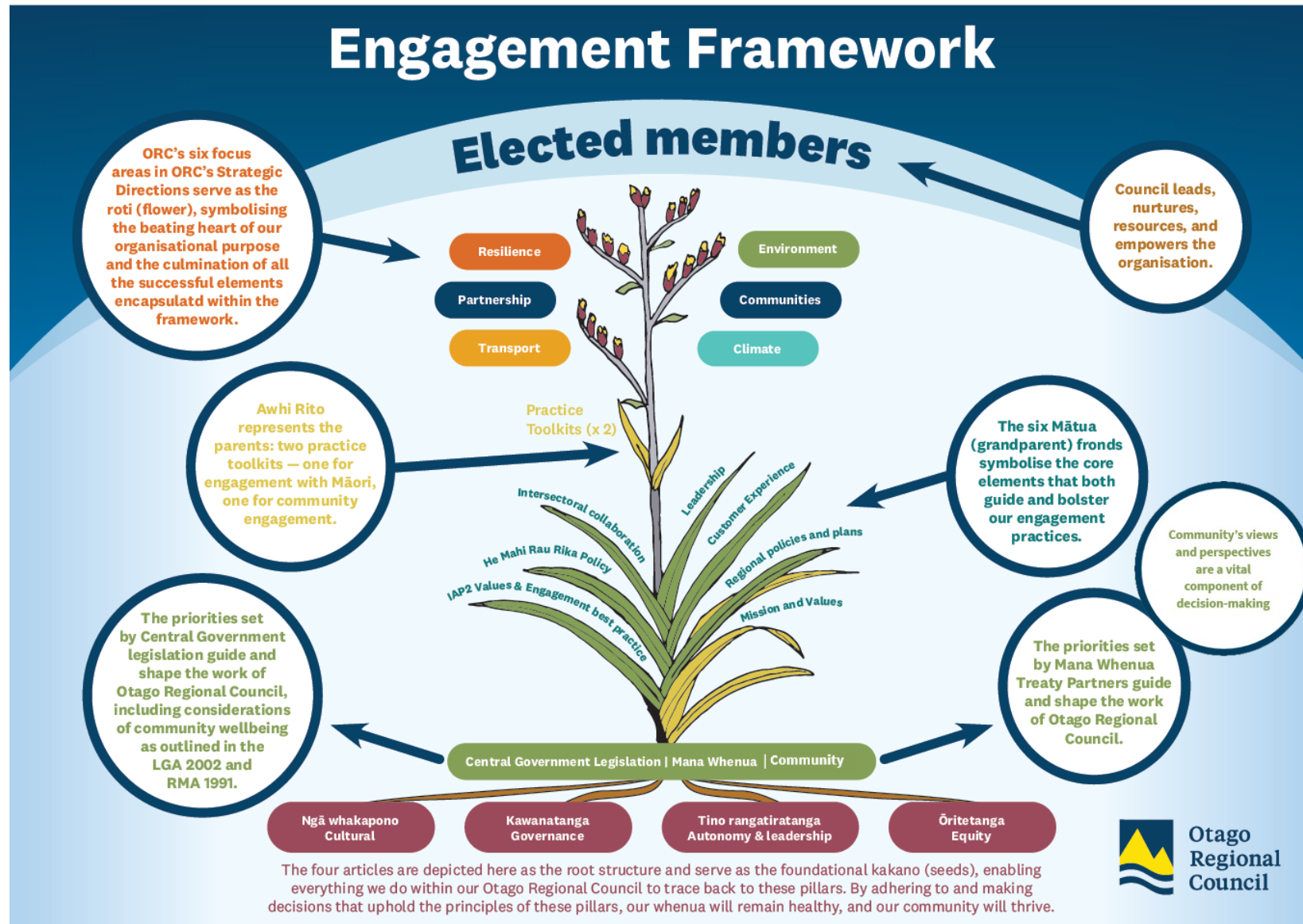
The two Awhi Rito (parent fronds) represent separate practice toolkits for Māori engagement and community engagement within an integrated approach, aiming to enhance organisational capacity and foster consistency while establishing a shared engagement culture and values-driven approach.

Kōrari

ORC's six Strategic Directions are the flower of the harakeke, embodying the collective mission and guiding actions to achieve sustainable outcomes for communities, showcasing the essence of the organisational purpose.

Governance

Governance within the framework encapsulates the Council's leadership and stewardship, fostering trust, adaptability, and transparency while guiding ORC to fulfil its responsibilities effectively. It provides strategic direction, allocates resources efficiently, and enhances the organisation's agility and resilience in achieving its objectives.



10.9. Dunedin Future Development Strategy 2024-2054

Prepared for: Council
Report No. POL2415
Activity: Governance Report
Author: Ify Ukonze, Policy Analyst, Policy and Planning
Endorsed by: Anita Dawe, General Manager Policy and Science
Date: 26 June 2024

PURPOSE

- [1] The purpose of this report is to advise Council that the Dunedin Future Development Strategy (FDS) is now finalised and publicly available.

EXECUTIVE SUMMARY

- [2] The Dunedin City Council (DCC) and Otago Regional Council jointly prepared the Future Development Strategy (FDS) in accordance with the National Policy Statement on Urban Development (NPS-UD), with input from mana whenua, Kāinga Ora, and the New Zealand Transport Agency Waka Kotahi.
- [3] The draft FDS was publicly notified on 31 January 2024, and public consultation ended on 28 February 2024. Hearings and deliberations took place from 3-11 April 2024.
- [4] The JHP's decision report was released on 19 April 2024. Pending amendments to be undertaken by staff, their decision report finalised and approved the FDS in accordance with their delegations under the Local Government Act 2002.
- [5] The final FDS is attached to this report.

RECOMMENDATION

That the Council:

- 1) **Notes** that the Dunedin Future Development Strategy has been finalised and was made publicly available on 23 May 2024.

BACKGROUND

- [6] Clause 3.12 of the National Policy Statement on Urban Development 2020 (NPS-UD) requires that tier 1 and tier 2 local authorities prepare and make publicly available an FDS every six years in time to inform the next long-term plan of each relevant local authority.
- [7] Where jurisdiction over the urban environment is shared, the local authority and regional council must prepare the FDS jointly. ORC and DCC prepared a draft with significant input from mana whenua and other key contributors including Kāinga Ora and NZTA Waka Kotahi.

- [8] The draft FDS was publicly notified on 31 January 2024, and public consultation ended on 28 February 2024. While the FDS is an RMA document, public consultation occurred under the Local Government Act Special Consultative Procedure.
- [9] The DCC and ORC appointed a Joint Hearing Panel (JHP) comprising two ORC Councillors, Cllrs Kate Wilson and Andrew Noone; two DCC Councillors, Cllrs Jim O'Malley and Cherry Lucas; a rūnaka appointee, Hoani Langsbury; and an independent Chair, Rob van Voorthuysen.
- [10] Hearings and deliberations took place from 3-11 April 2024 with the JHP's decision report released on 19 April 2024.

DISCUSSION

- [11] The purpose of the FDS is to promote long-term strategic planning by setting out a high-level vision for how Ōtepoti Dunedin will enhance urban functionality, ensure sufficient development capacity for housing and business, and align planning decisions with infrastructure planning and funding over the next 30 years.
- [12] The FDS was prepared under the National Policy Statement on Urban Development 2020 (NPS-UD), a national policy statement prepared under the Resource Management Act.
- [13] The Dunedin FDS replaces the Spatial Plan for Dunedin, which was prepared in 2012.
- [14] Clause 3.12 of the NPS-UD requires the FDS to be prepared every six years and reviewed mid-cycle every three years (clause 3.16) to determine whether it needs updating. This is to be done in time to inform the next long-term plan.
- [15] Clause 3.17 of the NPS-UD states that every tier 1 and tier 2 local authority:
 - a. Must have regard for the relevant FDS when preparing or changing RMA planning documents; and
 - b. Is strongly encouraged to use the relevant FDS to inform:
 - i. Long term plans, and particularly infrastructure strategies; and
 - ii. Regional land transport plans prepared by a local authority under Part 2 of the Land Transport Management Act 2003; and
 - iii. Any other relevant strategies and plans
- [16] The Decision Report of the JHP was circulated to Councillors on 19 April 2024 for awareness while they were undergoing deliberations for the ORC 2024-2054 Long Term Plan in May 2024. The final FDS is now publicly available and was posted on the DCC website on 23 May 2024.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [17] The FDS contributes to the following strategic objectives: sustainable and quality urban development, and regional leadership. It also complies with central government policy direction on urban development.

Financial Considerations

- [18] There are no financial considerations associated with this report as it is a noting paper.

Significance and Engagement

- [19] Not applicable.

Legislative and Risk Considerations

- [20] The Future Development Strategy is required by the NPS-UD, which has the status of regulations under the RMA.
- [21] There are no known risks.

Climate Change Considerations

- [22] There are no climate change considerations associated with this report as it is a noting paper.

Communications Considerations

- [23] The FDS was made public by being uploaded to the Dunedin City Council website. No further communications activities have been planned.

NEXT STEPS

- [24] As required by the NPSUD, ORC will jointly prepare an implementation plan with DCC, which will detail how the FDS will be delivered. In accordance with the NPS-UD, the implementation plan will be updated annually.
- [25] Many of the actions set out in the FDS are considered business as usual and will not incur additional costs. There are some joint actions with DCC that will involve smaller tasks.
- [26] Managing the implementation of the FDS will be undertaken by the Policy team, who will co-ordinate with relevant Managers, and report up to the existing joint Executive Steering Group.
- [27] In addition, staff will report annually to the Regional Leadership Committee on the Implementation Plan.

ATTACHMENTS

The Future Development Strategy document will be attached herewith.

1. Future- Development- Strategy-2024-2054 [9.9.1 - 172 pages]

10.9.1 Future Development Strategy 2024-2054

NOTE: This file was too large to include in the combined Agenda, so this will be available separately in Diligent (note provided to Councillors) and as a separate attachment on the ORC Website.

10.10. Funding Agreement with MPI for Wilding Conifer and Wallaby Programmes

Prepared for: Council

Report No. OPS2423

Activity: Governance Report

Author: Gavin Udy, Project Delivery Specialist National Programmes and Libby Caldwell, Manager Environmental Implementation

Endorsed by: Gavin Palmer, General Manager Operations

Date: 26 June 2024

PURPOSE

- [1] To seek Council approval to enter into service agreements with the Ministry for Primary Industries (MPI) for funding and operational delivery of the National Wilding Conifer Control Programme and the Tipu Mātōro National Wallaby Eradication Programme in Otago for the 2024/2025 financial year.

EXECUTIVE SUMMARY

National Wilding Conifer Control Programme

- [2] The National Wilding Conifer Control Programme (the Wilding Conifer Programme) was established by the Ministry for Primary Industries (MPI) in 2016 and aims to prevent the spread of wilding conifers and progressively remove these pest species from vulnerable landscapes within New Zealand.
- [3] Since July 2020, MPI and ORC have been parties to a funding agreement in relation to the Wilding Conifer Programme (Wilding Conifer Funding Agreement 2020-2024) (**Attachment 1**). The Wilding Conifer Funding Agreement 2020-2024 records the terms on which MPI will distribute funding to ORC for wilding conifer operations during 2020-2024, and the terms on which ORC will apply the funding and ensure that the activities are carried out.
- [4] The Wilding Conifer Funding Agreement 2020-2024 is set to expire on 30 June 2024.
- [5] MPI have issued a new Wilding Conifer Services Agreement 2024-2025 (**Attachment 2**) to ORC to replace the agreement that is expiring. The new Wilding Conifer Services Agreement 2024-2025 would be for a period of one year only (from 1 July 2024 – 30 June 2025) and provide \$1.07 million of funding to progress the Wilding Conifer Programme in Otago.

Tipu Mātōro National Wallaby Eradication Programme

- [6] In 2020, MPI initiated the Tipu Mātōro National Wallaby Eradication Programme (the Tipu Mātōro Programme). \$27 million in funding over 4 years was allocated to the Tipu Mātōro Programme nationally, with on-going baseline funding of \$6.9 million from the 2024/25 financial year onwards.
- [7] Since July 2020, MPI and ORC have been parties to a funding agreement in relation to the Tipu Mātōro Wallaby Programme (Tipu Mātōro Funding Agreement 2020-2024) (**Attachment 3**). The Tipu Mātōro Funding Agreement 2020-2024 records the terms on which MPI will distribute funding to ORC for wallaby operations during 2020-2024, and

the terms on which ORC will apply the funding and ensure that the activities are carried out.

- [8] The Tipu Mātoro Funding Agreement 2020-2024 is set to expire on 30 June 2024.
- [9] MPI have issued a new Tipu Mātoro Services Agreement 2024-2025 (**Attachment 4**) to ORC to replace the agreement that is expiring. The new service agreement would be for a period of one year only (from 1 July 2024 – 30 June 2025) and provide \$0.7 million of MPI funding to progress the Tipu Mātoro Programme in Otago.
- [10] This report recommends that Council accept the new service agreements and continues to act as the recipient for MPI funding for the Wilding Conifer Programme and Tipu Mātoro Programme in Otago, and that Council authorise the Chief Executive to sign the new agreements for and on behalf of ORC.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Approves** Option 2 that the ORC continues to act as the Recipient of funding from MPI for the National Wilding Conifer Control Programme and Tipu Mātoro Wallaby Eradication Programme in Otago.
- 3) **Approves** the service agreement for government funding of \$1,070,000 (excluding GST), or an amount similar to this if the budget is altered by MPI, over the period 1 July 2024 to 30 June 2025 for Otago's share of the National Wilding Conifer Programme and authorises the Chief Executive to sign the agreement for and on behalf of ORC.
- 4) **Approves** the service agreement for government funding of \$700,000 (excluding GST), or an amount similar to this if the budget is altered by MPI, over the period 1 July 2024 to 30 June 2025 for Otago's share of the Tipu Mātoro National Wallaby Eradication Programme and authorises the Chief Executive to sign the agreement for and on behalf of ORC.
- a) **Notes** the obligations for ORC found in the table at Clause 3.1 of Part A in each of the service agreements (Attachment 3 and Attachment 4).

BACKGROUND

Wilding Conifer Programme

- [11] The National Wilding Conifer Control Programme (Wilding Conifer Programme) was established in 2016 as a national collaborative approach to prevent the spread of wilding conifers and to progressively remove them from landscapes within New Zealand.
- [12] Since 2016, the Wilding Conifer Programme has invested \$140 million in wilding conifer control nationally. From 1 July 2024, baseline funding of \$10 million per annum has been committed to the Wilding Conifer Programme by MPI, with an indicative operational budget of c. \$8 million nationally.
- [13] During the establishment of the Wilding Conifer Programme, Central Government identified Regional Councils as best placed to manage the control programmes as they provide leadership at a regional level, enable wilding conifer control in regional plans, establish rules in regional pest management plans and ensure land occupier compliance.

- [14] On 6 November 2020, ORC entered into a funding agreement (Wilding Conifer Funding Agreement 2020-2024) (**Attachment 1**) with MPI in relation to the Wilding Conifer Programme. The Wilding Conifer Funding Agreement 2020-2024 recorded the terms on which MPI will distribute funding to ORC for operations commencing 2020-2024, and the terms on which ORC will apply the funding and ensure that the activities are carried out (by either itself or through others) for the purpose of the Wilding Conifer Programme.
- [15] The Wilding Conifer Agreement 2020-2024 is set to expire on 30 June 2024.
- [16] MPI have provided ORC a draft agreement (the Wilding Conifer Services Agreement 2024-2025) (**Attachment 2**) to replace the agreement that is expiring (except for those clauses of the agreement that expressly or by necessary implication continue after expiry or termination). The new Wilding Conifer Services Agreement 2024-2025 would be for a period of one year only (from 1 July 2024 – 30 June 2025).
- [17] The purpose of the new Wilding Conifer Services Agreement 2024-2025 is to record the terms on which MPI will distribute the funding to ORC for the 2024/25 financial year and the terms on which ORC will apply the funding and ensure that the activities are carried out for the purpose of the Wilding Conifer Programme.
- [18] The Wilding Conifer Services Agreement 2024-2025 is intended to be an interim agreement until MPI split the agreement into a MOU (covering the 'partnership' aspects of the programme with ORC) and a service contract (covering the 'service delivery' aspects of the programme with ORC) from 2025/26 onwards.

Tipu Mātoro Wallaby Programme

- [19] Bennett's Wallaby are listed as an Unwanted Organism under the Biosecurity Act 1993 and are identified as an eradication pest in the Otago Regional Pest Management Plan 2019-2029 (RPMP). These animals have the potential to significantly impact on our environment, primary industry and economy and become a burden for future generations should feral populations establish in Otago.
- [20] In 2016, ORC initiated the Otago Wallaby Programme with the aim of preventing wallabies from establishing in Otago. This was in response to a sharp increase in Bennett's Wallaby sightings in Otago along the northern regional boundary.
- [21] In 2020, MPI established the Tipu Mātoro National Wallaby Eradication Programme (Tipu Mātoro Wallaby Programme), working in partnership with affected Regional Councils to reduce the spread of wallabies and eliminate them from New Zealand. \$27 million over 4 years was allocated to the Tipu Mātoro Programme through Jobs for Nature, with the bulk of this funding earmarked for control operations to both find and eradicate satellite populations outside of traditional containment zones, while reducing populations within these zones to reduce dispersal of wallaby into new areas.
- [22] On 6 November 2020, ORC entered into a funding agreement (Tipu Mātoro Wallaby Funding Agreement 2020-2024) (**Attachment 3**) with MPI in relation to the Tipu Mātoro Wallaby Programme. The Tipu Mātoro Wallaby Funding Agreement 2020-2024 recorded the terms on which MPI will distribute funding to ORC for wallaby operations during 2020-2024, and the terms on which ORC will apply the funding and ensure that the

activities are carried out (by either itself or through others), in each case, for the purpose of the Tipu Mātoro Wallaby Programme.

- [23] The Tipu Mātoro Wallaby Funding Agreement 2020-2024 is set to expire on 30 June 2024.
- [24] MPI have provided ORC a draft agreement (the Tipu Mātoro Wallaby Services Agreement 2024-2025) (**Attachment 4**) to replace the agreement that is expiring (except for those clauses of the agreement that expressly or by necessary implication continue after expiry or termination). The new Tipu Mātoro Wallaby Services Agreement 2024-2025 would be for a period of one year only (from 1 July 2024 – 30 June 2025).
- [25] The purpose of the new Tipu Mātoro Wallaby Services Agreement 2024-2025 is to record the terms on which MPI will distribute the funding to ORC and the terms on which ORC will apply the funding and ensure that the activities are carried out (by either itself or through others), in each case, for the purpose of the Tipu Mātoro Wallaby Programme.
- [26] The Tipu Mātoro Wallaby Services Agreement 2024-2025 is intended to be an interim agreement until MPI split the agreement into a MOU (covering the 'partnership' aspects of the programme with ORC) and a service contract (covering the 'service delivery' aspects of the programme with ORC) from 2025/26 onwards.

DISCUSSION

Wilding Conifer Services Agreement 2024-2025

- [27] Wilding conifers are a Regional Priority Pest in the proposed Otago Biosecurity Operational Plan for 2024/25. This means they are of concern to the community and have heightened adverse effects on environmental, economic, and/or social grounds.
- [28] Continued investment from MPI and regional involvement by ORC in the Wilding Conifer Programme is essential to achieving long term sustainable wilding conifer outcomes for the region.
- [29] Under the new Wilding Conifer Services Agreement 2024-2025, ORC is to receive \$1.07 million of MPI funding for the 2024/25 financial year. There are no changes proposed to the number of 'active' Management Units (12) in the Otago region.
- [30] ORC's obligations under the Wilding Conifer Services Agreement 2024-2025 are outlined in the Table at Clause 3.1 in Part A.
- [31] ORC will continue to enter into subcontractor agreements for the delivery of wilding conifer control work within selected Management Units for the 2024/25 financial year.

Tipu Mātoro Wallaby Services Agreement 2024/25

- [32] Bennett's wallaby is a Regional Priority Pest in the proposed Otago Biosecurity Operational Plan for 2024/25. This means they are of concern to the community and present a significant threat to the ecosystem and a production risk to the economy.

- [33] Continued investment from MPI and regional involvement by ORC to eliminate Bennett's Wallaby from Otago is essential to achieving long term outcomes for the region.
- [34] Under the new Tipu Mātoro Services Agreement 2024-2025, ORC is to receive \$0.7 million of MPI funding for the 2024/25 financial year.
- [35] ORC's obligations under the Tipu Mātoro Services Agreement 2024-2025 are outlined in the Table at Clause 3.1 in Part A.
- [36] ORC will continue to enter into subcontractor agreements for the delivery of wallaby surveillance and control work within selected Management Units for the 2024/25 financial year.

Proposed (new) Service Agreements

- [37] The proposed Wilding Conifer Services Agreement 2024-2025 and the Tipu Mātoro Services Agreement 2024-2025 would be for a period of one year only (1 July 2024 – 30 June 2025).
- [38] MPI have varied several terms in the service agreements proposed for the 2024/25 financial year. These include:
 - a) removing the Jobs for Nature reporting requirements and the meeting cycle table.
 - b) standardising the Health and Safety terms used to align with MPI policy.
 - c) updating the names of several roles within the document.
- [39] ORC staff have provided feedback to MPI on the proposed updated terms in the services agreements, which are considered minor. These changes largely reflect existing operational planning, delivery and reporting of control work within Otago. No additional costs to ORC are anticipated in meeting the amendments proposed.
- [40] From 2025/26, MPI is looking to move away from using 'funding agreements' as a hybrid contract with Regional Councils (including ORC) that include both partnership and service elements. The preference is to split these into an MOU agreement (covering the 'partnership' aspects of the programme with ORC) and a service contract (covering the 'service delivery' aspects of the programme with ORC), and for these new agreements to cover multiple years.
- [41] MPI have not yet progressed developing the two separate agreements above, so to satisfy MPI's procurement requirements the name of the agreement has been changed from a 'funding agreement' to a 'services agreement', whilst retaining the partnership elements for the 2024/25 financial year.

OPTIONS

- [42] Council has 2 options to choose from in relation to its role (**Error! Reference source not found.**).

Table 1 Options for Council consideration.

Option	Pro	Con
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Option 1 - ORC withdraws from its management role associated with the Wilding Conifer Programme and/or Tipu Mātōro Wallaby Programme, and request that MPI engage directly with another agency	FTE can be used to support delivery of other programmes within the Environmental Implementation team	Reputational risk to regional leadership role in pest management. Reputational risk if ORC become the only Regional Council to not hold these responsibilities. Risk to ORC's relationships with other councils and central government, in particular MPI. Other funding opportunities may not be provided to ORC. Financial risk if central government funding for National Programmes in Otago is lost. Biosecurity risk both nationally and regionally.
Option 2 - ORC continues to maintain responsibility for the regional funding and management role associated with the Wilding Conifer Programme and/or Tipu Mātōro Wallaby Programme and commits the resources required to ensure that ORC's responsibilities are fulfilled.	Biosecurity objectives both nationally and regionally are supported and impacts on the environment and economy are mitigated. Regional leadership role in pest management is maintained.	In-kind costs to administer and deliver agreements.

- [43] **Recommendation** - The recommended option is Option 2: For ORC to maintain responsibility for the regional funding and management role associated with the Wilding Conifer Programme and/or Tipu Mātōro Wallaby Programme and commit the resources required to ensure that ORC's responsibilities are fulfilled.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [44] ORC Regional Pest Management Plan 2019-2029 (RPMP) – The RPMP outlines the framework for how pest plants and animals will be managed in Otago over the next 10 years. For wilding conifers, the objective is to progressively contain and reduce the geographic extent of wilding conifers within the Otago region. For wallaby, the objective is to reduce all infestations of Bennett's wallaby to zero levels within the Otago region.
- [45] New Zealand Wilding Conifer Management Strategy 2015-2030 – The strategy aims to support effective collaboration between land occupiers, researchers, regulators and communities to address the critical overarching issues facing wilding conifer

management. The strategies vision is to prevent the spread of wilding conifers and contain or eradicate established areas of wilding conifers by 2030.

- [46] Aotearoa New Zealand Wallaby Strategy – The strategy sets out the first step towards protecting New Zealand’s natural and production environments, by removing wallabies outside containment. The strategy is founded upon collaboration - working across central and regional government agencies, upholding the principles of the Treaty of Waitangi/Te Tiriti o Waitangi by working with Māori, working with land managers, and bringing along the wider community.

Financial Considerations

- [47] ORC’s responsibilities will continue under the new service agreements, which include the preparation (or procuring the preparation of) Management Unit Operational Plans, establishing and facilitating a Regional Co-ordination Group for each programme, inputting (or procuring the inputting of) financial and geo-spatial data into information systems, developing health and safety management plans and managing its health and safety obligations (including managing critical risks, incident reporting and investigations), conducting audits, and meeting with MPI when required at ORC’s cost. ORC also continues to have a ‘business as usual’ education and compliance role, with associated costs. This has been estimated at approximately \$500,000 per annum.
- [48] In the draft Long-Term Plan 2024-2034 it has been assumed that funding would be provided by MPI to deliver both the Wallaby and Wilding Conifer programmes. The amounts indicated in the attachments to this paper have been included in Year 1 of the draft LTP.
- [49] In the draft Long-Term Plan 2024-2034 \$250,000 has been allocated annually by ORC to the Otago Wallaby Eradication Programme. Funding is also provided to support delivery of these programmes through FTE in multiple roles within the Environmental Implementation team.

Legislative Considerations

- [50] The Wilding Conifer Programme assists the Regional Pest Management Plan to achieve compliance. This is enabled by offering landowners up to 80% contribution to wilding conifer control on their properties. If public money has been spent on the property, this provides opportunities for ORC to carryout compliance activities should re-infestations of conifers establish.

Risk Considerations

- [51] If responsibility for the regional funding and management role is declined, there could be reputational risk to ORC, as ORC would be the only Regional Council that would not hold these responsibilities.
- [52] Wilding conifers represent a significant biosecurity risk, both nationally and regionally, with impacts on both the environment and economy. Otago’s iconic landscapes are highly vulnerable to the invasion of wilding conifers which, if not controlled, would permanently alter our landscape and significantly impact on the region’s recreational, hydrological and conservation values - and lead to an increase in wildfires. Particularly at risk is our high country and tussock grasslands.

- [53] The National Wilding Conifer Control Programme provides an effective, collaborative, and coordinated approach to wilding conifer management nationally, and regionally. Continued investment from the National Wilding Conifer Control Programme (and others) and involvement by ORC is critical to preventing the spread of wilding conifers and protecting our region's unique landscapes, primary industry, tourism, and economy from the impacts of wildings.
- [54] Bennett's wallaby are capable of causing significant adverse environmental effects if not controlled. These include preventing the regeneration of native bush, depletion of forest understorey and possible impacts on water quality. They also damage tall tussock grasslands, including the inter-tussock vegetation which can become depleted with a consequent increase in bare ground and higher risk of soil erosion. Adverse economic effects include damage to pasture and exotic forestry, particularly at the establishment stage.
- [55] Continued investment from the Tipu Mātoro National Wallaby Eradication Programme and involvement by ORC in the eradication of Bennett's wallaby from Otago is critical to protecting our region's economy and biodiversity values.

NEXT STEPS

- [56] If the recommendations are approved, staff will finalise the service agreements with MPI for the 2024/25 financial year.

ATTACHMENTS

1. Attachment 1 - MPI ORC National Wilding Conifer Control Programme Funding Agreement 2020-2024 [9.10.1 - 35 pages]
2. Attachment 2 – MPI ORC National Wilding Conifer Control Programme Services Agreement 2024-2025 [9.10.2 - 50 pages]
3. Attachment 3 - MPI ORC Tipu Mātoro National Wallaby Eradication Programme Funding Agreement 2020-202 [9.10.3 - 43 pages]
4. Attachment 4 - MPI ORC Tipu Mātoro National Wallaby Eradication Programme Services Agreement 2024-20 [9.10.4 - 50 pages]

Ministry for Primary Industries
Manatū Ahu Matua



Funding Agreement

in relation to Wilding Conifer Control

—

Between

Ministry of Primary Industries (**MPI**)

and

Otago Regional Council (**Recipient**)

—

Funding Agreement

Wilding Conifer Control

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Details

Date

Parties

Name	The Sovereign in right of New Zealand acting by and through The Ministry of Primary Industries with delegated financial authorisation to enter into the agreement, by the Chief Operational Officer & Head of Biosecurity, Ministry for Primary Industries
Short form name	MPI
Notice details	Address: PO Box 2526, Wellington 6140 Email: Wilding.Conifers@mpi.govt.nz Attention: National Wilding Conifer Control Programme
Name	Otago Regional Council, a body corporate under the Local Government Act 2002 having its head office at 70 Stafford Street, Dunedin
Short form name	Recipient
Notice details	Address: 70 Stafford Street, Dunedin Email: Sarah.Gardner@orc.govt.nz Attention: Sarah Gardner

Background

- A. Wilding conifers are a serious and increasing pest issue for New Zealand. The issue is one that can only be addressed through a collaborative national control programme. The programme described in the New Zealand Wilding Conifer Management Strategy 2015-2030 (the **National Programme**) was created to support the effective collaboration between land occupiers, researchers, regulators, iwi, hapu and communities to address the critical overarching issues facing wilding conifer management.
- B. The New Zealand Government has allocated funding for the National Programme, to be distributed through MPI.
- C. MPI wishes to distribute funding on a regional basis to selected territorial authorities for the purpose of that territorial authority carrying out activities that help eradicate and/or control the spread of wilding conifers, as part of the National Programme. Each Region will comprise specific Management Units within which specific activities will be carried out.
- D. The Recipient is a territorial authority who wishes to eradicate and/or control the spread of wilding conifers in its Region.
- E. As MPI and the Recipient are part of the public sector, each wishes to ensure that there is appropriate oversight across the Recipient's activities and use of public funding, focus on health and safety, and sharing of useful information.
- F. The Recipient and MPI were parties to a funding agreement in relation to the National Programme, which has now expired. The purpose of this Agreement is to record the terms on which MPI will distribute the Funding to the Recipient under this Agreement and the terms on which the Recipient will apply the Funding and ensure that the Activities are carried out (by either itself or through others), in each case, for the purpose of the National Programme.

Agreed terms

PART A: OPERATIONAL AND COMMERCIAL DETAILS

1. Outcomes

- (a) The intended outcomes for this Agreement (the **Outcomes**) are to:
 - (i) help eradicate and/or control the spread of wilding conifers in New Zealand;
 - (ii) support the implementation of the New Zealand Wilding Conifer Management Strategy 2015-2030, in particular to:
 - (A) co-ordinate operations by facilitating co-ordinated control amongst land owners and other stakeholders; and
 - (B) promote information sharing of best practice and technological gains in control methods;
 - (iii) support the Recipient to tailor Outcomes to reflect:
 - (A) the regional strategies for the Region for which the Recipient is responsible; and
 - (B) feedback from the Regional Coordination Group and the Recipient's Fund Managers for the Region for which the Recipient is responsible;
 - (iv) build and maintain a collaborative and constructive relationship between the parties and other stakeholders to address and manage the critical overarching issues caused by wilding conifers;
 - (v) support the Recipient to ensure the health and safety of Workers and others involved in and/or affected by the Activities, as required by law; and
 - (vi) for the Region in which the Recipient operates, enable oversight of the operational programme and use of the Funding.
- (b) In performing the Activities, the Recipient will use all reasonable endeavours to contribute to the achievement of the Outcomes.

2. Acknowledgement of appropriation

Each party acknowledges that the Funding under this Agreement is provided under the 'Border and Domestic Biosecurity Risk Management MCA appropriation of Vote Agriculture, Biosecurity, Fisheries and Food Safety'. The scope of the appropriation is 'Biosecurity Incursion Response and Long-Term Pest Management' (**Scope of Appropriation**). Regardless of any other clause in this Agreement, the Recipient agrees that MPI does not provide the Funding, and the Recipient will not use the Funding, for any purpose outside the Scope of Appropriation.

3. Activities

3.1 In scope

The Recipient will perform the Activities and provide the corresponding Outputs, as each is set out in the table below. Where indicated in that table, the Recipient:

- (a) may use the Funding to perform the Activity, where indicated as "Funded" in the corresponding column (a **Funded Activity**); and
- (b) will perform each Activity at its cost, where indicated as "Recipient's cost" in the corresponding column.

	Activity	Output	Funded or Recipient's cost
Operational Planning			
(a)	For each Financial Year during the term of this Agreement, and for each Management Unit in the Region that the Recipient is responsible for, prepare (or procure the preparation of) a draft Management Unit Operational Plan using the template provided by MPI.	Each draft Management Unit Operational Plan is reviewed and endorsed in writing by the: 1. RCG; and 2. MPI Programme Manager.	Recipient's cost
(b)	If one does not already exist, set up a Regional Coordination Group for each Region and: (i) ensure that the RCG members adequately represent existing groups that have been established to manage wilding conifers in that Region; and (ii) ensure the RCG meets periodically for the purpose of overseeing the planning and work completed (or to be completed) under the National Programme in that Region.	The Regional Coordination Group operates effectively to represent the key stakeholders of that particular Region and the Management Unit(s) within that Region. The RCG carries out its responsibilities in accordance with any agreed "Terms of Reference" for that RCG.	Recipient's cost
(c)	Implement (or procure the implementation of) the Management Unit Operational Plan in accordance with its terms, including by engaging Personnel and Subcontractors to implement that plan and help deliver the Outcomes.		Funded
(d)	Actively manage its Personnel engaged for the purpose of implementing the relevant Management Unit Operational Plan and verify that their work and engagement is carried out in accordance with the terms of that plan and this Agreement.		Recipient's cost

	Activity	Output	Funded or Recipient's cost
Financial and Operational Reporting			
(e)	Comply with the WCIS user guide provided by MPI to the Recipients, as may be amended from time to time (WCIS User Guide).	Keep accurate, up to date records showing the delivery of the Activities against the relevant plan, including by taking minutes and complete actions arising from regular meetings.	Recipient's cost
(f)	Ensure that all data is uploaded to WCIS in an accurate and timely manner, in each case, as described and in accordance with the WCIS User Guide.	Provide adequate information and reports to MPI at meetings.	
(g)	Input (or procuring the inputting of) the financial data into WCIS, in accordance with the WCIS User Guide, and do so accurately to reflect (amongst other things) the costs of completed operations, and: (i) Funding (ii) any other funding; and (iii) In Kind Contributions.	Take minutes and complete actions arising from meetings held with MPI ("Operational Meeting & Reporting Cycle" table below).	
(h)	Comply with any audit under clause 14.1 of Part B.		Funded (subject to clause 14.1(e))
Health and Safety Management			
(i)	Work with MPI to ensure a Health and Safety Risk Management Plan (HSRMP) is in place and agreed prior to the commencement of any Funded Activity.	HSRMP is documented and agreed with MPI prior to the commencement of any Funded Activity.	Recipient's cost
(j)	For each PCBU, ensure a HSRMP is in place prior to the commencement of any Funded Activity, which: (i) meets the relevant requirements of the HSRMP agreed with MPI in (i); (ii) identifies and manages specific health and safety risks and hazards for the work being (or to be) carried out; (iii) captures the health and safety risks and hazards arising under and in relation to the work being (or to be) carried out under and in relation to this Agreement. Make the HSRMP for each PCBU available to MPI when requested.		Recipient's cost

	Activity	Output	Funded or Recipient's cost
(k)	<p>Ensure each Health and Safety Incident is reported to MPI within the timeframes below:</p> <p>(i) Notifiable Event within 24 hours of becoming aware of the Notifiable Event and following confirmation of event being notified to WorkSafe NZ;</p> <p>(ii) Serious incident within 24 hours of becoming aware of the serious incident</p> <p>(iii) Incident within 5 Business Days of becoming aware of the incident;</p> <p>(iv) Near Miss within 5 Business Days of becoming aware of the near miss.</p> <p>Notifiable Events and serious incidents will be notified to the MPI Operations Lead (or delegate) by telephone in order to confirm investigation roles, responsibilities and actions.</p> <p>Incidents or near misses should include the results of the health and safety investigation that followed the incident or near miss and be submitted by inputting the relevant information into WCIS in accordance with the WCIS User Guide.</p>		Recipient's cost
(l)	<p>Ensure health and safety audits are completed and any required improvements that are identified during an audit are implemented.</p> <p>Make the results of audits available to MPI when requested.</p>		Recipient's cost
(m)	Review and update the HSRMP agreed under this Agreement in periodic meetings with MPI.	Meet at frequency agreed with MPI in order to cooperatively ensure that health and safety risks and hazards related to operations are being managed appropriately.	Recipient's cost
Reporting and meetings			
(n)	Attend any meeting with MPI that MPI reasonably request.		Recipient's cost

	Activity	Output	Funded or Recipient's cost
(o)	Report to MPI in accordance with the "Operational Meeting & Reporting Cycle" table below (or as otherwise agreed in writing between the parties). At any "face to face" meeting, each party will endeavour to meet physically in person or, where a physical meeting is not possible or desirable, by video-conference instead.		Recipient's cost

Operational Meeting & Reporting Cycle – Recipients			
Month	Type	Meeting Objectives	Attendees
July	Conference call	<p>Confirm whether all previous Financial Year data is in WCIS.</p> <p>Confirm complete operations and spend for Financial Year (includes journals for expected invoices).</p> <p>Confirm financial contributions from each co-funding partner and land-occupier, as identified in the MUOP (Partners).</p> <p>Confirm In Kind Contributions from Partners.</p> <p>Agree actions and next meeting agenda.</p>	<p>Fund Manager</p> <p>MPI Operations Lead</p> <p>MPI Coordinator</p>
August	Face to Face	<p>MPI present and discuss key National Programme processes, responsibilities and expectations.</p> <p>Confirm forecast financial contributions from Partners.</p> <p>Agree the MU Manager for each MU.</p> <p>Confirm Subcontractor/s for each operation (or agree dates when this will be confirmed).</p> <p>Confirm that a HSRMP is in place for each MU (or agree dates when this can be completed).</p> <p>Agree actions and next meeting agenda.</p>	<p>Fund Manager</p> <p>MU Manager/s</p> <p>MPI Operations Lead</p> <p>MPI Coordinator</p>
October	Conference Call	<p>Current operations and spend - % complete.</p> <p>Identify and agree resolution actions for key operational issues.</p> <p>Review HSRMPs and health and safety risks/issues.</p> <p>Agree actions and next meeting agenda.</p>	<p>Fund Manager</p> <p>MPI Operations Lead</p> <p>MPI Coordinator</p>

Operational Meeting & Reporting Cycle – Recipients			
December	Conference call	Current operations and spend - % complete. Review risks/issues (includes health and safety). Confirm financial contributions received from Partners (YTD). Confirm 'in kind' contributions made by Partners (YTD). Agree actions and next meeting agenda.	Fund Manager MPI Operations Lead MPI Coordinator
February	Conference call	Current operations and spend - % complete. Review risks/issues (includes health and safety). Agree actions and next meeting agenda.	Fund Manager MPI Operations Lead MPI Coordinator
April - May	Face to Face	Agree Management Unit operational planning process for upcoming Financial Year. Confirm date for operational plans to be submitted. Current operations and spend - % complete. Review risks/issues (includes health and safety). Forecast budget for upcoming Financial Year. Agree actions and next meeting agenda.	Fund Manager MPI Operations Lead MPI Coordinator
June	Conference call	Confirm approved operations and budget for upcoming Financial Year (or actions required to complete). Confirm actions to complete sign off for any variations to this Agreement and the supporting HSRMP. Agree actions and next meeting agenda. Agree upcoming Financial Year meetings schedule. Agree annual debrief date and attendees.	Fund Manager MPI Operations Lead MPI Coordinator

3.2 Restricted and/or Prohibited Activities

The Recipient must not use the Funding for the following prohibited activities (**Prohibited Activities**). MPI may add, remove and/or amend any of the Prohibited Activities from time to time by giving written notice to the Recipient. Provided that MPI has consulted with the Governance Group in relation to a potential Prohibited Activity, any notification of that Prohibited Activity by MPI will take effect as from the date of notification.

Prohibited Activity	Comments
The use of mineral based diesel (including blends of mineral diesel and vegetable oil), fuels and oils as carriers in Aerial Basal Bark Application ("ABBA") operations under the National Programme.	Effective as at 1 July 2020.

4. Funding

4.1 Purpose

The Recipient will only use the Funding for the purpose of carrying out the Funded Activities.

4.2 Maximum amount

Regardless of anything else in this Agreement, MPI will not be obliged to provide Funding under this Agreement which, in total, exceeds the following amount for the corresponding Management Unit for the corresponding Financial Year. The amounts in the table may change from Financial Year to Financial Year by written notice from MPI, which may be given only after consultation with the Governance Group:

Management Unit	Financial Year	Maximum amount of Funding (plus GST if any)
Alexandra	2020/21	\$62,175
Dunstan	2020/21	\$9,205
Glenorchy	2020/21	\$300,000
Kawarau	2020/21	\$682,075
Lammermoor	2020/21	\$174,798
Northern Eyre	2020/21	\$392,275
Remarkables	2020/21	\$460,355
Rough Ridge	2020/21	\$73,871
Shotover	2020/21	\$869,755
Naseby	2020/21	\$336,825
Wakatipu	2020/21	\$2,540,395

4.3 Method of payment

The Recipient will invoice MPI by sending a valid Tax Invoice to the MPI Operations Lead in accordance with clause 6 of Part B. Each Tax Invoice may only be issued when the invoicing criteria (as notified by MPI to the Recipient from time to time) for that Tax Invoice has been met to MPI's reasonable satisfaction.

4.4 Other provisions

Further detail regarding the method of payment, eligible expenditure, financial management, funding freezes and repayment is set out in clause 6 of Part B.

5. Governance

5.1 Role and responsibilities

The party described as “appointor” in the table below will engage and keep engaged suitably qualified, skilled and experienced Personnel in the roles set out in the table below. Each party will ensure its appointee performs the responsibilities for that role, as described in the table below and elsewhere in this Agreement.

Name of Role	Responsibilities	Appointer
Representative on the Regional Coordination Group	<ol style="list-style-type: none"> 1. Have oversight and involvement in the development, endorsement-seeking process, implementation and monitoring of each relevant MUOP. 2. Keeps up to date on progress towards delivering the MUOP. 3. Is involved in risk mitigation (all informed and involved). 4. Assist in coordination of control work (and other related work). 	The Recipient
Representation on the Governance Group	To help govern the National Programme, and oversee associated Crown funding and National Programme operational delivery.	MPI and, where the Recipient is part of LGNZ, through the Recipient's LGNZ representative

6. Term and termination

6.1 Term

Start Date	1 July 2020
End Date	30 June 2024
Extending the End Date	The parties may extend the term of this Agreement by written agreement.

6.2 Termination of this Agreement

In addition to the rights contained in clause 19 of Part B, MPI or the Recipient may terminate this Agreement at any time for convenience, without cause, by giving at least four (4) months' prior written notice to the other party.

6.3 Expiry of existing Funding Agreement

- The parties acknowledge that the previous funding agreement between the parties dated 1 December 2016 (**Previous Funding Agreement**) has expired.
- The Recipient agrees that any policy, instruction or guidance given by MPI under the Previous Funding Agreement is deemed to be given and continue under this Agreement also, unless MPI has expressly replaced or withdrawn that policy, instruction and/or guidance. To the extent that there is any inconsistency between such policy, instruction, or guidance given under the Previous Funding Agreement (or any policy, instruction, or guidance given by MPI under this Agreement), the terms of this Agreement (or the terms of any such policy, instruction or guidance given by MPI under this Agreement, as the case may be) will prevail.
- If the Recipient has not spent all of the funding allocated to the Recipient by MPI under the Previous Funding Agreement, MPI and the Recipient agree that, the unspent funding will be deemed to be provided by MPI as part of (but not in addition to) the Funding provided under this Agreement.

7. Contact details

- (a) All matters or enquiries regarding the technical implementation or operation of this Agreement will be directed to MPI's Technical Liaison or the Recipient's Technical Liaison, as appropriate.
- (b) All general matters relating to this Agreement (including concerning the interpretation of this Agreement) will be directed to MPI's Contract Manager or the Recipient's Contract Manager, as appropriate.
- (c) If the Recipient cannot contact MPI's Contract Manager or MPI's Technical Liaison within a reasonable timeframe in the circumstances, enquiries can be directed to the person for the time being holding the office of "MPI Manager Recovery and Pest Management".
- (d) If MPI cannot contact the Recipient's Contract Manager or the Recipient's Technical Liaison, enquiries can be directed to the Recipient's Chief Executive or Managing Director.
- (e) The initial contact persons for each party are below. If a party's contact persons or their details change, that party must notify the other party in writing 10 Business Days in advance.

Party	Role	Details
MPI	Manager Recovery and Pest Management	John Sanson 04 894 0836 John.Sanson@mpi.govt.nz
MPI	Technical Liaison	Alan Tinnelly 029 943 3706 Alan.Tinnelly@mpi.govt.nz
MPI	Contract Manager	Sherman Smith 04 894 0831 Sherman.Smith@mpi.govt.nz
Recipient	Chief Executive	Sarah Gardner Sarah.Gardner@orc.govt.nz
Recipient	Managing Director	Gavin Palmer General Manager of Operations Gavin.Palmer@orc.govt.nz
Recipient	Technical Liaison	Richard Lord 03 474 0827 Richard.Lord@orc.govt.nz
Recipient	Contract Manager	Andrea Howard Andrea.Howard@orc.govt.nz

PART B: GENERAL TERMS AND CONDITIONS

1. Activities

MPI agrees to provide the Funding to the Recipient, and the Recipient agrees to use the Funding and carry out the Activities (or ensure the Activities are carried out), subject to and in accordance with the terms of this Agreement, and will use the Funding solely for the purpose of performing the Funded Activities under the National Programme.

2. Obligations

2.1 Mutual obligations of the parties

- (a) Each party agrees to:
 - (i) act in good faith in all matters relating to this Agreement and, without abandoning their own interests, to demonstrate honesty, integrity, openness, reasonableness, and accountability in their dealings with each other; and
 - (ii) discuss any matters affecting this Agreement or the performance of the Activities, whenever necessary.
- (b) Each party will ensure it performs its obligations under this Agreement:
 - (i) with due diligence, care and skill and using a standard of skill, care and diligence no lower than that expected of an experienced and well-resourced organisation performing that obligation;
 - (ii) in accordance with the specified timeframes or, if no timeframe is specified, then within a reasonable period; and
 - (iii) in accordance with all applicable laws, regulations and, where legally binding upon that party, codes and standards of practice.

2.2 Recipient's general obligations

- (a) The Recipient will ensure that it performs the Activities, and will ensure that any Personnel engaged to provide the Activities does so:
 - (i) using appropriately trained, qualified, experienced and supervised persons;
 - (ii) in accordance with all Government or MPI internal policies and procedures relevant to this Agreement, as notified in writing to the Recipient at or before the Start Date;
 - (iii) in accordance with the Standards of Integrity and Conduct issued by the State Services Commission (see www.ssc.govt.nz); and
 in a manner that:
 - (iv) is culturally appropriate for Maori, Pacific and other ethnic or indigenous groups;
 - (v) respects the personal privacy and dignity of all participants and stakeholders; and
 - (vi) meets MPI's satisfaction, as reasonably described by MPI in writing from time to time.
- (b) Unless otherwise agreed in writing, the Recipient will ensure that it obtains all necessary and prudent authorisations, consents, permits, licences and the like, to ensure the Recipient can perform its obligations under this Agreement in compliance with the law and any third party's rights, including in relation to performance of any Activities carried out on MPI's or a third party's premises.

2.3 MPI's obligations

If reasonably requested by the Recipient, and without limiting the Recipient's obligations under this Agreement, MPI will:

- (a) cooperate and collaborate with the Recipient in the same way that MPI generally cooperates and collaborates with other recipients similar to the Recipient in the relevant circumstances;

- (b) provide or give access to MPI's resources and information, including templates, which MPI generally makes available to recipients similar to the Recipient, for the purpose of the National Programme; and
- (c) endeavour to find opportunities to share best practices and lessons learned across the National Programme's delivery.

3. Health and safety

3.1 Compliance with health and safety legislation and directions

- (a) During the term of this Agreement, the Recipient will:
 - (i) consult, cooperate and coordinate with MPI to ensure that the parties comply with their respective obligations under HSWA Legislation as they relate to this Agreement;
 - (ii) perform its obligations under this Agreement, and ensure that its Personnel performs their respective obligations in relation to this Agreement, in compliance with the HSWA Legislation;
 - (iii) comply with all reasonable written directions given by MPI from time to time relating to health and safety on any matters not addressed in the Recipient's Health and Safety Risk Management Plan;
 - (iv) perform its, and ensure that each of its Personnel perform their respective, obligations under or in relation to this Agreement in compliance with the HSWA Legislation, including the:
 - (A) duties of a PCBU under sections 36-43 of the HSWA;
 - (B) duties relating to the identification of hazards and implementation of Control Measures under the HSWA (GR&WM) Regulations 2016; and
 - (C) duties relating to the keeping of records under section 57 of the HSWA; and
 - (v) duly notify WorkSafe NZ of any Notifiable Event, as required under section 56 of the HSWA.
- (b) MPI acknowledges that any Worker engaged by the Recipient in the performance of the Activities has a statutory right to cease or refuse to carry out unsafe work, as that term is defined under section 82 of the HSWA.

3.2 Health and safety policies, practices and plans

- (a) During the term of this Agreement, the Recipient will:
 - (i) maintain general health and safety policy and practices that are appropriate to the nature of the Activities; and
 - (ii) comply with its health and safety policy and practices, and ensure its Workers and other Personnel also comply.
- (b) Within 10 Business Days after MPI has supplied the HSRMP template to the Recipient (or any longer period that parties agree in writing), the Recipient will submit a draft written HSRMP to MPI for review. The Recipient will ensure the draft is a duly completed template provided by MPI or complies with clause 3.2(c) below.
- (c) If the Recipient does not use a template provided by MPI to document the Recipient's HSRMP, then the Recipient will ensure that its draft HSRMP includes (at a minimum) the following matters:
 - (i) the "Health & Safety Risk Register", specific to performance of the work contemplated under this Agreement, including identified risks and mitigations, and assigned responsibilities for managing those risks;
 - (ii) confirmation of how those risks will be communicated to Workers;
 - (iii) clearly assigned health and safety roles and responsibilities (the name of the person responsible, rather than position titles);
 - (iv) details of regular meetings to discuss health and safety;

- (v) details of regular reporting (at least monthly) on any health and safety Notifiable Event (including near misses) and corrective actions;
 - (vi) required personal protective equipment (**PPE**), and assigned responsibility for checking PPE;
 - (vii) any applicable standard operating procedures (step-by-step instructions on key tasks) in place and how Workers access these;
 - (viii) the name of any and all Workers engaged to assist with the work (and how they will be managed by or on behalf of the Recipient);
 - (ix) the health and safety induction process for Workers involved in work under or in relation to this Agreement;
 - (x) identification of required training and/or certification to carry out the work (and confirmation of who checks that training and/or certification has been completed);
 - (xi) emergency procedures, specific to the Activities; and
 - (xii) details on how the Recipient's health and safety performance will be monitored (key performance indicators; site inspections).
- (d) After the Recipient submits the draft HSRMP to MPI, MPI will review and suggest any changes to the HSRMP. Where MPI suggests a change that would cause the Recipient to incur direct new or increased costs, or that the Recipient considers is unreasonable, the Recipient will promptly advise MPI of the reason why and of any additional funding it considers it would need to implement the change. The parties will endeavour to agree and finalise the draft HSRMP within a further 10 Business Days (or any longer period agreed in writing by the parties). The draft HSRMP will be finalised and become binding only once each party agrees in writing to the HSRMP.
- (e) If the parties do not agree the HSRMP within 25 Business Days of MPI supplying the HSRMP template to the Recipient, then MPI in its sole discretion may suspend or terminate all or part of the Activities and/or Funding under this Agreement, until the HSRMP is agreed in writing between the parties.
- (f) The Recipient must comply, and will ensure its Workers and other Personnel comply, with the HSRMP. The Recipient must also review and if necessary update the HSRMP at least every six (6) months, and must update the HSRMP whenever MPI (acting reasonably) advises the Recipient that a new or increased risk or hazard has arisen in performing the Activities.

4. Subcontractors and Personnel

4.1 Subcontractors

- (a) The Recipient must ensure that:
- (i) each Subcontractor is fully aware of the Recipient's obligations under this Agreement to the extent necessary for the Subcontractor to properly perform its obligations;
 - (ii) each subcontract it enters into with a Subcontractor is consistent with this Agreement, to the extent relevant and material for the performance of the Subcontractor's obligations; and
 - (iii) each subcontract with a Subcontractor requires that further subcontracting is also consistent with this Agreement.
- (b) During the term of this Agreement, if MPI requests in writing, the Recipient will:
- (i) conduct a health and safety pre-qualification process for all, or any particular, Subcontractors the Recipient (or the Recipient's Subcontractor) proposes to use to perform the Activities; and/or
 - (ii) submit a HSRMP, or amend an existing HSRMP, to address specific health and safety risks posed by the proposed use of the Subcontractor.
- (c) The Recipient must ensure that, prior to the performance of the Activities by any Subcontractor, the Subcontractor has been advised of, and agrees to comply with:

- (i) the Recipient's health and safety policy and procedures;
 - (ii) the health and safety risk management plan for the relevant PCBU (as described in (j) of the Activities table in Part A);
 - (iii) the plan to manage any specific site within the relevant Management Unit based on health and safety issues in performing the Activities; and
 - (iv) any health and safety directions given by MPI to the Recipient under clause 3.1(a)(iii) of this Part B.
- (d) The Recipient will be responsible for the acts and omissions of each Subcontractor as if the act or omission was the Recipient's. The Recipient will not be relieved of any of its liabilities or obligations under this Agreement by entering into any subcontract.
- (e) The Recipient will ensure that:
- (i) its contract with each Subcontractor it engages in relation to the National Programme contains generally the same obligations; and
 - (ii) gives MPI the same rights as are set out in this Agreement and relate to the Subcontractor's performance of the Activities. MPI can directly enforce those obligations and exercise its rights against the Subcontractor pursuant to the Contract and Commercial Law Act 2017, provided that MPI will not:
 - (A) enforce its rights under 4.1(e)(ii) without seeking to resolve any issues in the first instance with the Recipient; or
 - (B) engage with Subcontractors without the prior written consent of the Recipient, such consent not to be unreasonably withheld.

4.2 Personnel

If MPI is at any time dissatisfied on reasonable grounds with the performance of the Recipient's Personnel in its performance of the Recipient's obligations under this Agreement:

- (a) MPI may notify the Recipient in writing of that dissatisfaction; and
- (b) the parties, in good faith, will discuss an appropriate course of action in relation to that Personnel.

If the Personnel performs a role that involves the accounting or allocation of Funding and has been arrested for or committed a dishonesty offence, the Recipient will remove that Personnel from that role immediately, if requested by MPI.

5. Significant Events process

5.1 Notification of Significant Event

Each party will notify the other party as soon as reasonably practicable upon becoming aware of an actual or likely:

- (a) **Serious failure:** significant failure (or series of related failures which together are significant) of the Recipient to perform its obligations in accordance with this Agreement;
- (b) **MPI Breach:** significant event, breach or likely breach by MPI of its obligations under this Agreement;
- (c) **Reputational Event:** any event relating to the Agreement which is likely to cause MPI, the government, the Recipient, its Personnel and/or Subcontractors significant adverse media or parliamentary attention, and in any event, if there is a change in the criminal record of the Recipient, and/or its Personnel;
- (d) **Security Event:** security event, breach or likely breach relating to the Agreement that compromises or is likely to compromise the integrity or security of MPI, the Recipient, the Activities, Funding, MPI assets (including any technology system) or MPI Data (such event, breach or likely breach being a **Security Event**); and
- (e) **Regulatory Event:** any event, or a near miss, relating to the Agreement that would cause the Recipient to notify a regulator, including any health and safety regulator, the office of the Privacy Commissioner or a financial services regulator,

(each such event, circumstance, breach or failure being a **Significant Event**).

5.2 Rectification process

If a party advises the other of a Significant Event, and MPI requests, the parties will endeavour to agree a course of action. If no course of action is agreed within the timeframes advised by MPI (which, depending on the nature of the Significant Event, could be required within an hour), the Recipient must:

- (a) **Co-operate:** co-operate with MPI and any other third party specified by MPI;
- (b) **Follow instructions:** follow any reasonable instructions given by MPI, including any instruction given:
 - (i) under clause 6.7(b) of this Part B; and/or
 - (ii) to stop following a previous instruction (or any part of it),
 and, if the Significant Event is related to a Notifiable Event, near miss, or breach, MPI's instruction may include:
 - (iii) to stop performing the Activities (or any part of them);
 - (iv) to suspend any work being carried out under or in relation to this Agreement by the Recipient, and/or its Personnel until MPI (in its sole discretion) considers the health and safety risk has been eliminated or adequately mitigated; and/or
 - (v) to amend the HSRMP in the manner MPI instructs.
- (c) **Investigate:** investigate the cause of the Significant Event and give a report to MPI (in writing if MPI requests) which describes (to the extent reasonably known):
 - (i) the cause of the Significant Event;
 - (ii) where the Significant Event is a Security Event and to the extent known, the identity of the person or persons who have gained or attempted to gain unauthorised access; and
 - (iii) the actions proposed to be taken by the Recipient.
 If MPI requests, allow MPI to be involved in relation to that investigation to the level MPI requests.
- (d) **Update:** update MPI on regular basis of any subsequent developments relating to the Significant Event.
- (e) **Remedy/Mitigate:** remedy or mitigate the immediate effects of the Significant Event, or the circumstances or issue giving rise to the Significant Event, as soon as reasonably practicable, in the manner reasonably requested by MPI and provide MPI with a report (in writing, if MPI requests) of the action taken. MPI will take reasonable steps to remedy or mitigate the effects of the Significant Event on MPI.
- (f) **Prevent Recurrence:** take all reasonable action to prevent a recurrence of the relevant Significant Event and notify MPI (in writing if MPI requests) of any such action taken.
- (g) **Remedy plan:** within the period reasonably requested by MPI, prepare and submit to MPI for its approval a remedy plan setting out how the Recipient considers the Significant Event could be optimally remedied, the relevant timeframes for such remediation, what the Recipient considers would be required of the Recipient, MPI and/or any third party and any other details reasonably required in order for the Significant Event to be remedied in an optimal manner. If MPI approves that submitted plan, each party will comply with the requirements of that party as set out in that plan and any other requirements notified by MPI (acting reasonably).

5.3 Cost of remedying

MPI will pay the Recipient for the actual reasonable costs incurred by the Recipient in complying with clause 5.2 of this Part B but only:

- (a) up to the amount of the costs that was advised by the Recipient to MPI in advance of the Recipient incurring those costs; and

- (b) to the extent that the Significant Event is not due to the Recipient's or its Personnel's breach or misconduct.

5.4 Other remedies

The issuing of a notice under clause 5.1 of this Part B does not limit either party's other rights and remedies.

6. Payment

6.1 MPI's obligation to pay the Funding

MPI's obligation to pay the Funding is subject to:

- (a) MPI continuing to have sufficient funding within its budget for the Funded Activities;
- (b) there being no un-remedied non-trivial breach of this Agreement by the Recipient; and
- (c) MPI being satisfied on reasonable grounds that the Funding is being appropriately expended on the Funded Activities and is not being used in breach of this Agreement.

6.2 Total amount payable

The Funding is the total amount payable by MPI for the provision of the Funded Activities. All other costs, disbursements and other expenses incurred by the Recipient in relation to this Agreement are at the Recipient's cost and not to be paid for by the Funding.

6.3 Invoicing

- (a) The Recipient will invoice the Funding in accordance with this clause 6.3 of Part B. Each Tax Invoice submitted by the Recipient (whether submitted monthly or otherwise) will include sufficient details to enable MPI to identify:
 - (i) the Agreement number (if any);
 - (ii) the period covered by the invoice;
 - (iii) the particular Funded Activities which are the subject of the invoice; and
 - (iv) the amount of Funding payable.
- (b) Unless provided otherwise in this Agreement, the Recipient:
 - (i) will provide MPI with a Tax Invoice for the aggregate amount of Funding for each Management Unit for the relevant Financial Year, as set out in the table at clause 4.2 of Part A (as those amounts may be amended in accordance with clause 4.2 of Part A); and
 - (ii) may provide that Tax Invoice annually in advance for the immediately following Financial Year.
- (c) Without limiting MPI's other rights under this Agreement, MPI will pay the Recipient's Tax Invoices by the within 20 Business Days of receiving that invoice or before the beginning of the Financial Year to which the invoice relates, whichever is the later date. All payments by MPI will be deemed to have been made in Wellington, New Zealand. Payment by MPI is not evidence that the Activities to which the invoice relates have been provided in accordance with this Agreement.

6.4 Disputed invoices

If MPI has a bona fide dispute in relation to all or any portion of any Tax Invoice, MPI may withhold payment of the amount subject to the dispute, provided that:

- (a) MPI will pay the undisputed amount when it becomes due and payable; and
- (b) the Recipient will continue to perform its obligations under this Agreement while the dispute is resolved.

6.5 Eligible Expenditure

The Recipient must apply the Funding only to expenditure that:

- (a) is incurred by the Recipient;
- (b) for the purpose of the Funded Activities or for purposes incidental to the Funded Activities;

- (c) is incurred during the term of this Agreement; and
- (d) is otherwise approved in writing by MPI (in its absolute discretion) as eligible expenditure for the purposes of this Agreement,

(Eligible Expenditure).

6.6 Financial Management

The Recipient must:

- (a) ensure that any payments of Funding made to a third party in connection with this Agreement (including to its Personnel) are correctly made and properly authorised;
- (b) maintain proper and diligent control over the incurring of all liabilities in relation to the Funding;
- (c) maintain an appropriate financial management system to ensure that the Funding is separately identified and managed within its accounts; and
- (d) except with MPI's prior written approval, not use the Funding for the purposes of a guarantee or security for any loan, credit, payment or other interest, or in the context of any litigation.

6.7 Funding Freeze

- (a) Without limiting any other right or remedy of MPI, if the Recipient materially breaches this Agreement, then MPI may issue the Recipient with a notice directing the Recipient not to spend the Funding (**Funding Freeze Notice**).
- (b) If the Recipient receives a Funding Freeze Notice under this clause 6.7 of this Part B, then, until the breach is remedied to MPI's satisfaction, the Recipient must not spend any Funding:
 - (i) unless and until MPI notifies the Recipient otherwise; and
 - (ii) except to the extent required to pay for any bona fide and unavoidable pre-existing contractual commitments to spend the Funding in accordance with this Agreement.

6.8 Repayment

- (a) Without limiting any other right or remedy of MPI, MPI may recover Funding from the Recipient in the following circumstances (and the Recipient will pay that Funding within 5 Business Days of MPI's written notice requiring payment):
 - (i) **Misspent Funding:** At any time MPI may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, together with interest on all such amounts calculated at 10% per annum from the date of the misspending to the date the money is repaid.
 - (ii) **Uncommitted Funding:** On expiry or termination of this Agreement, MPI may recover any Funding which the Recipient:
 - (A) has not spent or contractually committed to spend in accordance with this Agreement; and/or
 - (B) has spent or contractually committed to spend in accordance with this Agreement but which the Recipient can have refunded or released from that commitment, and the Recipient must use all reasonable endeavours to obtain such refund or release.
 - (iii) **Activities Abandoned:** MPI may recover an amount up to the total value of the Funding less the amount that the Recipient spent in accordance with this Agreement if the Recipient:
 - (A) states an intention not to perform the Activities in accordance with this Agreement; and/or
 - (B) within 10 Business Days of being requested to do so by MPI, does not demonstrate (to MPI's reasonable satisfaction) that the Recipient will proceed with performing the Activities in accordance with this Agreement.

- (iv) **Excess Funding:** Where the total Funding paid under this Agreement and any other money received by the Recipient to carry out the Funded Activities exceeds or is likely to exceed the funding required to perform the Activities, or the Recipient has excess Funding at the termination or expiry of this Agreement, the Recipient must notify MPI upon becoming aware and, if MPI requests, promptly refund to MPI the excess amount.
- (b) If the Recipient does not pay, as required by this clause, the Recipient must pay MPI interest calculated at 10% per annum from the date payment is due until the date the money is repaid.

6.9 Insufficient Funding

If the Recipient uses (or reasonably expects to use) all of the Funding in accordance with this Agreement without completing its performance of the Funded Activities during the term of this Agreement, then:

- (a) the Recipient will give MPI written notice as soon as reasonably practicable (but the Recipient does not need to give more than six (6) months advance notice), detailing the amount of additional funding requested by the Recipient (**Additional Funding**) and supporting evidence as to why the Additional Funding will be sufficient for the Recipient to complete the performance of the Funded Activities; and
- (b) within a reasonable period of time after receiving the Recipient's request for Additional Funding under clause 6.9(a) above, MPI will give the Recipient written notice as to whether it will provide:
 - (i) the Additional Funding in full (in which case the Recipient will be obliged to complete the performance of the Funded Activities in accordance with this Agreement); or
 - (ii) part of the Additional Funding (in which case the parties will follow the change control procedure set out at clause 7 to agree upon a reduction in the scope of Funded Activities to be performed by the Recipient); or
 - (iii) no Additional Funding (in which case the Recipient will not be obliged to continue to perform the Activities under this Agreement after all of the funding has been spent on the Funded Activities in accordance with this Agreement).

6.10 Tax

All amounts set out in this Agreement are stated before the addition of GST, which, if payable, will be paid at the same time as the supply to which the GST relates. Subject to the previous sentence, MPI will not be obliged to pay any of the Recipient's and/or its Personnel:

- (a) taxes, duties, excess, levies, carbon credits;
- (b) holiday pay, sick pay or other payment under the Holidays Act 2003;
- (c) redundancy or any other form of severance pay; and/or
- (d) other amounts in relation to the performance of its obligations under this Agreement that are not the performance of the Funded Activities.

MPI will not be required to gross up any payment or Funding to the Recipient where MPI deducts tax due to non-resident contractors' tax.

7. Change control procedure

7.1 Change request

A party may request an amendment to the terms of this Agreement at any time by providing a written change request to the other. Unless the parties' respective Contract Managers agree in writing to use a truncated process, each party agrees to follow the process set out in this clause 7 when requesting a change to the terms of this Agreement.

7.2 Understanding consequence of change request

- (a) Where MPI submits a change request, it will provide a reasonable description and explanation of the change sought.

- (b) Where the Recipient submits a change request, or within a reasonable period of time of receiving a change request from MPI, the Recipient must provide MPI with a reasonable description of:
 - (i) how the proposed change would be implemented, including details of how the requested change would affect the Activities and any other term of this Agreement;
 - (ii) the cost of implementing the change and the Recipient's calculation of changes to the Funding (if any), which must be reasonable and calculated in good faith;
 - (iii) any information reasonably requested by MPI; and
 - (iv) any other relevant information, which may include how any change request can be most optimally implemented.

No change request will be binding unless each party accepts the change request in writing.

8. Information management

8.1 Provision of information

Each party will:

- (a) provide the other party with all information relating to the Activities as reasonably requested from time to time, within the timeframe reasonably requested; and
- (b) as soon as reasonably practicable, provide the information requested by the other party to comply with its statutory, parliamentary or other public sector reporting obligations; and
- (c) ensure that all information provided in writing to the other party under or in connection with this Agreement is materially accurate, complete and not misleading at the time the information was provided, for the purpose for which it was provided.

8.2 Privacy

- (a) Each party must act in accordance with the Privacy Act 1993.
- (b) Each party will not use any Personal Information acquired in the course of performing its obligations under this Agreement, or disclose that Personal Information to any person other than MPI or the Recipient (as applicable) or the individual to whom the information relates, except:
 - (i) to the extent reasonably required to perform its obligations under this Agreement;
 - (ii) in accordance with the Privacy Laws; or
 - (iii) with the other party's or person's written consent.

8.3 Recordkeeping

The Recipient will (and will ensure that each of its Subcontractors under and in relation this Agreement):

- (a) keep full, accurate and up-to-date records, including:
 - (i) financial records relating to the performance of the Activities and all monies paid and payable by MPI under or in relation to this Agreement sufficient to enable MPI to meet its obligations under the Public Finance Act 1989; and
 - (ii) any health and safety event which has been investigated internally by the Recipient, or a health and safety regulator, relating to the Activities (and the outcome of such investigations); and
 - (iii) any health and safety due diligence processes, compliance records, and any associated documents, relating to the health and safety compliance and performance of Workers and other Personnel involved in the Activities;
- (b) retain such records for 7 years from the expiry or termination of this Agreement; and
- (c) on request by MPI, and at no cost to MPI, provide to MPI copies of any such records reasonably requested by MPI and any information or materials (including financial information relating to the provision of Activities).

9. Confidentiality

9.1 Security and non-disclosure

Subject to clauses 9.2 and 9.3 of this Part B, each party agrees that it will:

- (a) use all reasonable endeavours to keep the Confidential Information of the other party confidential at all times;
- (b) not Use, communicate, make available or re-supply the other party's Confidential Information to any person, other than for the purposes of performing its obligations and/or exercising its rights in accordance with this Agreement;
- (c) effect and maintain all reasonable security measures to safeguard the other party's Confidential Information from access, damage or use by unauthorised persons;
- (d) store all Confidential Information in New Zealand; and
- (e) ensure that any Personnel or professional adviser to whom a party discloses the other party's Confidential Information is aware of, and complies with, the provisions of this clause 9 of this Part B.

9.2 Permitted disclosure

A party will not be bound by the obligations of confidentiality in clause 9.1 of this Part B to the extent that any disclosure of Confidential Information:

- (a) is required by law, convention, parliamentary rules or the rules of any stock exchange (**Requirement**), in which case, if permitted by the Requirement and as soon as reasonably practicable, the disclosing party will notify the other party of the Requirement, the information it will disclose and the date on which it will disclose the information, and will comply with that notice;
- (b) is required for the purposes of performing and enforcing this Agreement;
- (c) is of information that is publicly available through no fault of that party;
- (d) is made with the other party's prior written approval of the disclosure or (in the case of clause 9.1(d)) the transfer outside New Zealand;
- (e) which was rightfully received from a third party without restriction or without breach of this Agreement; or
- (f) was developed independently of the Confidential Information.

9.3 Information sharing

In addition to clause 9.2 of this Part B, and in recognition of the mutual benefit of information sharing for the National Programme as a whole, the obligations of confidentiality in clause 9.1 of this Part B do not apply to the extent that any disclosure of Confidential Information is for the purpose of consulting, cooperating or coordinating with other then current recipients of funding from MPI under the National Programme, including in relation to:

- (a) current best practice in relation to the performance of the Activities; and/or
- (b) a party's health and safety management under this Agreement.

9.4 Mandatory disclosures

If any party is required to disclose any Confidential Information (as contemplated by clauses 8.1(a) or 9.2 of this Part B), that party will use its reasonable endeavours to obtain the recipient's commitment that it will treat the confidential information confidentially.

9.5 Publicity and announcements

- (a) The Recipient will acknowledge MPI as a source of funding in all publications and publicity regarding the Activities, and will obtain MPI's approval of the form of the acknowledgement.
- (b) MPI may publicise and report on its distribution of Funding to the Recipient on any website, in any media releases, general announcements or annual reports. MPI may disclose the name of the Recipient, any of its Subcontractors, the amount of the Funding and a brief description of Activities.

- (c) Neither party may post on websites, social networking sites or publicly display objectionable or derogatory comments about the Activities, this Agreement, each other, or any of their Personnel.
- (d) The Recipient will promptly refer any enquiries from the media or any other person about the terms or performance of this Agreement to the MPI Programme Manager. If the MPI Programme Manager cannot be contacted, the Recipient will instead contact the person holding the office of "MPI National Procurement and Contracts Manager".

10. Warranties

10.1 Warranties

The Recipient warrants that at the date of this Agreement:

- (a) it is not insolvent or bankrupt and no action has been taken to initiate any form of insolvency or administration in relation to the Recipient;
- (b) there are no circumstances or matters that are likely to have a material adverse effect on the performance of its obligations under this Agreement;
- (c) it is not aware of any information that has not been disclosed to MPI which may, if disclosed, materially adversely affect the decision of MPI to provide the Funding;
- (d) all information relating to the Activities that was provided by the Recipient to MPI prior to MPI's execution of this Agreement, including in any proposal or presentation by the Recipient, was accurate, complete and true at the time it was provided. The Recipient acknowledges that MPI is entering into this Agreement in reliance on such information; and

on a continuing basis during the term of this Agreement (to the best of the Recipient's knowledge and belief):

- (e) the performance of the Activities under this Agreement will not constitute or give rise to a breach of:
 - (i) the rights of any person (including any Intellectual Property Rights or physical property rights); or
 - (ii) any law with which the Recipient or Personnel is required to comply.

11. Intellectual Property and data

11.1 Background Intellectual Property

Except to the extent specified in this Agreement, nothing in this Agreement confers on a party any right, title or interest in the other party's Background Materials.

11.2 New Intellectual Property

Unless otherwise agreed between the parties, all Intellectual Property Rights in the New Materials arising under or in relation to this Agreement are the property of MPI from the time of creation or will vest in MPI immediately afterwards.

11.3 Licence

Subject to clause 11.4, each party (**Licensor**) grants the other (**Licensee**) a perpetual, irrevocable, world-wide, royalty-free, non-exclusive licence to Use any of the Licensor's:

- (a) Background Materials;
- (b) New Materials;
- (c) Third Party Materials (provided that the Licensor holds the rights to grant this licence in relation to Third Party Materials); and/or
- (d) any of the Licensor's data,

provided or made available by the Licensor to the Licensee under or in connection with this Agreement. The Licensee may sub-license its rights under this clause 11.3 to its Subcontractors, but only to the extent necessary for that Subcontractor to perform the Activities or provide the Outputs in accordance with this Agreement.

11.4 WCIS

The Recipient must not (and will ensure its Personnel does not) copy, reverse engineer, rent, decompile or attempt to circumvent any security measures on WCIS or any part of it.

11.5 Know How

Notwithstanding any other provision of this Agreement, MPI and the Recipient will not be prevented or restricted by this Agreement from using any technique, idea, concept or know-how relating to this Agreement.

12. Third party rights**12.1 Third Party Claim**

If a third party claims that a party (the **Infringing Party**) has infringed that third party's Intellectual Property Rights, other rights of that third party or the law (**Third Party Claim**), then:

- (a) the other party will allow the Infringing Party to control settlement or defence of the Third Party Claim. The Infringing Party will consult with the other party on the settlement or defence of the Third Party Claim;
- (b) at the Infringing Party's cost and reasonable request, the other party will co-operate with the Infringing Party in the defence and any related settlement negotiations concerning any Third Party Claim; and
- (c) the other party will not enter into any settlement, negotiation or compromise with the third party without the Infringing Party's written consent (not to be unreasonably withheld).

13. Conflicts of interest**13.1 Avoiding conflicts**

Each party must maintain a high standard of honesty and integrity at all times in the performance of this Agreement and must use all reasonable endeavours to avoid any actual or perceived conflict of interest, being:

- (a) a situation which might create an actual or perceived conflict of interest, or compromise the Recipient's or MPI's integrity; and/or
- (b) any financial or other interest or undertaking that might interfere with or compromise the performance of the other party's obligations under this Agreement, or the integrity or standing of either party.

13.2 Notifying conflicts

Each party must advise the other party in writing of any actual or perceived conflict of interest that might arise in the performance of its obligations under, or in connection with, this Agreement. Each party will assist the other party to manage, avoid or mitigate that conflict and follow any reasonable instructions (which may include stopping the performance of certain work) that the parties consider necessary or appropriate to manage the conflict of interest.

14. Audit**14.1 Audit**

- (a) As part of the public sector, each party acknowledges the need to ensure transparency and accountability in the use of public funds, and also the cost and resource involved in carrying out an audit. Accordingly, MPI will work with the Recipient to identify an appropriate audit frequency and scope but, as the funder, MPI must have default rights of audit that it can use at any stage.
- (b) The Recipient must allow MPI and any auditor nominated by MPI to conduct an audit from time to time, for the purpose of:
 - (i) determining the level of compliance with this Agreement (including whether there has been a breach of this Agreement) by the Recipient and/or its Personnel;
 - (ii) determining whether Activities invoiced for or by the Recipient have been performed and invoiced according to this Agreement; and/or
 - (iii) assisting in resolving a matter in dispute between the parties.

- (c) The Recipient will (and will ensure that each of its Personnel will) provide reasonable access and assistance to MPI (or an auditor appointed by MPI) in relation to an audit conducted under this clause 14.1 of this Part B.
- (d) In conducting an audit, MPI must:
 - (i) give the Recipient reasonable notice of the audit, which in any event does not need to be more than 5 Business Days; and
 - (ii) comply with the Recipient's reasonable security requirements.
- (e) The Recipient may use the Funding for the reasonable costs of any audit unless a material non-compliance or charging error with this Agreement is discovered through the audit, in which case, the Recipient must reimburse MPI for the amount of any Funding that has been used to pay for the costs of the audit.
- (f) MPI will promptly notify the Recipient of the draft and final results of any audit conducted under this clause 14.1 of this Part B.

15. Dispute resolution

15.1 Negotiation

Both parties will endeavour to resolve any dispute that may arise under or in connection with this Agreement through negotiation.

15.2 Escalation

If the parties are unable to resolve a dispute by negotiation within 10 Business Days after the dispute was first notified in writing by one party to the other (**Dispute Notice**), and either party gives written notice to the other, then:

- (a) the dispute will be referred for resolution by their respective senior responsible officers with oversight of this Agreement; and
- (b) if the dispute cannot be settled by the senior responsible officers within 20 Business Days of delivery of the Dispute Notice, the dispute will be referred for resolution by their respective Chief Executives.

15.3 Mediation

Subject to clause 15.4 of this Part B, if a dispute cannot be settled within 30 Business Days of delivery of the Dispute Notice under clause 15.2 of this Part B (or such other timeframe agreed in writing by the parties), the dispute may be referred by either party to non-binding mediation in which case:

- (a) the parties agree to the mediation, which will be held in Wellington, New Zealand;
- (b) the mediation will be mediated by a sole mediator agreed in writing by the parties; or
- (c) if the parties cannot agree on a mediator within 10 Business Days of either party referring the dispute to mediation, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent mediator.

15.4 Right to seek relief

This clause 15 of this Part B does not affect either party's right to seek urgent interlocutory and/or injunctive relief from any New Zealand Court of competent jurisdiction.

16. Liability

16.1 Maximum liability

Without limiting clauses 16.2 and 16.3 of this Part B, the maximum aggregate liability, whether in contract, tort (including for negligence), breach of statutory duty or otherwise, of one party to the other party under or in connection with this Agreement is limited to the total amount of Funding payable by MPI under this Agreement had the Funded Activities been carried out in accordance with this Agreement.

16.2 Exclusions

- (a) Neither party is liable for any indirect or consequential loss or damage arising under or in connection with this Agreement, even if foreseeable and even if advised of the possibility of such loss or damages.
- (b) The Recipient will not be liable under this Agreement to the extent the Recipient's breach of this Agreement is a direct and unavoidable result of MPI's express written instruction (given knowingly).
- (c) Notwithstanding any other clause in this Agreement, this clause 16 applies only to the extent permitted by law.

16.3 Uncapped liability

Clauses 16.1 and 16.2 of this Part B will not limit either party's liability under or in connection with this Agreement:

- (a) for damage to the other's or a third party's physical property;
- (b) for personal injury or death;
- (c) for fraud or wilful default; or
- (d) an obligation to pay any amount due and owing under this Agreement.

16.4 Mitigation

Each party must take reasonable steps to mitigate any loss or damage, cost or expense it may suffer or incur arising out of anything done or not done by the other party under or in connection with this Agreement.

17. Force Majeure

- (a) Where either MPI or the Recipient (the **Affected Party**) is unable to carry out its obligations in accordance with this Agreement due to a Force Majeure Event, and:
 - (i) the Affected Party gives the other party immediate written notice of the nature, the expected duration of, and the obligation affected by, the Force Majeure Event;
 - (ii) the Affected Party gives regular updates of the expected duration of and effects of the Force Majeure Event; and
 - (iii) the Affected Party uses all reasonable endeavours to:
 - (A) mitigate the effects of the Force Majeure Event on the Affected Party's obligations under this Agreement; and
 - (B) perform the Affected Party's obligations under this Agreement despite the Force Majeure Event,

that obligation is suspended for so long as, and to the extent that, the Affected Party is affected by the Force Majeure Event.
- (b) If the Recipient's obligation is relieved under this clause 17 of Part B, MPI will not be obliged to provide Funding for the Activities that have not been provided in accordance with this Agreement due to the Force Majeure Event.

18. Insurance

For the term of this Agreement, and for at least three years after the term of this Agreement, the Recipient must effect and maintain adequate insurance to cover standard commercial risks, including professional indemnity, public liability and property damage (including fire) with sufficient coverage to cover its obligations under this Agreement. The Recipient must, upon the request of MPI, provide MPI with evidence of its compliance with this clause 18 of Part B.

19. Term and termination

19.1 Term

This Agreement commences on the Start Date and continues until the End Date unless terminated earlier in accordance with its terms including under clause 6.2 of Part A.

19.2 Termination for default and insolvency

Either party may immediately terminate this Agreement, by written notice to the other party, if the other party breaches any material provision of this Agreement and the breach is not remedied within 20 Business Days of the receipt of written notice from the first party requiring the other to remedy the breach.

19.3 Effects of expiry or termination

- (a) Termination of this Agreement is without prejudice to other rights and obligations of the parties accrued up to and including the date of termination.
- (b) On expiry or termination of this Agreement:
 - (i) MPI may require the Recipient to provide evidence of how the Funding has been spent; and
 - (ii) any Funding that has not yet been distributed by MPI will not be distributed to the Recipient

19.4 Survival clauses

Clauses 6.8, 8.2, 8.3, 9, 10.1(e), 11, 12, 14, 15, 16, 17, 18, 19, 20 and 21 of Part B any other clauses that expressly or by necessary implication survive this Agreement, continue after expiry or termination of this Agreement or part of it.

20. Notices

- (a) Any notice or other communication under this Agreement will be deemed to be validly given if in writing and delivered by hand, registered mail, national post or international post, or email (subject to the remainder of this clause 20) to the Manager Recovery and Pest Management (for MPI) or Fund Manager (for the Recipient).
- (b) Any notice will be deemed to have been given on the date when actually delivered personally, by registered mail or following international posting, on the third Business Day following posting to a national address, and on the date that receipt of an emailed notice is acknowledged by the recipient personally (that is, not by any automatically generated email). However, if delivery occurs after 5:00 pm on a Business Day, it will be deemed delivered at 9.00 am on the next Business Day.
- (c) The parties agree that no notice required or permitted to be given under clause 15 (Dispute resolution) or clause 19 (Term and termination) may be given by email alone.

21. General

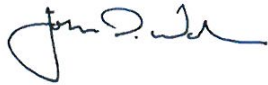
- (a) Subject to clause 21(b) of this Part B, neither party will assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of the other party (such consent not to be unreasonably withheld).
- (b) MPI may assign, transfer or subcontract this Agreement or any rights or obligations under this Agreement to another public sector agency who has appropriation for the National Programme without the prior written consent of the Recipient.
- (c) No third party is entitled to the benefit of, or to enforce, this Agreement.
- (d) Each party will bear its own legal and other costs relating to the preparation and execution of this Agreement, unless agreed otherwise in writing.
- (e) This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.
- (f) The provisions of this Agreement are severable. If any one provision is determined to be judicially unenforceable, the remaining provisions will continue to be binding and enforceable.
- (g) This Agreement may be executed in any number of counterparts (including by executed, scanned or emailed copies) each of which will be deemed an original. Once each party has received a copy of the executed counterpart from the other party, each counterpart will be deemed to be as valid and binding on the party executing it as if it had been executed by all the parties.

- (h) This Agreement will be governed by, and construed in accordance with, the laws of New Zealand and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand in relation to this Agreement.

Execution

EXECUTED as an Agreement

Signed by The Sovereign in right of
New Zealand acting by and through the
Ministry of Primary Industries by:



Signature

John Walsh

Name

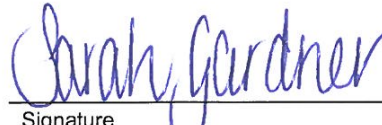
Acting Deputy Director General Biosecurity NZ

Title

9 September 2020

Date

Signed for and on behalf of Otago Regional
Council by:



Signature

SARAH GARDNER

Name

CHIEF EXECUTIVE

Title

6. 11. 2020

Date

Schedule 1 – Definitions and Interpretation

1. Defined terms

1.1 Defined terms

In this document, unless the context requires otherwise, the following terms have the following meanings:

Activities means the activities performed or to be performed (and any outputs provided or to be provided) by or on behalf of Recipient under this Agreement, including the activities and outputs described in clause 3 of Part A, and any other activities that are necessarily or customarily provided as part of those activities and/or outputs.

Agreement means this funding agreement, including Part A, Part B and this Schedule 1.

Background Material means any property, information, documentation or other material in any form:

- (a) in existence prior to the Start Date; or
- (b) developed outside the scope of this Agreement.

Business Day means any day, excluding Saturdays, Sundays and statutory public holidays in Wellington or Region of the Recipient.

Start Date means the date this Agreement commences, as set out in clause 6.1 of Part A.

Confidential information means

- (a) in the case of MPI, MPI Data; and
- (b) in the case of both MPI and the Recipient, any other information obtained from the other party in the course of, or in connection with this Agreement that is marked confidential or ought to reasonably be considered to be confidential, regardless of value or importance.

Control Measures has meaning set out in regulation 3 of the HSWA (GR&WM) Regulations 2016.

Contract Manager means the person identified in clause 7 of Part A as a contract manager for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

End Date means the date this Agreement ends as set out in clause 6.1 of Part A, as may be extended in accordance with clause 6.1 of Part A.

Financial Year means the twelve months from 1 July to 30 June.

Force Majeure Event means, in relation to a party, an event or circumstance which is beyond the reasonable control of that party, but does not include any event or circumstance which could have been avoided, prevented or circumvented by that party taking reasonable steps, including ensuring business continuity by implementing an appropriate disaster recovery plan.

Fund Manager means the Recipient's fund manager, as notified by the Recipient to MPI and may be replaced from time to time.

Funded Activity has the meaning set out in clause 3.1(a) of Part A.

Funding means the amounts paid or payable to the Recipient by MPI under this Agreement.

Governance Group means the group which governs the National Programme, whose members are MPI (**Chair**), Land Information New Zealand (**LINZ**), New Zealand Defence Force (**NZDF**), Department of Conservation (**DOC**), and Local Government New Zealand (**LGNZ**).

GST means goods and services tax chargeable under the GST Act.

GST Act means the Goods and Services Tax Act 1985.

Health and Safety Incident means any event that falls under clause 3.1(k)(i) – (iv) of Part A.

Health and Safety Risk Management Plan or **HSRMP** means a plan agreed in writing between the Recipient and MPI for the management of risks and hazards relating to the Recipient's performance of the Activities in the relevant Management Unit.

HSWA means the Health and Safety at Work Act 2015.

HSWA Legislation means the Health and Safety at Work Act 2015 and includes all regulations made under that Act (including but not limited to the HSWA (GR&WM) (General Risk Regulations), and any other health and safety-related legislation relevant to the Recipient's performance of the Activities and its other obligations under this Agreement.

HSWA (GR&WM) Regulations 2016 means the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016.

Incident means an unplanned event that results in injury but does not require time off work.

In Kind Contributions means funds, labour, or materials donated by other stakeholders or interested groups.

Intellectual Property Rights includes copyright, and all rights conferred under statute, common law or equity in relation to inventions (including patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, Confidential Information, know-how, trade secrets, computer program codes and all other proprietary rights, whether registered or unregistered, and all equivalent rights and forms of protection anywhere in the world, together with all rights, interests or licences in or to any of the foregoing.

Management Unit or **MU** means an area designated by MPI as a management unit as set out in WCIS, and has a fixed name, number and boundary (area).

Management Unit Operational Plan or **MUOP** means the management unit, operational plan for a Management Unit, which is prepared by or on behalf of the Recipient and endorsed in writing by the relevant RCG.

MPI Coordinator means the MPI coordinator, as notified by MPI to the Recipient and may be replaced from time to time.

MPI Data means:

- (a) any data owned, held, used or created by MPI, and provided to the Recipient;
- (b) any data processed by the Recipient as a direct result of this Agreement; and
- (c) all records, data and other information (other than software object code) provided or made available to the Recipient by MPI.

MPI Programme Manager means the MPI programme manager, as that person may be replaced from time to time in accordance with this Agreement.

MPI's Operations Lead means the MPI operations lead, as that person may be replaced from time to time in accordance with this Agreement.

MU Manager means the Recipient's MU manager, as notified by MPI to the Recipient and may be replaced from time to time.

National Programme means the national wilding conifer programme, as described in Recital A of the Background.

Near Miss means an unplanned event that did not result in injury, illness or damage but had the potential to do so.

New Material means any property, information, documentation or other material in any form created:

- (a) by, for or on behalf of the Recipient;
- (b) on or following the Start Date; and
- (c) for the purpose of, or as a result of, performing its obligations under this Agreement.

Notifiable Event means a notifiable event within the meaning of section 25 of the HSWA, including but not limited to the following situations as a result of work:

- (a) a death;
- (b) a notifiable illness or injury; or
- (c) a Notifiable Incident.

Notifiable Incident means a notifiable incident within the meaning of section 24 of the HSWA.

Operational Area or OA means part of the Management Unit designated as an operational area by MPI, as set out in WCIS, and has a fixed name, number and boundary (area).

Outcomes has the meaning in clause 1(a) of Part A.

Output means all or any output of the Activities provided or to be provided by or on behalf of the Recipient under this Agreement, including the outputs described in clause 3 of Part A (as amended from time to time in accordance with this Agreement).

Part A means Part A of this Agreement.

Part B means Part B of this Agreement.

PCBU means a person conducting a business or undertaking within the meaning of section 17 of the HSWA.

Personal Information has the meaning given to that term in section 2 of the Privacy Act 1993.

Personnel of any person, means all individuals directly or indirectly engaged by that person, including but not limited to directors, employees, contract staff, agents, consultants, specialists, support staff and co-opted or seconded staff and, in the case of the Recipient, includes its Subcontractors.

Privacy Laws means the Privacy Act 1993 (or any future replacement statute) and any other applicable legislation, principles, industry codes and policies.

Region means the region designated as a region by MPI, as set out in WCIS, and has a fixed name, number and boundary (area).

Regional Coordination Group or RCG means the regional coordination group for the relevant Region, as described in row (b) of the table at clause 3.1 of Part A.

Serious Incident means any Health and Safety Incident that:

- (a) has the potential for causing a fatality, or long-term injury or illness; or
- (b) does not meet the 'Notifiable Event' threshold, but still results in a lost time injury or illness.

Significant Event has the meaning given to that term in clause 5 of Part B.

Start Date means the start date set out in clause 6.1 of Part A.

Subcontractor means:

- (a) any person engaged by the Recipient to perform all or any part of the Activities or in respect of this Agreement; and
- (b) any subcontractor of a person described in (a) of this definition.

Tax Invoice means a tax invoice as defined in the Goods and Services Tax Act 1985.

Technical Liaison means the person identified in clause 7 of Part A as the technical liaison for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Third Party Material means any property, information, documentation or other material in any form owned by a third party that is:

- (a) included, embodied in or attached to the New Material; or
- (b) used in undertaking the Activities.

Use means to use, copy, store, process, transfer, view, handle, modify, support and/or maintain.

WCIS means the 'wilding conifer information system' provided by MPI from time to time.

Worker means an individual who carries out work for a PCBU within the meaning of section 19 of the HWSA.

2. Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the following order of precedence (in order of decreasing priority) applies to the documents forming part of, or incorporated into, this Agreement if any conflict or inconsistency arises:
 - (i) Part B;
 - (ii) Part A; and
 - (iii) the Schedules;
- (b) headings are for guidance only and do not affect interpretation;
- (c) the singular includes the plural and vice versa;
- (d) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to:
 - (i) a **party** to this Agreement includes that party's permitted assigns and successors;
 - (ii) **\$** or **dollars** is a reference to New Zealand currency;
 - (iii) monetary amounts are the amounts stated before the addition of GST (if any);
 - (iv) **including** and similar words do not imply any limitation;
 - (v) a **person** includes:
 - (A) a company, body of persons (corporate or unincorporated) or any state, regional or local government body or agency; and
 - (B) that person's representatives, successors and assigns;
 - (vi) a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations, as it may be amended or replaced from time to time;
 - (vii) a document includes references to that document as it may be amended or replaced from time to time;
 - (viii) this Agreement includes all attachments to this Agreement and any document incorporated into this Agreement by reference;
 - (ix) a clause is a reference to a clause in this Agreement;
 - (x) a Part or Schedule, are references to a part or schedule of this Agreement; and
 - (xi) a time means New Zealand standard time, as adjusted for daylight saving;
- (f) subject to clause 20 of Part B, anything that this Agreement requires to be done in writing, may be done by email; and
- (g) no rule of construction applies to the disadvantage of MPI on the basis that MPI put forward this Agreement or any part of it.

Ministry for Primary Industries
Manatū Ahu Matua



Funding Services Agreement

in relation to Wilding Conifer Control

Between

Ministry of Primary Industries (**MPI**)

and

~~xx~~ Otago Regional Council (**Recipient**)

Funding Services Agreement

Wilding Conifer Control

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Details

Date

Parties

Name The Sovereign in right of New Zealand acting by and through The Ministry of Primary Industries with delegated financial authorisation to enter into the agreement, by the Chief Operational Officer & Head of Biosecurity, Ministry for Primary Industries

Short form name **MPI**

Notice details Address: PO Box 2526, Wellington 6140
Email: Wilding.Conifers@mpi.govt.nz
Attention: National Wilding Conifer Control Programme

Name [Otago Regional Council, a body corporate under the Local Government Act 2002 having its head office at 70 Stafford Street, Dunedin](#)

Short form name **Recipient**

Notice details Address: [70 Stafford Street, Dunedin](#)
Email: richard.saunders@orc.govt.nz
Attention: [Richard Saunders](#)

Background

- A. Wilding conifers are a serious and increasing pest issue for New Zealand. The issue is one that can only be addressed through a collaborative national control programme. The programme described in the New Zealand Wilding Conifer Management Strategy 2015-2030 (the **National Programme**) was created to support the effective collaboration between land occupiers, researchers, regulators, iwi, hapu and communities to address the critical overarching issues facing wilding conifer management.
- B. The New Zealand Government has allocated funding for the National Programme, to be distributed through MPI.
- C. MPI wishes to distribute funding on a regional basis to selected regional councils and unitary authorities for the purpose of planning, with the local community and Tiriti partners, and carrying out activities that help eradicate and/or control the spread of wilding conifers, as part of the National Programme and according to nationally agreed prioritisation. Each Region will comprise specific Management Units within which specific activities will be carried out.
- D. The Recipient is a regional council or unitary authority who wishes to eradicate and/or control the spread of wilding conifers in its Region.
- E. As MPI and the Recipient are part of the public sector, each wishes to ensure that there is appropriate oversight across the Recipient's activities and use of public funding, including acknowledgement of tangata whenua, and focus on health and safety, and sharing of useful information.

~~F.~~ The Recipient and MPI were parties to a funding agreement ([as varied and amended](#)) in relation to the National Programme, which has now expired (["prior agreement"](#)). The purpose of this [Services Agreement](#) is to record the [current](#) terms on which MPI will distribute the Funding to the Recipient under this Agreement and the terms on which the Recipient will apply the Funding and ensure that the Activities are carried out (by either itself or through others), in each case, for the purpose of the National Programme. [This Agreement replaces the prior agreement \(except those clauses of the prior agreement that expressly or by necessary implication continue after expiry or termination of the prior agreement\).](#)

F. This Agreement is for a period of one year only and the parties acknowledge that it is an interim agreement until future Programme funding is confirmed. The form of any future agreements will reflect the nature of the Programme funding and the services to be provided by the Recipient to MPI.

Commented [JT1]: I think we should add something like this
- Just to clarify that this is form of the agreement is for this year only. Ultimately, unless there is a policy change, we will need to produce a services agreement that is fit for purpose.

Feel free to amend as required.

Agreed terms

PART A: OPERATIONAL AND COMMERCIAL DETAILS

1. Outcomes

- (a) The intended outcomes for this Agreement (the **Outcomes**) are to:
- (i) help eradicate and/or control the spread of wilding conifers in New Zealand;
 - (ii) support the implementation of the New Zealand Wilding Conifer Management Strategy 2015-2030, in particular to:
 - (A) consult and aim to collaborate with all partners and key stakeholders who are affected by wilding conifer infestations; and
 - (B) recognise, where iwi or hapū hold mana whenua over land infested or vulnerable to infestation with wilding conifers and take steps to establish shared priorities to forward the Outcomes of this Agreement;
 - (C) co-ordinate operations by facilitating co-ordinated control amongst land owners and other stakeholders; and
 - (D) promote information sharing of best practice and technological gains in control methods;
 - (iii) support the Recipient to tailor Outcomes to reflect:
 - (A) the regional strategies for the Region for which the Recipient is responsible, including commitments to tangata whenua; and
 - (B) feedback from the Regional Coordination Group and the Recipient's Fund Managers for the Region for which the Recipient is responsible;
 - (iv) build and maintain a collaborative and constructive relationship between the parties, Tiriti partners and other stakeholders to address and manage the critical overarching issues caused by wilding conifers;
 - (v) support the Recipient to ensure the health and safety of Workers and others involved in and/or affected by the Activities, as required by law; and
 - (vi) for the Region in which the Recipient operates, enable oversight of the operational programme and use of the Funding.
- (b) In performing the Activities, the Recipient will use all reasonable endeavours to contribute to the achievement of the Outcomes.

2. Acknowledgement of appropriation

Each party acknowledges that the Funding under this Agreement is provided under the 'Border and Domestic Biosecurity Risk Management MCA appropriation of Vote Agriculture, Biosecurity, Fisheries and Food Safety'. The scope of the appropriation is 'Biosecurity Incursion Response and Long-Term Pest Management' (**Scope of Appropriation**). Regardless of any other clause in this Agreement, the Recipient agrees that MPI does not provide the Funding, and the Recipient will not use the Funding, for any purpose outside the Scope of Appropriation.

3. Activities

3.1 In scope

The Recipient will perform the Activities and provide the corresponding Outputs, as each is set out in the table below. Where indicated in that table, the Recipient:

- (a) may use the Funding to perform the Activity, where indicated as "Funded" in the corresponding column (a **Funded Activity**); and
- (b) will perform each Activity at its cost, where indicated as "Recipient's cost" in the corresponding column.

	Activity	Output	Funded or Recipient's cost
Operational Planning			
(a)	For each Financial Year during the term of this Agreement, and for each Management Unit in the Region that the Recipient is responsible for, prepare (or procure the preparation of) a draft Management Unit Operational Plan (MUOP) and submit the draft into the WCIS Operational Planning tool.	<p>The development of each draft MUOP provides the opportunity for review and to be endorsed by the:</p> <ol style="list-style-type: none"> 1. Regional Coordination Group (RCG); and 2. Relevant iwi, hapū, and designated representatives of the rights and interests of tangata whenua; and 3. MPI Programme Manager. 	Recipient's cost
(b)	Iwi, hapū, and designated representatives of the rights and interests of tangata whenua for affected land within the region are identified and given opportunity to be involved in prioritisation and planning.	<p>Statements of support or other confirmation of engagement, consultation and collaboration efforts are documented.</p> <p>For Example:</p> <ol style="list-style-type: none"> 1. Proactively identify, if not already established, any relevant iwi, hapū, and designated representatives of the rights and interests of tangata whenua for land within a Management Unit. 2. Proactively initiate (and record) efforts to seek input from them in a timely manner to into planning and priorities. For example: <ol style="list-style-type: none"> a) Review published iwi management or environmental plans where applicable for any concerns about wildings already noted and discussed. b) Identify and consult with relevant persons to document any taonga or important sites/features that either are affected or at risk from wildings or could be at risk from control work. c) Consider opportunities for capacity building, employment and training. 3. Proactively update the relevant iwi, hapū, and designated representatives of the rights and interests 	

	Activity	Output	Funded or Recipient's cost
		of tangata whenua on progress within relevant Management Units e.g., quarterly, (if not already achieved through RCG).	
(c)	<p>If one does not already exist, set up a Regional Coordination Group (RCG) for each Region (or sub-region) and:</p> <p>(i) ensure that the RCG members adequately represent existing groups that have been established to manage wilding conifers in that Region; and</p> <p>(ii) ensure the RCG meets periodically for the purpose of overseeing the planning and work completed (or to be completed) under the National Programme in that Region.</p>	<p>The RCG operates effectively to represent the key stakeholders of that particular Region and the Management Unit(s) within that Region.</p> <p>The RCG carries out its responsibilities in accordance with any agreed "Terms of Reference" for that RCG.</p> <p>Broad responsibilities for the RCG include:</p> <ol style="list-style-type: none"> 1. Having oversight and involvement in the development, endorsement-seeking process, implementation, and monitoring of each relevant MUOP. 2. Keeping up to date on progress towards delivering the MUOP. 3. Involved in operational or programme risk mitigation (all informed and involved). 4. Assisting in coordination of control work (and other related work). 	Recipient's cost
(d)	Implement (or procure the implementation of) the Management Unit Operational Plan in accordance with its terms, including by engaging Personnel and Subcontractors to implement that plan and help deliver the Outcomes.		Funded
(e)	Actively manage its Personnel engaged for the purpose of implementing the relevant Management Unit Operational Plan and verify that their work and engagement is carried out in accordance with the terms of that plan and this Agreement.		Recipient's cost

	Activity	Output	Funded or Recipient's cost
Financial and Operational Reporting			
(f)	Comply with the WCIS user guide provided by MPI to the Recipients, as may be amended from time to time (WCIS User Guide).	Keep accurate, up to date records showing the delivery of the Activities against the relevant plan, including by taking minutes and complete actions arising from regular meetings. Provide adequate information and reports to MPI at meetings. Take minutes and complete actions arising from meetings held with MPI ("Operational Meeting & Reporting Cycle" table below).	Recipient's cost
(g)	Ensure that all control and survey data is entered into WCIS by the fifteenth working day of the month that follows the end date of the work in accordance with the WCIS User Guide.		
(h)	Input (or procuring the inputting of) the financial data into WCIS, in accordance with the WCIS User Guide, and do so accurately to reflect (amongst other things) the costs of completed operations, and: (i) Funding (ii) any other funding; and (iii) In Kind Contributions.		
(i)	Comply with any audit under clause 14.1 of Part B.		Funded (subject to clause 14.1(e))
Health and Safety Management			
(j)	Work with MPI to ensure a Health and Safety Risk Management Plan (HSRMP) is in place and agreed with subcontractors prior to the commencement of any Funded Activity.	HSRMP is documented and agreed with MPI prior to the commencement of any Funded Activity.	Recipient's cost
(k)	For each PCBU, ensure the a HSRMP is in place prior to the commencement of any Funded Activity, which: (i) meets the relevant requirements of the HSRMP agreed with MPI in (j); (i) includes the information required in the definition of Health and Safety Management Plan in clause 1.1 of Schedule 2 (Health and Safety Terms) – and identifies:		Recipient's cost

	Activity	Output	Funded or Recipient's cost
	<p><u>a. all health and safety risks arising from the contracted activities, outlining how the Recipient proposes to mitigate and manage these risks; and</u></p> <p><u>b. how assurance will be provided to MPI that the Critical Risks to Health and Safety are managed –</u></p> <p><u>identifies and manages specific health and safety risks and hazards for the work being (or to be) carried out under and in relation to this Agreement;</u></p> <p><u>captures the health and safety risks and hazards arising under and in relation to the work being (or to be) carried out under and in relation to this Agreement.</u></p> <p>Make the HSRMP for each <u>PCBU subcontractor</u> available to MPI when requested.</p>		
(I)	<p><u>Provide regular health and safety reporting to MPI as required under clause 5.1 of Schedule 2 (Health and Safety Terms).</u></p> <p>Ensure each Notifiable Event -and/or High Actual or Potential Critical Risk Incident Health and Safety Incident is reported to MPI within the timeframes below:</p> <p>(i) Notifiable Event within <u>1 Business Day24 hours of the Recipient becoming aware of the Notifiable Event.</u></p> <p>and following confirmation of event being notified to WorkSafe NZ;</p> <p>(ii) High Actual or Potential Critical Risk Incident as soon as practicable but in any case for an incident that:</p> <p><u>a. caused harm to a worker or other person, Serious Incident within 1 Business Day24 hours of becoming aware of the serious incident; or</u></p> <p><u>b. could have caused harm to a worker or other person, within 5 Business Days of becoming aware of the incident.</u></p> <p>(ii) Incident within 5 Business Days of becoming aware of the incident;</p> <p>(iii) Near Miss within 5 Business Days of becoming aware of the Near Miss.</p>	<p><u>As agreed with MPI HSW team, reporting means health and safety is discussed at bimonthly meetings between the recipient with MPI, and documented.</u></p> <p>The WorkSafe accident investigation template forms part of the documentation attached to the HSRMP. This template sets out the minimum amount of information the Programme requires for an investigation.</p>	Recipient's cost

	Activity	Output	Funded or Recipient's cost
	<p>Notifiable Events and High Actual or Potential Critical Risk Incident Serious Incidents will must be reported notified to the MPI Operations Lead (or delegate) via email or phone and via MPI's Safety and Wellbeing team via email address SafetyAndWellbeing@mpi.govt.nz by telephone in order to confirm investigation roles, responsibilities and actions.</p> <p>High Actual or Potential Critical Risk Incidents reporting Incidents or Near Misses should include the results of the health and safety investigation that followed the incident or Near Miss and be submitted by inputting the relevant information into WCIS in accordance with the WCIS User Guide.</p> <p>Where WorkSafe or another relevant regulator has been notified the Recipient must also promptly provide a documented summary of that Notifiable Event and corrective actions that manage Critical Risks identified in the investigation to MPI</p>		
(m)	<p>MPI may, under clause 9.1 of Schedule 2 (Health and Safety Terms), at any time carry out a health and safety audits of the Recipient's health and safety systems as it relates to the Activities and/or must be completed as per in accordance with the auditing schedule outlined in the HSRMP. Any required improvements that are identified during an audit are implemented.</p> <p>The results of audits and corrective actions must be uploaded to WCIS within 20 working days from confirmation of the corrective actions, or as agreed with MPI.</p>		Recipient's cost
(n)	<p>Review and update the HSRMP agreed under this Agreement in accordance with clauses 3.4 and 3.6 of Schedule 2 (Health and Safety Terms) periodic meetings with MPI.</p>	<p>Meet at the frequency agreed with MPI in order to cooperatively ensure that health and safety risks and hazards related to operations are being managed appropriately.</p> <p>Report in compliance with clause 3.4 of Schedule 2 (Health and Safety Terms)</p>	Recipient's cost

	Activity	Output	Funded or Recipient's cost
Reporting and meetings			
(o)	Attend any meeting with MPI that MPI reasonably requests.		Recipient's cost
(p)	Report to MPI in accordance with the "Operational Meeting & Reporting Cycle" table confirmed in the annual notice – Change in Funding Amount, or as otherwise agreed in writing between the parties.	<p>Reporting Schedule</p> <p>MONTHLY reporting on:</p> <p>Jobs for Nature Number of New Starts Number of people employed at the end of the month</p> <p>Must be entered in WCIS for each calendar month by the fifteenth working day of the following month.</p> <p>Jobs for Nature Area treated Total hours worked Finance Expenditure of MPI funding Other contributions</p> <p>Must be entered and completed quality assurance in WCIS by the fifteenth working day of the month that follows the end date of each operation.</p> <p>QUARTERLY reporting on: Year to date spend against MPI Funding Year to date amount committed in contracts</p> <p>Must be confirmed via email from the Recipient to wilding.conifers@mpi.govt.nz by dates confirmed in the annual notice – Change in Funding Amount.</p>	Recipient's cost

	Activity	Output	Funded or Recipient's cost
		END OF YEAR Total spend against MPI Funding Must be confirmed via email from the Recipient to wlding.conifers@mpi.govt.nz by date confirmed in the annual notice – Change in Funding Amount.	

Month	Meeting Objectives	Attendees
July	For the Previous Financial Year: <ul style="list-style-type: none"> Confirm whether all previous Financial Year data is in WCIS. Confirm complete operations and spend for Financial Year (includes journals for expected invoices). Confirm financial contributions from each co-funding partner and land-occupier, as identified in the MUOP (Partners). Confirm In Kind Contributions from Partners. Agree actions and next meeting agenda.	<i>At a minimum:</i> Fund Manager MPI Operations Adviser MPI Coordinator <i>In addition:</i> MU Manager/s MPI Operations Lead
August	For the Current Financial Year: <ul style="list-style-type: none"> MPI to present and discuss key National Programme processes, responsibilities and expectations. Confirm forecast financial contributions from Partners. Agree the MU Manager for each MU. Confirm Subcontractor/s for each operation (or agree dates when this will be confirmed). Confirm that a HSRMP is in place for each MU (or agree dates when this can be completed). Agree actions and next meeting agenda.	
September	Current operations and spend – % complete. Identify and agree resolution actions for key operational issues. Review HSRMPs and health and safety risks/issues. Agree actions and next meeting agenda.	
October	Current operations and spend – % complete. Identify and agree resolution actions for key operational issues.	

Month	Meeting Objectives	Attendees
	Review HSRMPs and health and safety risks/issues. Agree actions and next meeting agenda.	
November	Discuss any planned spray operations for the season and potential risk and issues relating to this Confirm spend to date of funding Any issued to add and update in the HSRMP Signal any issues with spend Agree actions and next meeting agenda.	
December	Current operations and spend – % complete. Review risks/issues (includes health and safety). Confirm financial contributions received from Partners (YTD). Confirm 'in kind' contributions made by Partners (YTD). Agree actions and next meeting agenda.	
January	No meeting scheduled.	
February	Current operations and spend – % complete. Review risks/issues (includes health and safety). Agree actions and next meeting agenda.	
March	Confirm spend to date Signal any issues with spend so this can be reallocated if necessary Agree actions and next meeting agenda.	
April	Agree Management Unit operational planning process for upcoming Financial Year. Confirm date for operational plans to be submitted. Current operations and spend – % complete. Review risks/issues (includes health and safety). Forecast budget for upcoming Financial Year. Agree actions and next meeting agenda.	
May	Current operations and spend – % complete. Review risks/issues (includes health and safety). Forecast budget for upcoming Financial Year.	

Month	Meeting Objectives	Attendees
	Agree actions and next meeting agenda.	
June	Confirm approved operations and budget for upcoming Financial Year (or actions required to complete). Confirm actions to complete sign off for any variations to this Agreement and the supporting HSRMP. Agree actions and next meeting agenda. Agree upcoming Financial Year meetings schedule. Agree annual debrief date and attendees.	

3.2 Restricted and/or Prohibited Activities

The Recipient must not use the Funding for the following prohibited activities (**Prohibited Activities**). MPI may add, remove and/or amend any of the Prohibited Activities from time to time by giving written notice to the Recipient. Provided that MPI has consulted with the Governance Group in relation to a potential Prohibited Activity, any notification of that Prohibited Activity by MPI will take effect as from the date of notification.

Prohibited Activity	Comments
The use of mineral based diesel (including blends of mineral diesel and vegetable oil), fuels and oils as carriers in Aerial Basal Bark Application ("ABBA") operations under the National Programme.	Effective as of 1 July 2020.
The use of any type of helicopter listed in the current Transport Accident Investigation Commission watchlist must not be used in helicopter operations funded by the National Programme.	Effective as of 13 January 2021.

4. Funding

4.1 Purpose

The Recipient will only use the Funding for the purpose of carrying out the Funded Activities.

4.2 Maximum amount

Regardless of anything else in this Agreement, MPI will not be obliged to provide Funding under this Agreement which, in total, exceeds the following amount for the corresponding Management Unit for the corresponding Financial Year. The amounts in the table may change from Financial Year to Financial Year by written notice from MPI, which may be given only after consultation with the Governance Group:

Management Unit	Financial Year	Maximum amount of Funding (plus GST if any)

4.3 Method of payment

The Recipient will invoice MPI by sending a valid Tax Invoice to the MPI Operations Lead in accordance with clause 6 of Part B. Each Tax Invoice may only be issued when the invoicing criteria (as notified by MPI to the Recipient from time to time) for that Tax Invoice has been met to MPI's reasonable satisfaction.

4.4 Other provisions

Further detail regarding the method of payment, eligible expenditure, financial management, funding freezes and repayment is set out in clause 6 of Part B.

5. Governance

5.1 Role and responsibilities

The party described as "appointor" in the table below will engage and keep engaged suitably qualified, skilled and experienced Personnel in the roles set out in the table below. Each party will ensure its appointee performs the responsibilities for that role, as described in the table below and elsewhere in this Agreement.

Name of Role	Responsibilities	Appointer
Operational Advisory Group Representative	<ul style="list-style-type: none"> Provide direction and scope requirements to Governance on key Programme Projects which impact/change operations. Report to the Governance Group on the status of approved operational changes. Draft and agree the annual operations work package for the upcoming year and submit this to GG for approval. Identify operational areas where further guidance, research, and/or best practice is required from the TAG. Identify Programme process gaps or areas which require improvement/modification by the Programme Team. 	Recipient
Operational Working Group Representative/s	To discuss at regular meetings: <ul style="list-style-type: none"> H&S Incidents, process changes and outcomes of investigations. WCIS updates and data requirements. Key Programme projects and processes. TAG research developments and requirements. Surface, discuss and agree treatment for Programme operational risks and issues. 	Recipient

6. Term and termination

6.1 Term

Start Date	1 July 2024 ⁴⁰
End Date	30 June 2025 ⁴¹
Extending the End Date	The parties may extend the term of this Agreement by written agreement but it is intended that the parties will enter into a new services agreement for future years once Programme funding has been confirmed.

Commented [JT2]: Now for 1 year term only

Commented [JT3]: We should either add this (or similar) statement or delete reference to extending completely.

6.2 Termination of this Agreement

In addition to the rights contained in clause 19 of Part B, MPI or the Recipient may terminate this Agreement at any time for convenience, without cause, by giving at least four (4) months' prior written notice to the other party.

6.3 Expiry of existing Funding Agreement

- The parties acknowledge that the previous funding agreement between the parties dated ~~XX-XX-20XX~~ **6 November 2020** ~~1 December 2016~~ (**Previous Funding Agreement**) has expired.
- The Recipient agrees that any policy, instruction or guidance given by MPI under the Previous Funding Agreement is deemed to be given and continue under this Agreement also, unless MPI has expressly replaced or withdrawn that policy, instruction and/or guidance. To the extent that there is any inconsistency between such policy, instruction, or guidance given under the Previous Funding Agreement (or any policy, instruction, or guidance given by MPI under this Agreement), the terms of this Agreement (or the terms of any such policy, instruction or guidance given by MPI under this Agreement, as the case may be) will prevail.
- If the Recipient has not spent all of the funding allocated to the Recipient by MPI under the Previous Funding Agreement, MPI and the Recipient agree that, the unspent funding will

be deemed to be provided by MPI as part of (but not in addition to) the Funding provided under this Agreement.

7. Contact details

- (a) All matters or enquiries regarding the technical implementation or operation of this Agreement will be directed to MPI's Technical Liaison or the Recipient's Technical Liaison, as appropriate.
- (b) All general matters relating to this Agreement (including concerning the interpretation of this Agreement) will be directed to MPI's Contract Manager or the Recipient's Contract Manager, as appropriate.
- (c) If the Recipient cannot contact MPI's Contract Manager or MPI's Technical Liaison within a reasonable timeframe in the circumstances, enquiries can be directed to the person for the time being holding the office of "MPI Manager Recovery and Pest Management".
- (d) If MPI cannot contact the Recipient's Contract Manager or the Recipient's Technical Liaison, enquiries can be directed to the Recipient's Chief Executive or Managing Director.
- (e) The initial contact persons for each party are below. If a party's contact persons or their details change, that party must notify the other party in writing 10 Business Days in advance.

Party	Role	Details
MPI	Manager Recovery and Pest Management Programmes	John Sanson 04 894 0836 John.Sanson@mpi.govt.nz
MPI	Technical Liaison	Alan Tinnelly 029 943 3706 Alan.Tinnelly@mpi.govt.nz
MPI	Contract Manager	Sherman Smith 04 894 0831 Sherman.Smith@mpi.govt.nz
Recipient	Chief Executive	Richard Saunders 027 318 5736 richard.saunders@orc.govt.nz
Recipient	Managing Director	Joanna Gilroy 027 201 0888 joanna.gilroy@orc.govt.nz
Recipient	Technical Liaison	Gavin Udy 022 317 1517 gavin.udy@orc.govt.nz
Recipient	Contract Manager	Libby Caldwell 021 175 0396 libby.caldwell@orc.govt.nz

PART B: GENERAL TERMS AND CONDITIONS

1. Activities

MPI agrees to provide the Funding to the Recipient, and the Recipient agrees to use the Funding and carry out the Activities (or ensure the Activities are carried out), subject to and in accordance with the terms of this Agreement, and will use the Funding solely for the purpose of performing the Funded Activities under the National Programme.

2. Obligations

2.1 Mutual obligations of the parties

- (a) Each party agrees to:
 - (i) act in good faith in all matters relating to this Agreement and, without abandoning their own interests, to demonstrate honesty, integrity, openness, reasonableness, and accountability in their dealings with each other; and
 - (ii) discuss any matters affecting this Agreement or the performance of the Activities, whenever necessary.
- (b) Each party will ensure it performs its obligations under this Agreement:
 - (i) with due diligence, care and skill and using a standard of skill, care and diligence no lower than that expected of an experienced and well-resourced organisation performing that obligation;
 - (ii) in accordance with the specified timeframes or, if no timeframe is specified, then within a reasonable period; and
 - (iii) in accordance with all applicable laws, regulations and, where legally binding upon that party, codes and standards of practice.

2.2 Recipient's general obligations

- (a) The Recipient will ensure that it performs the Activities, and will ensure that any Personnel engaged to provide the Activities does so:
 - (i) using appropriately trained, qualified, experienced and supervised persons;
 - (ii) in accordance with all Government or MPI internal policies and procedures relevant to this Agreement, as notified in writing to the Recipient at or before the Start Date;
 - (iii) in accordance with the Standards of Integrity and Conduct issued by the State Services Commission (see www.ssc.govt.nz); and
 in a manner that:
 - (iv) is culturally appropriate for Maori, Pacific and other ethnic or indigenous groups;
 - (v) respects the personal privacy and dignity of all participants and stakeholders; and
 - (vi) meets MPI's satisfaction, as reasonably described by MPI in writing from time to time.
- (b) Unless otherwise agreed in writing, the Recipient will ensure that it obtains all necessary and prudent authorisations, consents, permits, licences and the like, to ensure the Recipient can perform its obligations under this Agreement in compliance with the law and any third party's rights, including in relation to performance of any Activities carried out on MPI's or a third party's premises.

2.3 MPI's obligations

If reasonably requested by the Recipient, and without limiting the Recipient's obligations under this Agreement, MPI will:

- (a) cooperate and collaborate with the Recipient in the same way that MPI generally cooperates and collaborates with other recipients similar to the Recipient in the relevant circumstances;

- (b) provide or give access to MPI's resources and information, including templates, which MPI generally makes available to recipients similar to the Recipient, for the purpose of the National Programme; and
- (c) endeavour to find opportunities to share best practices and lessons learned across the National Programme's delivery.

3. Health and safety

3.1 ~~Compliance with health and safety legislation and directions~~ The Recipient will comply with the Health and Safety provision as set out in Schedule 2 (Health and Safety Terms).

- (a) ~~During the term of this Agreement, the Recipient will:~~
 - (i) ~~consult, cooperate and coordinate with MPI to ensure that the parties comply with their respective obligations under HSWA Legislation as they relate to this Agreement;~~
 - (ii) ~~perform its obligations under this Agreement, and ensure that its Personnel performs their respective obligations in relation to this Agreement, in compliance with the HSWA Legislation;~~
 - (iii) ~~comply with all reasonable written directions given by MPI from time to time relating to health and safety on any matters not addressed in the Recipient's Health and Safety Risk Management Plan;~~
 - (iv) ~~perform its, and ensure that each of its Personnel perform their respective, obligations under or in relation to this Agreement in compliance with the HSWA Legislation, including the:~~
 - (A) ~~duties of a PCBU under sections 36-43 of the HSWA;~~
 - (B) ~~duties relating to the identification of hazards and implementation of Control Measures under the HSWA (GR&WM) Regulations 2016; and~~
 - (C) ~~duties relating to the keeping of records under section 57 of the HSWA; and~~
 - (v) ~~duly notify WorkSafe NZ of any Notifiable Event, as required under section 56 of the HSWA.~~
- (b) ~~MPI acknowledges that any Worker engaged by the Recipient in the performance of the Activities has a statutory right to cease or refuse to carry out unsafe work, as that term is defined under section 82 of the HSWA.~~

3.2 ~~Health and safety policies, practices and plans~~

- (a) ~~During the term of this Agreement, the Recipient will:~~
 - (i) ~~maintain general health and safety policy and practices that are appropriate to the nature of the Activities; and~~
 - (ii) ~~comply with its health and safety policy and practices, and ensure its Workers and other Personnel also comply.~~
- (b) ~~Within 10 Business Days after MPI has supplied the HSRMP template to the Recipient (or any longer period that parties agree in writing), the Recipient will submit a draft written HSRMP to MPI for review. The Recipient will ensure the draft is a duly completed template provided by MPI or complies with clause 3.2(c) below.~~
- (c) ~~If the Recipient does not use a template provided by MPI to document the Recipient's HSRMP, then the Recipient will ensure that its draft HSRMP includes (at a minimum) the following matters:~~
 - (i) ~~the "Health & Safety Risk Register", specific to performance of the work contemplated under this Agreement, including identified risks and mitigations, and assigned responsibilities for managing those risks;~~
 - (ii) ~~confirmation of how those risks will be communicated to Workers;~~
 - (iii) ~~clearly assigned health and safety roles and responsibilities (the name of the person responsible, rather than position titles);~~

- (iv) — details of regular meetings to discuss health and safety;
 - (v) — details of regular reporting (at least monthly) on any health and safety Notifiable Event (including Near Misses) and corrective actions;
 - (vi) — required personal protective equipment (**PPE**), and assigned responsibility for checking PPE;
 - (vii) — any applicable standard operating procedures (step-by-step instructions on key tasks) in place and how Workers access these;
 - (viii) — the name of any and all Workers engaged to assist with the work (and how they will be managed by or on behalf of the Recipient);
 - (ix) — the health and safety induction process for Workers involved in work under or in relation to this Agreement;
 - (x) — identification of required training and/or certification to carry out the work (and confirmation of who checks that training and/or certification has been completed);
 - (xi) — emergency procedures, specific to the Activities; and
 - (xii) — details on how the Recipient's health and safety performance will be monitored (key performance indicators; site inspections).
- (d) — After the Recipient submits the draft HSRMP to MPI, MPI will review and suggest any changes to the HSRMP. Where MPI suggests a change that would cause the Recipient to incur direct new or increased costs, or that the Recipient considers is unreasonable, the Recipient will promptly advise MPI of the reason why and of any additional funding it considers it would need to implement the change. The parties will endeavour to agree and finalise the draft HSRMP within a further 10 Business Days (or any longer period agreed in writing by the parties). The draft HSRMP will be finalised and become binding only once each party agrees in writing to the HSRMP.
- (e) — If the parties do not agree the HSRMP within 25 Business Days of MPI supplying the HSRMP template to the Recipient, then MPI in its sole discretion may suspend or terminate all or part of the Activities and/or Funding under this Agreement, until the HSRMP is agreed in writing between the parties.
- (f) — The Recipient must comply, and will ensure its Workers and other Personnel comply, with the HSRMP. The Recipient must also review and if necessary update the HSRMP at least every six (6) months, and must update the HSRMP whenever MPI (acting reasonably) advises the Recipient that a new or increased risk or hazard has arisen in performing the Activities.

4. Subcontractors and Personnel

4.1 Subcontractors

- (a) The Recipient must ensure that:
- (i) each Subcontractor is fully aware of the Recipient's obligations under this Agreement to the extent necessary for the Subcontractor to properly perform its obligations;
 - (ii) each subcontract it enters into with a Subcontractor is consistent with this Agreement, to the extent relevant and material for the performance of the Subcontractor's obligations; and
 - (iii) each subcontract with a Subcontractor requires that further subcontracting is also consistent with this Agreement;
 - ~~(iii)~~(iv) each Subcontractor has been advised of, and complies with the the requirements recorded in clause 7.3 of Schedule 2 (Health and Safety Terms).
- (b) During the ~~the~~ Term of this Agreement, if MPI requests in writing, the Recipient will:
- (i) conduct a health and safety pre-qualification process for all, or any particular, Subcontractors the Recipient (or the Recipient's Subcontractor) proposes to use to perform the Activities; and/or

- (ii) submit a HSRMP, or amend an existing HSRMP, to address specific health and safety risks posed by the proposed use of the Subcontractor.
- (c) The Recipient must ensure that, prior to the performance of the Activities by any Subcontractor, the Subcontractor has been advised of, and agrees to comply with:
 - (i) the Recipient's health and safety policy and procedures;
 - (ii) the health and safety risk management plan for the relevant PCBU (as described in ~~(k)(4)~~ of the Activities table in Part A);
 - (iii) the plan to manage any specific site within the relevant Management Unit based on health and safety issues in performing the Activities; and
 - (iv) any health and safety directions given by MPI to the Recipient under clause ~~1.1(a)(i)3-4(a)(iii)~~ of this Part B.
- (d) The Recipient will be responsible for the acts and omissions of each Subcontractor as if the act or omission was the Recipient's. The Recipient will not be relieved of any of its liabilities or obligations under this Agreement by entering into any subcontract.
- (e) The Recipient will ensure that:
 - (i) its contract with each Subcontractor it engages in relation to the National Programme contains generally the same obligations; and
 - (ii) gives MPI the same rights as are set out in this Agreement and relate to the Subcontractor's performance of the Activities. MPI can directly enforce those obligations and exercise its rights against the Subcontractor pursuant to the Contract and Commercial Law Act 2017, provided that MPI will not:
 - (A) enforce its rights under ~~this 4.1(e)(ee)~~(ii) without seeking to resolve any issues in the first instance with the Recipient; or
 - (B) engage with Subcontractors without the prior written consent of the Recipient, such consent not to be unreasonably withheld.

4.2 Personnel

If MPI is at any time dissatisfied on reasonable grounds with the performance of the Recipient's Personnel in its performance of the Recipient's obligations under this Agreement:

- (a) MPI may notify the Recipient in writing of that dissatisfaction; and
- (b) the parties, in good faith, will discuss an appropriate course of action in relation to that Personnel.

If the Personnel performs a role that involves the accounting or allocation of Funding and has been arrested for or committed a dishonesty offence, the Recipient will remove that Personnel from that role immediately, if requested by MPI.

5. Significant Events process

5.1 Notification of Significant Event

Each party will notify the other party as soon as reasonably practicable upon becoming aware of an actual or likely:

- (a) **Serious failure:** significant failure (or series of related failures which together are significant) of the Recipient to perform its obligations in accordance with this Agreement;
- (b) **MPI Breach:** significant event, breach or likely breach by MPI of its obligations under this Agreement;
- (c) **Reputational Event:** any event relating to the Agreement which is likely to cause MPI, the government, the Recipient, its Personnel and/or Subcontractors significant adverse media or parliamentary attention, and in any event, if there is a change in the criminal record of the Recipient, and/or its Personnel;
- (d) **Security Event:** security event, breach or likely breach relating to the Agreement that compromises or is likely to compromise the integrity or security of MPI, the Recipient, the

Activities, Funding, MPI assets (including any technology system) or MPI Data (such event, breach or likely breach being a **Security Event**); and

- (e) **Regulatory Event:** any event, or a near miss, relating to the Agreement that would cause the Recipient to notify a regulator, including any health and safety regulator, the office of the Privacy Commissioner or a financial services regulator,

(each such event, circumstance, breach or failure being a **Significant Event**).

5.2 Rectification process

If a party advises the other of a Significant Event, and MPI requests, the parties will endeavour to agree a course of action. If no course of action is agreed within the timeframes advised by MPI (which, depending on the nature of the Significant Event, could be required within an hour), the Recipient must:

- (a) **Co-operate:** co-operate with MPI and any other third party specified by MPI;
- (b) **Follow instructions:** follow any reasonable instructions given by MPI, including any instruction given:
 - (i) under clause 6.7(b) of this Part B; and/or
 - (ii) to stop following a previous instruction (or any part of it),
 and, if the Significant Event is related to a Notifiable Event, near miss, or breach, MPI's instruction may include:
 - (iii) to stop performing the Activities (or any part of them);
 - (iv) to suspend any work being carried out under or in relation to this Agreement by the Recipient, and/or its Personnel until MPI (in its sole discretion) considers the health and safety risk has been eliminated or adequately mitigated; and/or
 - (v) to amend the HSRMP in the manner MPI instructs.
- (c) **Investigate:** investigate the cause of the Significant Event and give a report to MPI (in writing if MPI requests) which describes (to the extent reasonably known):
 - (i) the cause of the Significant Event;
 - (ii) where the Significant Event is a Security Event and to the extent known, the identity of the person or persons who have gained or attempted to gain unauthorised access; and
 - (iii) the actions proposed to be taken by the Recipient.

If MPI requests, allow MPI to be involved in relation to that investigation to the level MPI requests.

- (d) **Update:** update MPI on regular basis of any subsequent developments relating to the Significant Event.
- (e) **Remedy/Mitigate:** remedy or mitigate the immediate effects of the Significant Event, or the circumstances or issue giving rise to the Significant Event, as soon as reasonably practicable, in the manner reasonably requested by MPI and provide MPI with a report (in writing, if MPI requests) of the action taken. MPI will take reasonable steps to remedy or mitigate the effects of the Significant Event on MPI.
- (f) **Prevent Recurrence:** take all reasonable action to prevent a recurrence of the relevant Significant Event and notify MPI (in writing if MPI requests) of any such action taken.
- (g) **Remedy plan:** within the period reasonably requested by MPI, prepare and submit to MPI for its approval a remedy plan setting out how the Recipient considers the Significant Event could be optimally remedied, the relevant timeframes for such remediation, what the Recipient considers would be required of the Recipient, MPI and/or any third party and any other details reasonably required in order for the Significant Event to be remedied in an optimal manner. If MPI approves that submitted plan, each party will comply with the requirements of that party as set out in that plan and any other requirements notified by MPI (acting reasonably).

5.3 Cost of remedying

MPI will pay the Recipient for the actual reasonable costs incurred by the Recipient in complying with clause 5.2 of this Part B but only:

- (a) up to the amount of the costs that was advised by the Recipient to MPI in advance of the Recipient incurring those costs; and
- (b) to the extent that the Significant Event is not due to the Recipient's or its Personnel's breach or misconduct.

5.4 Other remedies

The issuing of a notice under clause 5.1 of this Part B does not limit either party's other rights and remedies.

6. Payment**6.1 MPI's obligation to pay the Funding**

MPI's obligation to pay the Funding is subject to:

- (a) MPI continuing to have sufficient funding within its budget for the Funded Activities;
- (b) there being no un-remedied non-trivial breach of this Agreement by the Recipient; and
- (c) MPI being satisfied on reasonable grounds that the Funding is being appropriately expended on the Funded Activities and is not being used in breach of this Agreement.

6.2 Total amount payable

The Funding is the total amount payable by MPI for the provision of the Funded Activities. All other costs, disbursements and other expenses incurred by the Recipient in relation to this Agreement are at the Recipient's cost and not to be paid for by the Funding.

6.3 Invoicing

- (a) The Recipient will invoice the Funding in accordance with this clause 6.3 of Part B. Each Tax Invoice submitted by the Recipient (whether submitted monthly or otherwise) will include sufficient details to enable MPI to identify:
 - (i) the Agreement number (if any);
 - (ii) the period covered by the invoice;
 - (iii) the particular Funded Activities which are the subject of the invoice; and
 - (iv) the amount of Funding payable.
- (b) Unless provided otherwise in this Agreement, the Recipient:
 - (i) will provide MPI with a Tax Invoice for the aggregate amount of Funding for each Management Unit for the relevant Financial Year, as set out in the table at clause 4.2 of Part A (as those amounts may be amended in accordance with clause 4.2 of Part A); and
 - (ii) may provide that Tax Invoice annually in advance for the immediately following Financial Year.
- (c) Without limiting MPI's other rights under this Agreement, MPI will pay the Recipient's Tax Invoices by the within 20 Business Days of receiving that invoice or before the beginning of the Financial Year to which the invoice relates, whichever is the later date. All payments by MPI will be deemed to have been made in Wellington, New Zealand. Payment by MPI is not evidence that the Activities to which the invoice relates have been provided in accordance with this Agreement.

6.4 Disputed invoices

If MPI has a bona fide dispute in relation to all or any portion of any Tax Invoice, MPI may withhold payment of the amount subject to the dispute, provided that:

- (a) MPI will pay the undisputed amount when it becomes due and payable; and

- (b) the Recipient will continue to perform its obligations under this Agreement while the dispute is resolved.

6.5 Eligible Expenditure

The Recipient must apply the Funding only to expenditure that:

- (a) is incurred by the Recipient;
- (b) for the purpose of the Funded Activities or for purposes incidental to the Funded Activities;
- (c) is incurred during the term of this Agreement; and
- (d) is otherwise approved in writing by MPI (in its absolute discretion) as eligible expenditure for the purposes of this Agreement,

(Eligible Expenditure).

6.6 Financial Management

The Recipient must:

- (a) ensure that any payments of Funding made to a third party in connection with this Agreement (including to its Personnel) are correctly made and properly authorised;
- (b) maintain proper and diligent control over the incurring of all liabilities in relation to the Funding;
- (c) maintain an appropriate financial management system to ensure that the Funding is separately identified and managed within its accounts; and
- (d) except with MPI's prior written approval, not use the Funding for the purposes of a guarantee or security for any loan, credit, payment or other interest, or in the context of any litigation.

6.7 Funding Freeze

- (a) Without limiting any other right or remedy of MPI, if the Recipient materially breaches this Agreement, then MPI may issue the Recipient with a notice directing the Recipient not to spend the Funding (**Funding Freeze Notice**).
- (b) If the Recipient receives a Funding Freeze Notice under this clause 6.7 of this Part B, then, until the breach is remedied to MPI's satisfaction, the Recipient must not spend any Funding:
 - (i) unless and until MPI notifies the Recipient otherwise; and
 - (ii) except to the extent required to pay for any bona fide and unavoidable pre-existing contractual commitments to spend the Funding in accordance with this Agreement.

6.8 Repayment

- (a) Without limiting any other right or remedy of MPI, MPI may recover Funding from the Recipient in the following circumstances (and the Recipient will pay that Funding within 5 Business Days of MPI's written notice requiring payment):
 - (i) **Misspent Funding:** At any time MPI may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, together with interest on all such amounts calculated at 10% per annum from the date of the misspending to the date the money is repaid.
 - (ii) **Uncommitted Funding:** On expiry or termination of this Agreement, MPI may recover any Funding which the Recipient:
 - (A) has not spent or contractually committed to spend in accordance with this Agreement; and/or
 - (B) has spent or contractually committed to spend in accordance with this Agreement but which the Recipient can have refunded or released from that commitment, and the Recipient must use all reasonable endeavours to obtain such refund or release.

- (iii) **Activities Abandoned:** MPI may recover an amount up to the total value of the Funding less the amount that the Recipient spent in accordance with this Agreement if the Recipient:
 - (A) states an intention not to perform the Activities in accordance with this Agreement; and/or
 - (B) within 10 Business Days of being requested to do so by MPI, does not demonstrate (to MPI's reasonable satisfaction) that the Recipient will proceed with performing the Activities in accordance with this Agreement.
- (iv) **Excess Funding:** Where the total Funding paid under this Agreement and any other money received by the Recipient to carry out the Funded Activities exceeds or is likely to exceed the funding required to perform the Activities, or the Recipient has excess Funding at the termination or expiry of this Agreement, the Recipient must notify MPI upon becoming aware and, if MPI requests, promptly refund to MPI the excess amount.
- (b) If the Recipient does not pay, as required by this clause, the Recipient must pay MPI interest calculated at 10% per annum from the date payment is due until the date the money is repaid.

6.9 Insufficient Funding

If the Recipient uses (or reasonably expects to use) all of the Funding in accordance with this Agreement without completing its performance of the Funded Activities during the term of this Agreement, then:

- (a) the Recipient will give MPI written notice as soon as reasonably practicable (but the Recipient does not need to give more than six (6) months advance notice), detailing the amount of additional funding requested by the Recipient (**Additional Funding**) and supporting evidence as to why the Additional Funding will be sufficient for the Recipient to complete the performance of the Funded Activities; and
- (b) within a reasonable period of time after receiving the Recipient's request for Additional Funding under clause 6.9(a) above, MPI will give the Recipient written notice as to whether it will provide:
 - (i) the Additional Funding in full (in which case the Recipient will be obliged to complete the performance of the Funded Activities in accordance with this Agreement); or
 - (ii) part of the Additional Funding (in which case the parties will follow the change control procedure set out at clause 7 to agree upon a reduction in the scope of Funded Activities to be performed by the Recipient); or
 - (iii) no Additional Funding (in which case the Recipient will not be obliged to continue to perform the Activities under this Agreement after all of the funding has been spent on the Funded Activities in accordance with this Agreement).

6.10 Tax

All amounts set out in this Agreement are stated before the addition of GST, which, if payable, will be paid at the same time as the supply to which the GST relates. Subject to the previous sentence, MPI will not be obliged to pay any of the Recipient's and/or its Personnel:

- (a) taxes, duties, excess, levies, carbon credits;
- (b) holiday pay, sick pay or other payment under the Holidays Act 2003;
- (c) redundancy or any other form of severance pay; and/or
- (d) other amounts in relation to the performance of its obligations under this Agreement that are not the performance of the Funded Activities.

MPI will not be required to gross up any payment or Funding to the Recipient where MPI deducts tax due to non-resident contractors' tax.

7. Change control procedure

7.1 Change request

A party may request an amendment to the terms of this Agreement at any time by providing a written change request to the other. Unless the parties' respective Contract Managers agree in writing to use a truncated process, each party agrees to follow the process set out in this clause 7 when requesting a change to the terms of this Agreement.

7.2 Understanding consequence of change request

- (a) Where MPI submits a change request, it will provide a reasonable description and explanation of the change sought.
- (b) Where the Recipient submits a change request, or within a reasonable period of time of receiving a change request from MPI, the Recipient must provide MPI with a reasonable description of:
 - (i) how the proposed change would be implemented, including details of how the requested change would affect the Activities and any other term of this Agreement;
 - (ii) the cost of implementing the change and the Recipient's calculation of changes to the Funding (if any), which must be reasonable and calculated in good faith;
 - (iii) any information reasonably requested by MPI; and
 - (iv) any other relevant information, which may include how any change request can be most optimally implemented.

No change request will be binding unless each party accepts the change request in writing.

8. Information management

8.1 Provision of information

Each party will:

- (a) provide the other party with all information relating to the Activities as reasonably requested from time to time, within the timeframe reasonably requested; and
- (b) as soon as reasonably practicable, provide the information requested by the other party to comply with its statutory, parliamentary or other public sector reporting obligations; and
- (c) ensure that all information provided in writing to the other party under or in connection with this Agreement is materially accurate, complete and not misleading at the time the information was provided, for the purpose for which it was provided.

8.2 Privacy

- (a) Each party must act in accordance with the Privacy Act 2020.
- (b) Each party will not use any Personal Information acquired in the course of performing its obligations under this Agreement, or disclose that Personal Information to any person other than MPI or the Recipient (as applicable) or the individual to whom the information relates, except:
 - (i) to the extent reasonably required to perform its obligations under this Agreement;
 - (ii) in accordance with the Privacy Laws; or
 - (iii) with the other party's or person's written consent.

8.3 Recordkeeping

The Recipient will (and will ensure that each of its Subcontractors under and in relation this Agreement):

- (a) keep full, accurate and up-to-date records, including:
 - (i) financial records relating to the performance of the Activities and all monies paid and payable by MPI under or in relation to this Agreement sufficient to enable MPI to meet its obligations under the Public Finance Act 1989; and

- (ii) any health and safety event which has been investigated internally by the Recipient, or a health and safety regulator, relating to the Activities (and the outcome of such investigations); and
- (iii) any health and safety due diligence processes, compliance records, and any associated documents, relating to the health and safety compliance and performance of Workers and other Personnel involved in the Activities;
- (b) retain such records for 7 years from the expiry or termination of this Agreement; and
- (c) on request by MPI, and at no cost to MPI, provide to MPI copies of any such records reasonably requested by MPI and any information or materials (including financial information relating to the provision of Activities).

9. Confidentiality

9.1 Security and non-disclosure

Subject to clauses 9.2 and 9.3 of this Part B, each party agrees that it will:

- (a) use all reasonable endeavours to keep the Confidential Information of the other party confidential at all times;
- (b) not Use, communicate, make available or re-supply the other party's Confidential Information to any person, other than for the purposes of performing its obligations and/or exercising its rights in accordance with this Agreement;
- (c) effect and maintain all reasonable security measures to safeguard the other party's Confidential Information from access, damage or use by unauthorised persons;
- (d) store all Confidential Information in New Zealand; and
- (e) ensure that any Personnel or professional adviser to whom a party discloses the other party's Confidential Information is aware of, and complies with, the provisions of this clause 9 of this Part B.

9.2 Permitted disclosure

A party will not be bound by the obligations of confidentiality in clause 9.1 of this Part B to the extent that any disclosure of Confidential Information:

- (a) is required by law, convention, parliamentary rules or the rules of any stock exchange (**Requirement**), in which case, if permitted by the Requirement and as soon as reasonably practicable, the disclosing party will notify the other party of the Requirement, the information it will disclose and the date on which it will disclose the information, and will comply with that notice;
- (b) is required for the purposes of performing and enforcing this Agreement;
- (c) is of information that is publicly available through no fault of that party;
- (d) is made with the other party's prior written approval of the disclosure or (in the case of clause 9.1(d)) the transfer outside New Zealand;
- (e) which was rightfully received from a third party without restriction or without breach of this Agreement; or
- (f) was developed independently of the Confidential Information.

9.3 Information sharing

In addition to clause 9.2 of this Part B, and in recognition of the mutual benefit of information sharing for the National Programme as a whole, the obligations of confidentiality in clause 9.1 of this Part B do not apply to the extent that any disclosure of Confidential Information is for the purpose of consulting, cooperating or coordinating with other than current recipients of funding from MPI under the National Programme, including in relation to:

- (a) current best practice in relation to the performance of the Activities; and/or
- (b) a party's health and safety management under this Agreement.

9.4 Mandatory disclosures

If any party is required to disclose any Confidential Information (as contemplated by clauses 8.1(a) or 9.2 of this Part B), that party will use its reasonable endeavours to obtain the recipient's commitment that it will treat the confidential information confidentially.

9.5 Publicity and announcements

- (a) The Recipient will acknowledge MPI as a source of funding in all publications and publicity regarding the Activities, and will obtain MPI's approval of the form of the acknowledgement.
- (b) MPI may publicise and report on its distribution of Funding to the Recipient on any website, in any media releases, general announcements or annual reports. MPI may disclose the name of the Recipient, any of its Subcontractors, the amount of the Funding and a brief description of Activities.
- (c) Neither party may post on websites, social networking sites or publicly display objectionable or derogatory comments about the Activities, this Agreement, each other, or any of their Personnel.
- (d) The Recipient will promptly refer any enquiries from the media or any other person about the terms or performance of this Agreement to the MPI Programme Manager. If the MPI Programme Manager cannot be contacted, the Recipient will instead contact the person holding the office of "MPI Manager".

10. Warranties**10.1 Warranties**

The Recipient warrants that at the date of this Agreement:

- (a) it is not insolvent or bankrupt and no action has been taken to initiate any form of insolvency or administration in relation to the Recipient;
- (b) there are no circumstances or matters that are likely to have a material adverse effect on the performance of its obligations under this Agreement;
- (c) it is not aware of any information that has not been disclosed to MPI which may, if disclosed, materially adversely affect the decision of MPI to provide the Funding;
- (d) all information relating to the Activities that was provided by the Recipient to MPI prior to MPI's execution of this Agreement, including in any proposal or presentation by the Recipient, was accurate, complete and true at the time it was provided. The Recipient acknowledges that MPI is entering into this Agreement in reliance on such information; and

on a continuing basis during the Term of this Agreement (to the best of the Recipient's knowledge and belief):

- (e) the performance of the Activities under this Agreement will not constitute or give rise to a breach of:
 - (i) the rights of any person (including any Intellectual Property Rights or physical property rights); or
 - (ii) any law with which the Recipient or Personnel is required to comply.

11. Intellectual Property and data**11.1 Background Intellectual Property**

Except to the extent specified in this Agreement, nothing in this Agreement confers on a party any right, title or interest in the other party's Background Materials.

11.2 New Intellectual Property

Unless otherwise agreed between the parties, all Intellectual Property Rights in the New Materials arising under or in relation to this Agreement are the property of MPI from the time of creation or will vest in MPI immediately afterwards.

11.3 Licence

Subject to clause 11.4, each party (**Licensor**) grants the other (**Licensee**) a perpetual, irrevocable, world-wide, royalty-free, non-exclusive licence to Use any of the Licensor's:

- (a) Background Materials;
- (b) New Materials;
- (c) Third Party Materials (provided that the Licensor holds the rights to grant this licence in relation to Third Party Materials); and/or
- (d) any of the Licensor's data,

provided or made available by the Licensor to the Licensee under or in connection with this Agreement. The Licensee may sub-license its rights under this clause 11.3 to its Subcontractors, but only to the extent necessary for that Subcontractor to perform the Activities or provide the Outputs in accordance with this Agreement.

11.4 WCIS

The Recipient must not (and will ensure its Personnel does not) copy, reverse engineer, rent, decompile or attempt to circumvent any security measures on WCIS or any part of it.

11.5 Know How

Notwithstanding any other provision of this Agreement, MPI and the Recipient will not be prevented or restricted by this Agreement from using any technique, idea, concept or know-how relating to this Agreement.

12. Third party rights**12.1 Third Party Claim**

If a third party claims that a party (the **Infringing Party**) has infringed that third party's Intellectual Property Rights, other rights of that third party or the law (**Third Party Claim**), then:

- (a) the other party will allow the Infringing Party to control settlement or defence of the Third Party Claim. The Infringing Party will consult with the other party on the settlement or defence of the Third Party Claim;
- (b) at the Infringing Party's cost and reasonable request, the other party will co-operate with the Infringing Party in the defence and any related settlement negotiations concerning any Third Party Claim; and
- (c) the other party will not enter into any settlement, negotiation or compromise with the third party without the Infringing Party's written consent (not to be unreasonably withheld).

13. Conflicts of interest**13.1 Avoiding conflicts**

Each party must maintain a high standard of honesty and integrity at all times in the performance of this Agreement and must use all reasonable endeavours to avoid any actual or perceived conflict of interest, being:

- (a) a situation which might create an actual or perceived conflict of interest, or compromise the Recipient's or MPI's integrity; and/or
- (b) any financial or other interest or undertaking that might interfere with or compromise the performance of the other party's obligations under this Agreement, or the integrity or standing of either party.

13.2 Notifying conflicts

Each party must advise the other party in writing of any actual or perceived conflict of interest that might arise in the performance of its obligations under, or in connection with, this Agreement. Each party will assist the other party to manage, avoid or mitigate that conflict and follow any reasonable instructions (which may include stopping the performance of certain work) that the parties consider necessary or appropriate to manage the conflict of interest.

14. Audit**14.1 Audit**

- (a) As part of the public sector, each party acknowledges the need to ensure transparency and accountability in the use of public funds, and also the cost and resource involved in carrying out an audit. Accordingly, MPI will work with the Recipient to identify an appropriate audit frequency and scope but, as the funder, MPI must have default rights of audit that it can use at any stage.
- (b) The Recipient must allow MPI and any auditor nominated by MPI to conduct an audit from time to time, for the purpose of:
 - (i) determining the level of compliance with this Agreement (including whether there has been a breach of this Agreement) by the Recipient and/or its Personnel;
 - (ii) determining whether Activities invoiced for or by the Recipient have been performed and invoiced according to this Agreement; and/or
 - (iii) assisting in resolving a matter in dispute between the parties.
- (c) The Recipient will (and will ensure that each of its Personnel will) provide reasonable access and assistance to MPI (or an auditor appointed by MPI) in relation to an audit conducted under this clause 14.1 of this Part B.
- (d) In conducting an audit, MPI must:
 - (i) give the Recipient reasonable notice of the audit, which in any event does not need to be more than 5 Business Days; and
 - (ii) comply with the Recipient's reasonable security requirements.
- (e) The Recipient may use the Funding for the reasonable costs of any audit unless a material non-compliance or charging error with this Agreement is discovered through the audit, in which case, the Recipient must reimburse MPI for the amount of any Funding that has been used to pay for the costs of the audit.
- (f) MPI will promptly notify the Recipient of the draft and final results of any audit conducted under this clause 14.1 of this Part B.

15. Dispute resolution**15.1 Negotiation**

Both parties will endeavour to resolve any dispute that may arise under or in connection with this Agreement through negotiation.

15.2 Escalation

If the parties are unable to resolve a dispute by negotiation within 10 Business Days after the dispute was first notified in writing by one party to the other (**Dispute Notice**), and either party gives written notice to the other, then:

- (a) the dispute will be referred for resolution by their respective senior responsible officers with oversight of this Agreement; and
- (b) if the dispute cannot be settled by the senior responsible officers within 20 Business Days of delivery of the Dispute Notice, the dispute will be referred for resolution by their respective Chief Executives.

15.3 Mediation

Subject to clause 15.4 of this Part B, if a dispute cannot be settled within 30 Business Days of delivery of the Dispute Notice under clause 15.2 of this Part B (or such other timeframe agreed in writing by the parties), the dispute may be referred by either party to non-binding mediation in which case:

- (a) the parties agree to the mediation, which will be held in Wellington, New Zealand;
- (b) the mediation will be mediated by a sole mediator agreed in writing by the parties; or

- (c) if the parties cannot agree on a mediator within 10 Business Days of either party referring the dispute to mediation, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent mediator.

15.4 Right to seek relief

This clause 15 of this Part B does not affect either party's right to seek urgent interlocutory and/or injunctive relief from any New Zealand Court of competent jurisdiction.

16. Liability

16.1 Maximum liability

Without limiting clauses 16.2 and 16.3 of this Part B, the maximum aggregate liability, whether in contract, tort (including for negligence), breach of statutory duty or otherwise, of one party to the other party under or in connection with this Agreement is limited to the total amount of Funding payable by MPI under this Agreement had the Funded Activities been carried out in accordance with this Agreement.

16.2 Exclusions

- (a) Neither party is liable for any indirect or consequential loss or damage arising under or in connection with this Agreement, even if foreseeable and even if advised of the possibility of such loss or damages.
- (b) The Recipient will not be liable under this Agreement to the extent the Recipient's breach of this Agreement is a direct and unavoidable result of MPI's express written instruction (given knowingly).
- (c) Notwithstanding any other clause in this Agreement, this clause 16 applies only to the extent permitted by law.

16.3 Uncapped liability

Clauses 16.1 and 16.2 of this Part B will not limit either party's liability under or in connection with this Agreement:

- (a) for damage to the other's or a third party's physical property;
- (b) for personal injury or death;
- (c) for fraud or wilful default; or
- (d) an obligation to pay any amount due and owing under this Agreement.

16.4 Mitigation

Each party must take reasonable steps to mitigate any loss or damage, cost or expense it may suffer or incur arising out of anything done or not done by the other party under or in connection with this Agreement.

17. Force Majeure

- (a) Where either MPI or the Recipient (the **Affected Party**) is unable to carry out its obligations in accordance with this Agreement due to a Force Majeure Event, and:
 - (i) the Affected Party gives the other party immediate written notice of the nature, the expected duration of, and the obligation affected by, the Force Majeure Event;
 - (ii) the Affected Party gives regular updates of the expected duration of and effects of the Force Majeure Event; and
 - (iii) the Affected Party uses all reasonable endeavours to:
 - (A) mitigate the effects of the Force Majeure Event on the Affected Party's obligations under this Agreement; and
 - (B) perform the Affected Party's obligations under this Agreement despite the Force Majeure Event,
- that obligation is suspended for so long as, and to the extent that, the Affected Party is affected by the Force Majeure Event.

- (b) If the Recipient's obligation is relieved under this clause 17 of Part B, MPI will not be obliged to provide Funding for the Activities that have not been provided in accordance with this Agreement due to the Force Majeure Event.

18. Insurance

For the ~~the~~ term of this Agreement, and for at least three years after the ~~the~~ term of this Agreement, the Recipient must effect and maintain adequate insurance to cover standard commercial risks, including professional indemnity, public liability and property damage (including fire) with sufficient coverage to cover its obligations under this Agreement. The Recipient must, upon the request of MPI, provide MPI with evidence of its compliance with this clause 18 of Part B.

19. Term and termination

19.1 Term

This Agreement commences on the Start Date and continues until the End Date unless terminated earlier ~~or extended~~ in accordance with its terms including under clause 6.2 of Part A.

19.2 Termination for default and insolvency

Either party may immediately terminate this Agreement, by written notice to the other party, if the other party breaches any material provision of this Agreement and the breach is not remedied within 20 Business Days of the receipt of written notice from the first party requiring the other to remedy the breach.

19.3 Effects of expiry or termination

- (a) Termination of this Agreement is without prejudice to other rights and obligations of the parties accrued up to and including the date of termination.
- (b) On expiry or termination of this Agreement:
 - (i) MPI may require the Recipient to provide evidence of how the Funding has been spent; and
 - (ii) any Funding that has not yet been distributed by MPI will not be distributed to the Recipient

19.4 Survival clauses

Clauses 6.8, 8.2, 8.3, 9, 10.1(e), 11, 12, 14, 15, 16, 17, 18, 19, 20 and 21 of Part B any other clauses that expressly or by necessary implication survive this Agreement, continue after expiry or termination of this Agreement or part of it.

20. Notices

- (a) Any notice or other communication under this Agreement will be deemed to be validly given if in writing and delivered by hand, registered mail, national post or international post, or email (subject to the remainder of this clause 20) to the Manager Recovery and Pest Management (for MPI) or Fund Manager (for the Recipient).
- (b) Any notice will be deemed to have been given on the date when actually delivered personally, by registered mail or following international posting, on the third Business Day following posting to a national address, and on the date that receipt of an emailed notice is acknowledged by the recipient personally (that is, not by any automatically generated email). However, if delivery occurs after 5:00 pm on a Business Day, it will be deemed delivered at 9.00 am on the next Business Day.
- (c) The parties agree that no notice required or permitted to be given under clause 15 (Dispute resolution) or clause 19 (Term and termination) may be given by email alone.

21. General

- (a) Subject to clause 21(b) of this Part B, neither party will assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of the other party (such consent not to be unreasonably withheld).
- (b) MPI may assign, transfer or subcontract this Agreement or any rights or obligations under this Agreement to another public sector agency who has appropriation for the National Programme without the prior written consent of the Recipient.

- (c) No third party is entitled to the benefit of, or to enforce, this Agreement.
- (d) Each party will bear its own legal and other costs relating to the preparation and execution of this Agreement, unless agreed otherwise in writing.
- (e) This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.
- (f) The provisions of this Agreement are severable. If any one provision is determined to be judicially unenforceable, the remaining provisions will continue to be binding and enforceable.
- (g) This Agreement may be executed in any number of counterparts (including by executed, scanned or emailed copies) each of which will be deemed an original. Once each party has received a copy of the executed counterpart from the other party, each counterpart will be deemed to be as valid and binding on the party executing it as if it had been executed by all the parties.
- (h) This Agreement will be governed by, and construed in accordance with, the laws of New Zealand and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand in relation to this Agreement.

Execution

EXECUTED as an Agreement

Signed by The Sovereign in right of
New Zealand acting by and through the
Ministry of Primary Industries by:

Signed for and on behalf of Otago Regional
Council by:

Signature

Signature

Name

Name

Title

Title

Date

Date

Schedule 1 – Definitions and Interpretation

1. Defined terms

1.1 Defined terms

In this document, unless the context requires otherwise, the following terms have the following meanings:

Activities means the activities performed or to be performed (and any outputs provided or to be provided) by or on behalf of Recipient under this Agreement, including the activities and outputs described in clause 3 of Part A, and any other activities that are necessarily or customarily provided as part of those activities and/or outputs.

Agreement means this [fundingservices](#) agreement, including Part A, Part B, ~~and this Schedule 1 and Schedule 2.~~

Background Material means any property, information, documentation or other material in any form:

- (a) in existence prior to the Start Date; or
- (b) developed outside the scope of this Agreement.

Business Day means any day, excluding Saturdays, Sundays and statutory public holidays in Wellington or Region of the Recipient.

Start Date means the date this Agreement commences, as set out in clause 6.1 of Part A.

Confidential information means

- (a) in the case of MPI, MPI Data; and
- (b) in the case of both MPI and the Recipient, any other information obtained from the other party in the course of, or in connection with this Agreement that is marked confidential or ought to reasonably be considered to be confidential, regardless of value or importance.

~~**Control Measures** has meaning set out in regulation 3 of the HSWA (GR&WM) Regulations 2016.~~

Contract Manager means the person identified in clause 7 of Part A as a contract manager for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

End Date means the date this Agreement ends as set out in clause 6.1 of Part A, as may be extended in accordance with clause 6.1 of Part A.

Financial Year means the twelve months from 1 July to 30 June.

Force Majeure Event means, in relation to a party, an event or circumstance which is beyond the reasonable control of that party, but does not include any event or circumstance which could have been avoided, prevented or circumvented by that party taking reasonable steps, including ensuring business continuity by implementing an appropriate disaster recovery plan.

Fund Manager means the Recipient's fund manager, as notified by the Recipient to MPI and may be replaced from time to time.

Funded Activity has the meaning set out in clause 3.1(a) of Part A.

Funding means the amounts paid or payable to the Recipient by MPI under this Agreement.

Governance Group means the group which governs the National Programme, whose members are MPI (**Chair**), Land Information New Zealand (**LINZ**), New Zealand Defence Force (**NZDF**), Department of Conservation (**DOC**), and Local Government New Zealand (**LGNZ**).

GST means goods and services tax chargeable under the GST Act.

GST Act means the Goods and Services Tax Act 1985.

~~**Health and Safety Incident** means any event that falls under clause 3.1(k)(i) — (iv) of Part A.~~

Health and Safety Risk Management Plan or **HSRMP** ~~has the meaning given to it in the definition of Health and Safety Management Plan in clause 1.1 of Schedule 2 (Health and Safety Terms)~~ means a plan agreed in writing between the Recipient and MPI for the management of risks and hazards relating to the Recipient's performance of the Activities in the relevant Management Unit.

HSWA means the Health and Safety at Work Act 2015.

~~**HSWA Legislation** means the Health and Safety at Work Act 2015 and includes all regulations made under that Act (including but not limited to the HSWA (GR&WM) (General Risk Regulations), and any other health and safety-related legislation relevant to the Recipient's performance of the Activities and its other obligations under this Agreement.~~

~~**HSWA (GR&WM) Regulations 2016** means the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016.~~

~~**Incident** means an unplanned event that results in illness or injury but does not require time off work.~~

In Kind Contributions means funds, labour, or materials donated by other stakeholders or interested groups.

Intellectual Property Rights includes copyright, and all rights conferred under statute, common law or equity in relation to inventions (including patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, Confidential Information, know-how, trade secrets, computer program codes and all other proprietary rights, whether registered or unregistered, and all equivalent rights and forms of protection anywhere in the world, together with all rights, interests or licences in or to any of the foregoing.

Management Unit or **MU** means an area designated by MPI as a management unit as set out in WCIS, and has a fixed name, number and boundary (area).

Management Unit Operational Plan or **MUOP** means the management unit, operational plan for a Management Unit, which is prepared by or on behalf of the Recipient and endorsed in writing by the relevant RCG.

MPI Coordinator means the MPI coordinator, as notified by MPI to the Recipient and may be replaced from time to time.

MPI Data means:

- (a) any data owned, held, used or created by MPI, and provided to the Recipient;
- (b) any data processed by the Recipient as a direct result of this Agreement; and
- (c) all records, data and other information (other than software object code) provided or made available to the Recipient by MPI.

MPI Programme Manager means the MPI programme manager, as that person may be replaced from time to time in accordance with this Agreement.

MPI's Operations Lead means the MPI operations lead, as that person may be replaced from time to time in accordance with this Agreement.

MU Manager means the Recipient's MU manager, as notified by MPI to the Recipient and may be replaced from time to time.

National Programme means the national wilding conifer programme, as described in Recital A of the Background.

~~**Near Miss** means an unplanned event that did not result in injury, illness or damage but had the potential to do so.~~

New Material means any property, information, documentation or other material in any form created:

- (a) by, for or on behalf of the Recipient;

- (b) on or following the Start Date; and
- (c) for the purpose of, or as a result of, performing its obligations under this Agreement.

Notifiable Event means a notifiable event within the meaning of section 25 of the HSWA, including but not limited to the following situations as a result of work:

- (a) a death;
- (b) a notifiable illness or injury; or
- (c) a Notifiable Incident.

Notifiable Incident means a notifiable incident within the meaning of section 24 of the HSWA.

Operational Area or OA means part of the Management Unit designated as an operational area by MPI, as set out in WCIS, and has a fixed name, number and boundary (area).

Outcomes has the meaning in clause 1(a) of Part A.

Output means all or any output of the Activities provided or to be provided by or on behalf of the Recipient under this Agreement, including the outputs described in clause 3 of Part A (as amended from time to time in accordance with this Agreement).

Part A means Part A of this Agreement.

Part B means Part B of this Agreement.

PCBU means a person conducting a business or undertaking within the meaning of section 17 of the HSWA.

Personal Information has the meaning given to that term in section 2 of the Privacy Act 1993.

Personnel of any person, means all individuals directly or indirectly engaged by that person, including but not limited to directors, employees, contract staff, agents, consultants, specialists, support staff and co-opted or seconded staff and, in the case of the Recipient, includes its Subcontractors.

Privacy Laws means the Privacy Act 1993 (or any future replacement statute) and any other applicable legislation, principles, industry codes and policies.

Region means the region designated as a region by MPI, as set out in WCIS, and has a fixed name, number and boundary (area).

Regional Coordination Group or RCG means the regional coordination group for the relevant Region, as described in row (b) of the table at clause 3.1 of Part A.

~~**Serious Incident** means any Health and Safety Incident that:~~

- ~~(a) has the potential for causing a fatality, or long-term injury or illness; or~~
- ~~(b) does not meet the 'Notifiable Event' threshold, but still results in a lost time injury or illness.~~

Significant Event has the meaning given to that term in clause 5 of Part B.

Start Date means the start date set out in clause 6.1 of Part A.

Subcontractor means:

- (a) any person, business, company, or organisation engaged by the Recipient to deliver or perform all or any part of the Activities or in respect of this Agreement; and
- (b) any subcontractor of a person described in (a) of this definition.

Tax Invoice means a tax invoice as defined in the Goods and Services Tax Act 1985.

Technical Liaison means the person identified in clause 7 of Part A as the technical liaison for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Term has the meaning given in clause 19.1 of this Part B.

Third Party Material means any property, information, documentation or other material in any form owned by a third party that is:

- (a) included, embodied in or attached to the New Material; or
- (b) used in undertaking the Activities.

Use means to use, copy, store, process, transfer, view, handle, modify, support and/or maintain.

WCIS means the 'wilding conifer information system' provided by MPI from time to time.

Worker means an individual who carries out work for a PCBU within the meaning of section 19 of the HWSA.

2. Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the following order of precedence (in order of decreasing priority) applies to the documents forming part of, or incorporated into, this Agreement if any conflict or inconsistency arises:
 - (i) Part B;
 - (ii) Part A; and
 - (iii) the Schedules;
- (b) headings are for guidance only and do not affect interpretation;
- (c) the singular includes the plural and vice versa;
- (d) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to:
 - (i) a **party** to this Agreement includes that party's permitted assigns and successors;
 - (ii) **\$** or **dollars** is a reference to New Zealand currency;
 - (iii) monetary amounts are the amounts stated before the addition of GST (if any);
 - (iv) **including** and similar words do not imply any limitation;
 - (v) a **person** includes:
 - (A) a company, body of persons (corporate or unincorporated) or any state, regional or local government body or agency; and
 - (B) that person's representatives, successors and assigns;
 - (vi) a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations, as it may be amended or replaced from time to time;
 - (vii) a document includes references to that document as it may be amended or replaced from time to time;
 - (viii) this Agreement includes all attachments to this Agreement and any document incorporated into this Agreement by reference;
 - (ix) a clause is a reference to a clause in this Agreement;
 - (x) a Part or Schedule, are references to a part or schedule of this Agreement; and
 - (xi) a time means New Zealand standard time, as adjusted for daylight saving;
- (f) subject to clause 20 of Part B, anything that this Agreement requires to be done in writing, may be done by email; and
- (g) no rule of construction applies to the disadvantage of MPI on the basis that MPI put forward this Agreement or any part of it.

Schedule 2 – Health and Safety Terms

1 DEFINITIONS

1.1 In this Schedule, unless the context requires otherwise:

“Control Measures” has the same meaning as in regulation 3 of the HSW (GR&WM) Regulations 2016.

“Critical Risks to Health and Safety” or “Critical Risks” means any acute, chronic, or catastrophic risk that has the potential for causing a fatal injury/illness, or serious physical or mental illness or injury.

“Health and Safety Management Plan” means a plan provided by the Recipient and accepted by MPI, for the management of risks and hazards relating to the Recipient's delivery of Activities. A plan may be documented on a template supplied by MPI, or on the Recipient's own template. If not completed on MPI's template, then the plan must at a minimum include the following matters:

- (a) The health and safety risk register, specific to the contracted work and its operational requirements, including:
 - i. identified risks and mitigations, with Critical Risks to Health and Safety clearly identified
 - ii. clearly assigned responsibilities for managing risks to health and safety, clearly showing where the work exposes Workers to Critical Risks to Health and Safety
 - iii. evidence the Recipient has identified Critical Risks and has critical controls in place that are comparable to MPI's Critical Controls for management of Critical Risks to Health and Safety.
- (b) Confirmation of how those risks and critical controls will be communicated to Workers.
- (c) Clearly assigned health and safety roles & responsibilities for the Activities being delivered (the name of the person responsible or position titles).
- (d) Details of regular meetings to discuss health and safety matters relating to the [performance and delivery of the Activities/Services being provided](#).
- (e) Details of regular (min. monthly) reporting on health and safety critical risk management, incidents (incl. near misses) and corrective actions.
- (f) Required personal protective equipment and assigned responsibility for checking equipment.
- (g) Any applicable standard operating procedures (step-by-step instructions on key tasks) in place and how workers access these.
- (h) The name of any and all subcontractors and if applicable, volunteers, engaged to assist with the Activities (and how they will be managed by the Recipient, including how assurance will be provided to MPI that Critical Risks ~~subcontractors~~[subcontractors](#) and volunteers are exposed to the Recipient has identified Critical Risks and has critical controls in place that are comparable to MPI's Critical Controls for management of Critical Risks to Health and Safety).
- (i) The health and safety induction process for Workers involved in the Agreement.
- (j) Identification of required training and/or certification to carry deliver the Activities (and confirmation of who checks training and/or certification has been completed).
- (k) Emergency procedures, specific to the contracted work and its location.
- (l) Details on how the Recipient's health and safety performance will be monitored.
- (m) The process identified by the Recipient and accepted by MPI for regular consultation, co-ordination and co-operation with MPI on health and safety matters, related to the Activities being delivered.

“High Actual or Potential Critical Risk Incident” means any health and safety incident relating to the Activities delivered under this Agreement that includes exposure to an identified Critical Risk which either did or could have caused serious harm to a worker or other person.

“HSWA” means the [Health and Safety at Work Act 2015](#);

"HSWA Legislation" means the HSWA and includes all regulations made under that Act, including but not limited to the HSW (GR&WM) Regulations 2016), and any other health and safety-related legislation relevant to the Recipient's [performance and delivery of the Activities and Outputssupply of Services to MPI](#);

"HSW (GR&WM) Regulations 2016" means the [Health and Safety at Work \(General Risk and Workplace Management\) Regulations 2016](#).

"MPI's Critical Controls for Health and Safety Critical Risks" means the document [MPI's Critical Controls for Health and Safety Critical Risks](#).

"Notifiable Event" has the same meaning as in section 25 of the HSWA.

"PCBU" means a person conducting a business or undertaking within the meaning of section 17 of the HSWA. For the purposes of this Agreement, both MPI and the Recipient are PCBUs and are required to consult, cooperate and coordinate their activities to meet their health and safety obligations to workers and others affected by the work in the [performance and delivery of the Activities-Services](#).

"Worker" means an individual who carries out work in any capacity for a PCBU within the meaning of section 19 of the HSWA.

- 1.2 Other terms used but not defined in this Agreement or this Schedule have the same meaning as in HSWA, where applicable
- 1.3 Where this document requires the acceptance, or the agreement of a Party, such acceptance or agreement must not be unreasonably withheld.

2. COMPLIANCE WITH HEALTH AND SAFETY LEGISLATION AND DIRECTIONS

- 2.1 During the Term each of MPI and the Recipient will:
 - (a) Consult, cooperate and coordinate activities to ensure that the Parties comply with their respective obligations under HSWA Legislation as they relate to this Agreement, including attending regular meetings with MPI to discuss health and safety matters;
 - (b) Perform its, and ensure its workers perform their, obligations under this Agreement in compliance with HSWA Legislation, including but not limited to the:
 - i. Duties of a PCBU under ss36–43 of HSWA;
 - ii. Duties relating to the identification of risks and implementation of Control Measures under the HSW (GR&WM) Regulations 2016;
 - iii. Duties relating to the identification of hazards and implementation of Control Measures under the HSW (GR&WM) Regulations 2016;
- 2.2 The Recipient will comply with all reasonable directions of MPI relating to health and safety as notified from time to time on any matters not addressed in MPI's or the Recipient's health and safety policy and procedures, or in the Health and Safety Management Plan.
- 2.3 MPI acknowledges that any Worker engaged by the Recipient in the performance of the Activities has a statutory right to cease or refuse to carry out unsafe work, as 'cease work' is defined under section 82 of the HSWA.
- 2.4 During the Term MPI may consult with the Recipient on any concerns it has on any matters not addressed in the Recipient's health and safety policy and procedures. This includes where MPI considers there are new or increased risks or hazards or WorkSafe issues, applicable best practice guidelines or policies.

3. HEALTH AND SAFETY RISK MANAGEMENT**3.1 During the Term the Recipient will:**

- (a) Maintain a general health and safety policy and practices that are appropriate to the nature of the Activities delivered.
- (b) Comply with its health and safety policy and practices, and ensure its Workers also comply.
- (c) Identify, control, and regularly review all Critical Risks to Health and Safety, with controls commensurate to MPI's Critical Controls for Health and Safety Critical Risks.
- (d) Provide suitable assurance to MPI that Critical Risks to Health and Safety in subcontracted activities are being appropriately identified, controlled, and reviewed. The subcontractors' controls for all Critical risks must be commensurate to MPI's Critical Controls for Health and Safety Critical Risks.
- (e) Consider any concerns raised by MPI under clause 2.4 of this Schedule 4 and make changes to its health and safety documentation and procedures as it deems appropriate.

3.2 The Recipient will submit to MPI a draft Health and Safety Management Plan which includes the information required in the definition of Health and Safety Management Plan in clause 1.1 of this Schedule 4, identification of all health and safety risks arising from the contracted activities, outlining how the Recipient proposes to mitigate and manage these risks, and how assurance will be provided to MPI that the Critical Risks to Health and Safety are managed. The Health and Safety Management Plan will normally be provided before the commencement of the Activities. In exceptional circumstances (e.g. natural disaster, biosecurity response) the Health and Safety Management Plan can be provided within 10 Business Days after commencing the provision of the Activities. Incident reporting alone is not sufficient, and Critical Risks to Health and Safety must be clearly identified. The Recipient will recognise MPI's Critical Controls for Health and Safety Critical Risks and will either match these controls or show how their controls mitigate and manage the risks to a comparable level. MPI will have the opportunity to review and comment on the draft plan and offer suggestions to the Recipient.

3.3 Having duly considered MPI's comments, the Recipient will finalise the Health and Safety Management Plan within a further 10 Business Days (or such longer period as MPI may accept in writing). The finalised Health and Safety Management Plan must be provided to MPI in a timely manner, normally before the commencing the provision of the Activities.

3.4 Where a Health and Safety Management Plan is in place, the Recipient must comply, and ensure its Workers comply, with the plan at all times and in all circumstances. The Recipient must also review and if necessary, update the Health and Safety Management Plan. This may be a continual review process or at intervals no longer than every six (6) months, and

- (a) Following any Notifiable Event; and/or
- (b) At any time the Recipient or MPI reasonably considers that new or increased risks (particularly greater exposure to Critical Risks to Health and Safety) have arisen in the provision of the Activities.

3.5 If MPI does not accept the content of the Health and Safety Management Plan, then MPI in its sole discretion may:

- (a) Suspend or terminate all or part of the Activities under this Agreement, either permanently or until such time as the Health and Safety Management Plan has been accepted by MPI; or
- (b) Refer the matter to the dispute resolution clauses under this Agreement.

3.6 During the Term MPI may request any changes to Health and Safety Management Plan that MPI considers are reasonably necessary to manage any new or increased risks. Where new or increased costs would be incurred by the requested change, the Recipient may seek a variation to the Agreement to cover those costs. If the change to the plan cannot be accepted by MPI, then MPI may exercise any of the options set out in clause 3.5 above.

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4. NOTIFYING EVENTS TO WORKSAFE NZ OR OTHER RELEVANT REGULATOR

- 4.1 During the Term the Recipient will ensure that all Notifiable Events (both incidents and injuries/illnesses) occurring during delivery of the Activities are duly notified WorkSafe NZ or other relevant regulator in accordance with the requirements of section 56 of the HSWA.

5. REGULAR HEALTH AND SAFETY REPORTING TO MPI

- 5.1 During the Term the Recipient will comply with the following health and safety reporting requirements:

(a) Critical risk management and assurance

The Recipient must provide regular assurance that all Critical Risks to Health and Safety identified in the Health and Safety Management Plan are controlled to a comparable standard to MPI's Critical Controls for Health and Safety Critical risks. This assurance must include evidence that the controls have been confirmed to be in place and effective, including where operations have been subcontracted or undertaken by volunteers.

(b) Notifiable Events

Notifiable Events must be reported to MPI within one Business Day of the Recipient becoming aware of the event. Where WorkSafe or another relevant regulator has been notified the Recipient must also promptly provide a documented summary of that Notifiable Event and corrective actions that manage Critical Risks identified in the investigation to MPI.

(c) Contemporaneous reporting of High Actual or Potential Critical Risk incidents

The Recipient must report any High Actual or Potential Critical Risk Incident to MPI as soon as practicable.

High Actual or Potential Critical Risk Incidents must be reported contemporaneously to your Contract Manager via email or phone **and** via MPI's Safety and Wellbeing team via email address SafetyAndWellbeing@mpi.govt.nz.

(d) Regular Health and Safety reporting

In addition to other reporting requirements, the Recipient must deliver a documented regular report to MPI at least every two months while the Activities are being delivered. The report will summarise how Health and Safety is being managed. The report must include:

- i. —The identity of the project, response, long-term programme or other piece of work the critical risk exposure and/or incident related to. Where this is not possible the Critical Risks and incidents will be classified generally (i.e. general laboratory incidents).
- ii. —Pro-active health and safety measures being implemented to continuously improve health and safety critical risk management.
- iii. —Corrective actions identified for each High Actual or Potential Critical Risk Incident, and whether these have been implemented, including any corrective actions taken as a result of any MPI or WorkSafe NZ audit or investigation, or any internal investigation resulting from a Notifiable Event.
- iv. —Any instances the Recipient becomes aware of where its Workers, in carrying out Activities, have not complied with the requirements of this Agreement or the HSWA in relation to health and safety, or have not complied with MPI's health and safety policy or practices, or those of the Recipient;

- v. —Current status of any injured Workers; and
- vi. —Any damaged property or environmental damage or pollution to the extent that it relates to a health or safety risk of the Activities.

The regular report must be delivered to the Contract Manager and MPI's Health, Safety and Wellbeing Directorate via email address SafetyandWellbeing@mpi.govt.nz at least every two months during the Term.

6. NON-COMPLIANCE AND CORRECTIVE ACTIONS

- 6.1 If MPI becomes aware of a breach of the HSWA Legislation or these health and safety clauses by the Recipient or its personnel or any of the Recipient's subcontractors in relation to the Activities, MPI may, in its reasonable discretion, require the Recipient to do any one or more of the following:

- (a) Remedy any breach of the HSWA legislation or this Agreement;
- (b) Suspend or terminate all or part of the [Activities](#) ~~Services~~ under this Agreement, until such time as the breach has been remedied and/or the health and safety risk eliminated or managed (and during any such period of suspension MPI is not required to make payment to the Recipient for the Activities);
- (c) If the breach relates to the acts or omissions of a subcontractor of the Recipient, direct the Recipient to terminate or suspend the relevant subcontract;
- (d) Make an amendment to the Health and Safety Management Plan to manage health and safety risks; and/or
- (e) Refer the matter to dispute under [clause 15 of Part B](#). ~~[Schedule 2: General Terms (Dispute Resolution)]~~.

- 6.2 In the event that the Recipient fails to remedy a breach or take any other action required by MPI under clause 6.1 of this Schedule 4, MPI may terminate this Agreement under Schedule 2 of this Agreement. In this event, MPI's liability is limited to payment for Activities performed in accordance with this Agreement up to and including the date on which MPI gave notice of the action required to be taken.

7. Subcontractors

- 7.1 This clause applies in addition to any other clauses in this Agreement relating to subcontractors.

- 7.2 MPI may, at any time during the Term, require the Recipient to:

- (a) Conduct a health and safety pre-qualification or assurance process for all, or any particular, subcontractors the Recipient proposes to use to deliver the Activities, ensuring that Critical Risks to Health and Safety are managed to the same or higher level as MPI's Critical Controls; and/or
- (b) Submit a Health and Safety Management Plan, or amend an existing Health and Safety Management Plan, to address specific health and safety risks posed by the proposed use of the subcontractor.

- [7.3](#) The Recipient must ensure that prior to the delivery of Activities by any subcontractor, the subcontractor has been advised of, and complies with:

- (a) The Recipient's management controls for Critical Risks to Health and Safety, where appropriate, —comparable with MPI's Critical Controls for Health and Safety Critical Risks;
- (b) The Recipient's health and safety policy and procedures;
- (c) The Health and Safety Management Plan relevant to the Activities provided;

- (d) Any specific site based health and safety issues in delivering the Activities; and
- (e) Any health and safety directions given by MPI to the Recipient under clause 2.2 of this Schedule 4.

8. RECORDS

- 8.1 The Recipient must keep all records required under the HSWA (and promptly provide them on request to MPI).
- 8.2 In addition to any records required under HSWA, the Recipient must keep records (and provide them on request to MPI) of:
- (a) Health and safety critical risk management, including assurance activities that provide clear evidence that Critical Risks to Health and Safety are adequately controlled by the Recipient and any and all subcontractors and volunteers at all times;
 - (b) Any health and safety incidents which have been investigated internally by the Recipient, or by WorkSafe NZ or other relevant regulator, relating to the Activities (and the outcome of such investigations);
 - (c) Health and safety due diligence processes, and any associated documents, relating to the health and safety compliance and performance of subcontractors used for the Activities.

9. HEALTH AND SAFETY AUDIT AND INSPECTION

- 9.1 MPI may, at any time during the Term:
- (a) Require the Recipient to provide information or documentation in relation to any matter concerning the Recipient's health and safety performance or compliance in relation to the Activities, or relating to a health and safety incident or risk; or
 - (b) Carry out an audit of the Recipient's health and safety system as it relates to the Activities~~Services~~; or
- 9.2 At any reasonable time during Business Hours, MPI may carry out a physical inspection of any place of work that the Recipient is using or intends to use in connection with the supply of the Activities to MPI.

(c)

Ministry for Primary Industries
Manatū Ahu Matua



Funding Agreement

in relation to Wallaby Management Programme

—

The Sovereign in right of New Zealand acting by and through
the Ministry of Primary Industries (**MPI**)

and

Otago Regional Council (**Recipient**)

—

Funding Agreement

Wallaby Management Programme

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Details

Date

Parties

Name	The Sovereign in right of New Zealand acting by and through The Ministry of Primary Industries with delegated financial authorisation to enter into the agreement, by the Chief Operational Officer & Head of Biosecurity, Ministry for Primary Industries
Short form name	MPI
Notice details	Address: PO Box 2526, Wellington 6140 Email: Wallaby@mpi.govt.nz Attention: National Wallaby Management Programme
Name	Otago Regional Council, a body corporate under the Local Government Act 2002 having its head office at 70 Stafford Street, Dunedin
Short form name	Recipient
Notice details	Address: 70 Stafford Street, Dunedin Email: Sarah.Gardner@orc.govt.nz Attention: Sarah Gardner

Background

- A. Wallabies are a serious pest in New Zealand and populations have been expanding numerically and geographically for a number of years. They have a significant impact on indigenous forest through browsing on undergrowth and regenerating plants. They compete with stock for pasture and fodder species, consequently reducing stocking rates. Wallabies have also been known to damage fences, contribute to erosion and cause damage to plantation forestry seedlings.
- B. The issue is one that can only be addressed by landowners, community groups, iwi, industry, local and central government working together. This was recognised by the New Zealand Government in Budget 2020 providing funding of \$27 million over 4 years to establish a collaborative National Wallaby Management Programme (the **National Programme**).
- C. The New Zealand Government has allocated funding for managing wallabies to be distributed through MPI.
- D. MPI wishes to distribute funding on a regional basis to selected regional councils for the purpose of that regional council carrying out activities that help manage wallabies, as part of the National Programme. Each Region(s) will comprise specific Management Units and within those Management Units there will be Operational Areas, within which operational activities for wallaby management will be carried out.
- E. The Recipient is a regional council who wishes to manage wallabies in its Region(s).
- F. The establishment of the National Programme means a rapid expansion of the operational capacity of the Recipient's current wallaby management programmes. In addition to providing funding for the operational work to be carried out by the Recipient in relation to the National Programme, MPI intends to provide the Recipient with funding to cover other specified costs associated with programme management, such as contract management and reporting requirements. Funding for these programme management costs will be temporary, and it is anticipated by the parties that over time the Recipient will bare these costs itself and build these costs in to the Recipient's long-term plans.

- G. As MPI and the Recipient are part of the public sector, each wishes to ensure that there is appropriate oversight across the Recipient's activities and use of public funding, focus on health and safety, and sharing of useful information. The parties wish that the "Regional Coordination Groups", of which the Recipient is a member, help provide oversight of the National Programme in its Region(s).

Agreed terms

PART A: OPERATIONAL AND COMMERCIAL DETAILS

1. Outcomes

- (a) The intended outcomes for this Agreement (the **Outcomes**) are to:
- (i) help to contain and reduce the number of wallabies in New Zealand such that progressive containment is achieved;
 - (ii) support the development and implementation of a strategy for the National Programme to be approved by the Governance Group for the National Programme (**New Zealand Wallaby Management Strategy**), with initial outcomes expected to be, in particular, to:
 - (A) co-ordinate operations by facilitating co-ordinated control amongst land owners and other stakeholders; and
 - (B) promote information sharing of best practice and technological gains in control methods;
 - (iii) support the Recipient to tailor Outcomes to reflect the "Regional Pest Management Plans" for the Region(s) for which the Recipient is responsible;
 - (iv) encourage and, where reasonably practicable, implement feedback from the Regional Coordination Group(s) for the Region(s) for which the Recipient is responsible;
 - (v) build and maintain a collaborative and constructive relationship between the parties and other stakeholders to address and manage the critical overarching issues caused by wallabies;
 - (vi) support the Recipient to ensure the health and safety of Workers and others involved in and/or affected by the Activities, as required by law; and
 - (vii) for the Region(s) in which the Recipient operates, enable oversight of the operational programme and use of the Funding.
- (b) In performing the Activities, the Recipient will use all reasonable endeavours to contribute to the achievement of the Outcomes.

2. Acknowledgement of appropriation

Each party acknowledges that the Funding under this Agreement is provided under the 'Border and Domestic Biosecurity Risk Management MCA appropriation of Vote Agriculture, Biosecurity, Fisheries and Food Safety'. The scope of the appropriation is 'Biosecurity Incursion Response and Long-Term Pest Management' (**Scope of Appropriation**). Regardless of any other clause in this Agreement, the Recipient agrees that MPI does not provide the Funding, and the Recipient will not use the Funding, for any purpose outside the Scope of Appropriation.

3. Activities

3.1 In scope

The Recipient will perform the Activities and provide the corresponding Outputs, as each is set out in the table below. Where indicated in that table, the Recipient:

- (a) may use the Funding to perform the Activity, where indicated as "Funded" in the corresponding column (a **Funded Activity**); and
- (b) will perform each Activity at its cost, where indicated as "Recipient's cost" in the corresponding column.

	Activity	Output	Funded or Recipient's cost
Operational Planning			
(a)	For each Financial Year during the term of this Agreement, and for each Management Unit in the Region(s) that the Recipient is responsible for, prepare (or procure the preparation of) a draft Management Unit Operational Plan using the template provided by MPI.	Each draft Management Unit Operational Plan is reviewed and, by 1 May each year, is endorsed in writing by the: <ol style="list-style-type: none"> 1. RCG; and 2. MPI Programme Manager. 	Recipient's cost
(b)	<p>If one does not already exist, set up a Regional Coordination Group for the Region(s) that the Recipient is responsible for and:</p> <ol style="list-style-type: none"> (i) ensure that the RCG members adequately represent partner organisations, including local iwi and stakeholders with an interest in the National Programme; and (ii) ensure the RCG meets periodically (and at the frequency to be determined by the RCG) for the purpose of ensuring: <ul style="list-style-type: none"> • that operational activities (to be performed under the MUOP) are planned in a cohesive and coordinated way; • that operational activities (to be performed under the MUOP) achieve the objectives in New Zealand Wallaby Management Strategy (once approved by the Governance Group); • alignment between the Activities carried out in relation to the National Programme and any other wallaby management work funded through other mechanisms; • effective communication between the organisations responsible for wallaby management in the Region(s); • that progress on the operational activities (to be performed under the MUOP) are communicated with local communities including relevant land occupiers; and • issues and risks are identified and dealt with or escalated to MPI. 	The Regional Coordination Group operates effectively to represent the key stakeholders of that particular Region(s) and the Management Unit(s) within that Region(s).	Recipient's cost

	Activity	Output	Funded or Recipient's cost
(c)	Implement (or procure the implementation of) the Management Unit Operational Plan in accordance with its terms, including by engaging Personnel and Subcontractors to implement that plan and help deliver the Outcomes.		Funded
(d)	Managing its Personnel engaged for the purpose of implementing the relevant Management Unit Operational Plan to ensure the Personnel carries out their work and engagement in accordance with the terms of that plan and this Agreement.		Funded up to \$27,000 for the first Financial Year. Any further cost is at the Recipient's cost. MPI in its sole discretion may review whether to continue that Funding (or any other amount) for any subsequent Financial Year.
Financial and Operational Reporting			
(e)	Comply with any Wall-IS user guide provided by MPI to the Recipients, as may be amended from time to time (Wall-IS User Guide).	Keep accurate, up to date records showing the delivery of the Activities against the relevant plan, including by taking minutes and complete actions arising from regular meetings.	Recipient's cost
(f)	Ensure that all data is uploaded to Wall-IS in an accurate and timely manner, in each case, as described and in accordance with any Wall-IS User Guide and MPI's reasonable instructions given from time to time. For each Region(s) the Recipient is responsible for providing reports to MPI (or if directed by MPI, into Wall-IS) on the following: (i) all operational activities (to be performed under the MUOP) completed in each month (including method, location, area (length, if fencing), contractor, start date, end date, total person hours worked, costs expended), to be reported within 5 Business Days of the end of that month; and	Provide adequate information and reports to MPI at meetings. Take minutes and complete actions arising from meetings held with MPI ("Operational Meeting & Reporting Cycle" table below).	

	Activity	Output	Funded or Recipient's cost
	(ii) number of people who are involved in paid work, to be reported within 5 Business Days of the end of that month; and (iii) location and number of wallaby sightings, to be reported within the timeframe reasonably requested by MPI.		
(g)	Input (or procuring the inputting of) the financial data into Wall-IS in accordance with any Wall-IS User Guide and MPI's reasonable instructions given from time to time, and do so accurately to reflect (amongst other things) the costs of completed operations, and: (i) Funding (ii) any other funding; and (iii) In Kind Contributions. If that inputting functionality is not available on Wall-IS, the Recipient must provide that data to MPI in the form and form that MPI reasonably requests.		
(h)	Comply with any audit under clause 14.1 of Part B.		
Health and Safety Management			
	Appendix A sets out the Recipient's health and safety obligations in further detail. In the event there is any inconsistency between item (i) to (m) below and Appendix A, Appendix A will prevail.		
(i)	Work with MPI to ensure a Health and Safety Management Plan (HSMP) is in place and agreed prior to the commencement of any Funded Activity.	HSMP is documented and agreed with MPI prior to the commencement of any Funded Activity.	Recipient's cost
(j)	For each PCBU, ensure a HSMP is in place prior to the commencement of any Funded Activity.		Recipient's cost
(k)	Ensure each Health and Safety Incident is reported to MPI within the timeframes below:		Recipient's cost

	Activity	Output	Funded or Recipient's cost
	<p>(i) Notifiable Event within 24 hours of becoming aware of the Notifiable Event and following confirmation of event being notified to WorkSafe NZ;</p> <p>(ii) Serious Incident as soon as practicable and within 5 Business Days of becoming aware of the Serious Incident;</p> <p>(iii) Incident within 5 Business Days of becoming aware of the Incident; and</p> <p>(iv) Near Miss within 5 Business Days of becoming aware of the Near Miss. Notifiable Events will be notified to the MPI Operations Lead (or delegate) by telephone in order to confirm investigation roles, responsibilities and actions.</p> <p>Serious Incidents, Incidents and Near Misses should include the results of the health and safety investigation that followed the Serious Incident, Incident or Near Miss and be submitted by inputting the relevant information into Wall-IS in accordance with the Wall-IS User Guide. If that inputting functionality is not available on Wall-IS, the Recipient will provide the results to MPI in the form and format that MPI reasonably requests.</p> <p>(v)</p>		
(l)	<p>Ensure health and safety audits are completed and any required improvements that are identified during an audit are implemented.</p> <p>Make the results of audits available to MPI when requested.</p>		Recipient's cost
(m)	Review and update the HSMP agreed under this Agreement in periodic meetings with MPI.	Meet at frequency agreed with MPI in order to cooperatively ensure that health and safety risks and hazards related to operations are being managed appropriately.	Recipient's cost
Reporting and meetings			
(n)	Attend any meeting with MPI that MPI reasonably request.		Recipient's cost
(o)	Report to MPI in accordance with the "Operational Meeting & Reporting Cycle" table below (or as otherwise agreed in writing between the parties). At any "face to face" meeting, each party will endeavour to meet physically in person or, where a physical meeting is not possible or desirable, by video-conference instead.		Recipient's cost

Operational Meeting & Reporting Cycle – Recipients			
Month	Type	Meeting Objectives	
September	Conference call	<p>Confirm forecast financial contributions from partners.</p> <p>Confirm Subcontractor/s for each operation (or agree dates when this will be confirmed).</p> <p>Confirm that a HSMP is in place for each PCBU (or agree dates when this can be completed).</p> <p>Current operations and spend - % complete.</p> <p>Identify and agree resolution actions for key operational issues.</p> <p>Agree actions and next meeting agenda.</p>	
December	Conference call	<p>Current operations and spend - % complete.</p> <p>Review risks/issues (includes health and safety).</p> <p>Confirm financial contributions received from partners (YTD).</p> <p>Confirm In Kind Contributions made by partners (YTD).</p> <p>Agree actions and next meeting agenda.</p>	
March	Face to Face	<p>Agree Management Unit operational planning process for upcoming Financial Year.</p> <p>Confirm date for operational plans to be submitted.</p> <p>Current operations and spend - % complete.</p> <p>Review risks/issues (includes health and safety).</p> <p>Forecast budget for upcoming Financial Year.</p>	
May	Conference call	<p>Confirm approved operations and budget for upcoming Financial Year (or actions required to complete).</p> <p>Confirm actions to complete sign off for any variations to this Agreement and the supporting HSMP.</p> <p>Agree upcoming Financial Year meetings schedule.</p> <p>Agree annual debrief date and attendees.</p>	

Operational Meeting & Reporting Cycle – Recipients			
Month	Type	Meeting Objectives	
Late June	Conference call	<p>Confirm whether all previous Financial Year data is in Wall-IS or, if the relevant functionality to input that data in Wall-IS is not available, that the data has been provided to MPI.</p> <p>Confirm complete operations and spend for Financial Year (includes journals for expected invoices).</p> <p>Confirm financial contributions from each co-funding partner and land-occupier, as identified in the MUOP (Partners).</p> <p>Confirm In Kind Contributions.</p>	

3.2 Restricted and/or Prohibited Activities

The Recipient must not use the Funding for the following prohibited activities (**Prohibited Activities**). MPI may add, remove and/or amend any of the Prohibited Activities from time to time by giving written notice to the Recipient.

Prohibited Activity	Comments

4. Funding

4.1 Purpose

The Recipient will only use the Funding for the purpose of carrying out the Funded Activities.

4.2 Maximum amount

Regardless of anything else in this Agreement, MPI will not be obliged to provide Funding under this Agreement which, in total, exceeds the following amount for the corresponding Region. The amounts in the table may change from Financial Year to Financial Year by written notice from MPI, which may be given only after consultation with the Governance Group:

Region	Financial Year	Maximum amount of Funding (plus GST if any)
Otago	2020/21	\$373,000
Otago	2021/22	TBC
Otago	2022/23	TBC
Otago	2023/24	TBC

4.3 Method of payment

The Recipient will invoice MPI by sending a valid Tax Invoice to the MPI Operations Lead in accordance with clause 6 of Part B. Each Tax Invoice may only be issued when the invoicing criteria (as notified by MPI to the Recipient from time to time) for that Tax Invoice has been met to MPI's reasonable satisfaction.

4.4 Other provisions

Further detail regarding the method of payment, eligible expenditure, financial management, funding freezes and repayment is set out in clause 6 of Part B.

5. Governance

5.1 Role and responsibilities

The party described as "appointor" in the table below will engage and keep engaged suitably qualified, skilled and experienced Personnel in the roles set out in the table below. Each party will ensure its appointee performs the responsibilities for that role, as described in the table below and elsewhere in this Agreement.

Name of Role	Responsibilities	Appointer
Representative on the Regional Coordination Group	1. Have oversight and involvement in the development, endorsement-seeking process, implementation and monitoring of each relevant MUOP.	The Recipient

Name of Role	Responsibilities	Appointer
	2. Keeps up to date on progress towards delivering the MUOP. 3. Is involved in risk mitigation (all informed and involved). 4. Assist in coordination of control work (and other related work).	
Representation on the Governance Group	To help govern the National Programme, and oversee associated Crown funding and National Programme operational delivery.	MPI and, where the Recipient is part of LGNZ, through the Recipient's LGNZ representative

6. Term and termination

6.1 Term

Start Date	13 October 2020
End Date	30 June 2024
Extending the End Date	The parties may extend the term of this Agreement by written agreement.

6.2 Termination of this Agreement

In addition to the rights contained in clause 19 of Part B, MPI or the Recipient may terminate this Agreement at any time for convenience, without cause, by giving at least four (4) months' prior written notice to the other party.

7. Contact details

- (a) All matters or enquiries regarding the technical implementation or operation of this Agreement will be directed to MPI's Technical Liaison or the Recipient's Technical Liaison, as appropriate.
- (b) All general matters relating to this Agreement (including concerning the interpretation of this Agreement) will be directed to MPI's Agreement Manager or the Recipient's Agreement Manager, as appropriate.
- (c) If the Recipient cannot contact MPI's Agreement Manager or MPI's Technical Liaison within a reasonable timeframe in the circumstances, enquiries can be directed to the person for the time being holding the office of "MPI Manager Recovery and Pest Management".
- (d) If MPI cannot contact the Recipient's Agreement Manager or the Recipient's Technical Liaison, enquiries can be directed to the Recipient's Chief Executive or Managing Director.
- (e) The initial contact persons for each party are below. If a party's contact persons or their details change, that party must notify the other party in writing 10 Business Days in advance.

Party	Role	Details
MPI	Manager Pest Management	John Sanson 04 894 0836 John.Sanson@mpi.govt.nz
MPI	Technical Liaison	Andrew (AJ) Stewart 029 943 1512 Andrew.Stewart@mpi.govt.nz
MPI	Agreement Manager	Sam Beaumont 022 011 5880 Samuel.Beaumont@mpi.govt.nz
Recipient	Chief Executive	Sarah Gardner Sarah.Gardner@orc.govt.nz
Recipient	Managing Director	Gavin Palmer General Manager of Operations Gavin.Palmer@orc.govt.nz
Recipient	Technical Liaison	Richard Lord 03 474 0827 Richard.Lord@orc.govt.nz
Recipient	Agreement Manager	Andrea Howard Andrea.Howard@orc.govt.nz

PART B: GENERAL TERMS AND CONDITIONS

1. Activities

MPI agrees to provide the Funding to the Recipient, and the Recipient agrees to use the Funding and carry out the Activities (or ensure the Activities are carried out), subject to and in accordance with the terms of this Agreement, and will use the Funding solely for the purpose of performing the Funded Activities under the National Programme.

2. Obligations

2.1 Mutual obligations of the parties

- (a) Each party agrees to:
 - (i) act in good faith in all matters relating to this Agreement and, without abandoning their own interests, to demonstrate honesty, integrity, openness, reasonableness, and accountability in their dealings with each other; and
 - (ii) discuss any matters affecting this Agreement or the performance of the Activities, whenever necessary.
- (b) Each party will ensure it performs its obligations under this Agreement:
 - (i) with due diligence, care and skill and using a standard of skill, care and diligence no lower than that expected of an experienced and well-resourced organisation performing that obligation;
 - (ii) in accordance with the specified timeframes or, if no timeframe is specified, then within a reasonable period; and
 - (iii) in accordance with all applicable laws, regulations and, where legally binding upon that party, codes and standards of practice.

2.2 Recipient's general obligations

- (a) The Recipient will ensure that it provides the Activities, and will ensure that any Personnel engaged to provide the Activities does so:
 - (i) using appropriately trained, qualified, experienced and supervised persons;
 - (ii) in accordance with all Government or MPI internal policies and procedures relevant to this Agreement, as notified in writing to the Recipient at or before the Start Date;
 - (iii) in accordance with the Standards of Integrity and Conduct issued by the Public Service Commission (see www.publicservice.govt.nz); and
 in a manner that:
 - (iv) is culturally appropriate for Maori, Pacific and other ethnic or indigenous groups;
 - (v) respects the personal privacy and dignity of all participants and stakeholders; and
 - (vi) meets MPI's satisfaction, as reasonably described by MPI in writing from time to time.
- (b) Unless otherwise agreed in writing, the Recipient will ensure that it obtains all necessary and prudent authorisations, consents, permits, licences and the like, to ensure the Recipient can perform its obligations under this Agreement in compliance with the law and any third party's rights, including in relation to performance of any Activities carried out on MPI's or a third party's premises.

2.3 MPI's obligations

If reasonably requested by the Recipient, and without limiting the Recipient's obligations under this Agreement, MPI will:

- (a) cooperate and collaborate with the Recipient in the same way that MPI generally cooperates and collaborates with other recipients similar to the Recipient in the relevant circumstances;

- (b) provide or give access to MPI's resources and information, including templates, which MPI generally makes available to recipients similar to the Recipient, for the purpose of the National Programme; and
- (c) endeavour to find opportunities to share best practices and lessons learned across the National Programme's delivery.

3. Health and safety

3.1 Compliance with health and safety legislation and directions

- (a) During the term of this Agreement, the Recipient will comply with its health and safety obligations as set out at Appendix A and Appendix B.

4. Subcontractors and Personnel

4.1 Subcontractors

- (a) The Recipient must ensure that:
 - (i) each Subcontractor is fully aware of the Recipient's obligations under this Agreement to the extent necessary for the Subcontractor to properly perform its obligations;
 - (ii) each subcontract it enters into with a Subcontractor is consistent with this Agreement, to the extent relevant and material for the performance of the Subcontractor's obligations; and
 - (iii) each subcontract with a Subcontractor requires that further subcontracting is also consistent with this Agreement.
- (b) The Recipient must ensure that, prior to the performance of the Activities by any Subcontractor, the Subcontractor has been advised of, and agrees to comply with:
 - (i) the Recipient's health and safety policy and procedures;
 - (ii) the health and safety risk management plan for the relevant PCBU (as described in (j) of the Activities table in Part A);
 - (iii) the plan to manage any specific site within the relevant Management Unit based on health and safety issues in performing the Activities; and
 - (iv) any health and safety directions given by MPI to the Recipient under paragraph 2.1(c) of Appendix A..
- (c) The Recipient will be responsible for the acts and omissions of each Subcontractor as if the act or omission was the Recipient's. The Recipient will not be relieved of any of its liabilities or obligations under this Agreement by entering into any subcontract.
- (d) The Recipient will ensure that:
 - (i) its contract with each Subcontractor it engages in relation to the National Programme contains generally the same obligations and it gives MPI the same rights as are set out in this Agreement to the extent that those obligations and rights relate to the Subcontractor's performance of the Activities; and
 - (ii) MPI can directly enforce those obligations and exercise its rights against the Subcontractor pursuant to the Agreement and Commercial Law Act 2017, provided that MPI will not:
 - (A) enforce its rights under 4.1(d)(i) without seeking to resolve any issues in the first instance with the Recipient; or
 - (B) engage with Subcontractors without the prior written consent of the Recipient, such consent not to be unreasonably withheld.

4.2 Personnel

If MPI is at any time dissatisfied on reasonable grounds with the performance of the Recipient's Personnel in its performance of the Recipient's obligations under this Agreement:

- (a) MPI may notify the Recipient in writing of that dissatisfaction; and
- (b) the parties, in good faith, will discuss an appropriate course of action in relation to that Personnel.

If the Personnel performs a role that involves the accounting or allocation of Funding and has been arrested for or committed a dishonesty offence, the Recipient will remove that Personnel from that role immediately, if requested by MPI.

5. Significant Events process

5.1 Notification of Significant Event

Each party will notify the other party as soon as reasonably practicable upon becoming aware of an actual or likely:

- (a) **Serious failure:** significant failure (or series of related failures which together are significant) of the Recipient to perform its obligations in accordance with this Agreement;
- (b) **MPI Breach:** significant event, breach or likely breach by MPI of its obligations under this Agreement;
- (c) **Reputational Event:** any event relating to the Agreement which is likely to cause MPI, the government, the Recipient, its Personnel and/or Subcontractors significant adverse media or parliamentary attention, and in any event, if there is a change in the criminal record of the Recipient, and/or its Personnel;
- (d) **Security Event:** security event, breach or likely breach relating to the Agreement that compromises or is likely to compromise the integrity or security of MPI, the Recipient, the Activities, Funding, MPI assets (including any technology system) or MPI Data (such event, breach or likely breach being a **Security Event**); and
- (e) **Regulatory Event:** any event, or a near miss, relating to the Agreement that would cause the Recipient to notify a regulator, including any health and safety regulator, the office of the Privacy Commissioner or a financial services regulator,

(each such event, circumstance, breach or failure being a **Significant Event**).

5.2 Rectification process

If a party advises the other of a Significant Event, and MPI requests, the parties will endeavour to agree a course of action. If no course of action is agreed within the timeframes advised by MPI (which, depending on the nature of the Significant Event, could be required within an hour), the Recipient must:

- (a) **Co-operate:** co-operate with MPI and any other third party specified by MPI;
- (b) **Follow instructions:** follow any instructions given by MPI, including any instruction given:
 - (i) under clause 6.7(b) of this Part B; and/or
 - (ii) to stop following a previous instruction (or any part of it),
 and, if the Significant Event is related to a Notifiable Event, near miss, or breach, MPI's instruction may include:
 - (iii) to stop performing the Activities (or any part of them);
 - (iv) to suspend any work being carried out under or in relation to this Agreement by the Recipient, and/or its Personnel until MPI (in its sole discretion) considers the health and safety risk has been eliminated or adequately mitigated; and/or
 - (v) to amend the HSMP in the manner MPI instructs.

- (c) **Investigate:** investigate the cause of the Significant Event and give a report to MPI (in writing if MPI requests) which describes (to the extent reasonably known):
 - (i) the cause of the Significant Event;
 - (ii) where the Significant Event is a Security Event and to the extent known, the identity of the person or persons who have gained or attempted to gain unauthorised access; and
 - (iii) the actions proposed to be taken by the Recipient.

If MPI requests, allow MPI to be involved in relation to that investigation to the level MPI requests.
- (d) **Update:** update MPI on regular basis of any subsequent developments relating to the Significant Event.
- (e) **Remedy/Mitigate:** remedy or mitigate the immediate effects of the Significant Event, or the circumstances or issue giving rise to the Significant Event, as soon as reasonably practicable, in the manner reasonably requested by MPI and provide MPI with a report (in writing, if MPI requests) of the action taken. MPI will take reasonable steps to remedy or mitigate the effects of the Significant Event on MPI.
- (f) **Prevent Recurrence:** take all reasonable action to prevent a recurrence of the relevant Significant Event and notify MPI (in writing if MPI requests) of any such action taken.
- (g) **Remedy plan:** within the period reasonably requested by MPI, prepare and submit to MPI for its approval a remedy plan setting out how the Recipient considers the Significant Event could be optimally remedied, the relevant timeframes for such remediation, what the Recipient considers would be required of the Recipient, MPI and/or any third party and any other details reasonably required in order for the Significant Event to be remedied in an optimal manner. If MPI approves that submitted plan, each party will comply with the requirements of that party as set out in that plan and any other requirements notified by MPI (acting reasonably).

5.3 Cost of remedying

MPI will pay the Recipient for the actual reasonable costs incurred by the Recipient in complying with clause 5.2 of this Part B but only:

- (a) up to the amount of the costs that was advised by the Recipient to MPI in advance of the Recipient incurring those costs; and
- (b) to the extent that the Significant Event is not due to the Recipient's or its Personnel's breach or misconduct.

5.4 Other remedies

The issuing of a notice under clause 5.1 of this Part B does not limit either party's other rights and remedies.

6. Payment

6.1 MPI's obligation to pay the Funding

MPI's obligation to pay the Funding is subject to:

- (a) MPI continuing to have sufficient funding within its budget for the Funded Activities;
- (b) there being no un-remedied breach of this Agreement by the Recipient; and
- (c) MPI being satisfied on reasonable grounds that the Funding is being appropriately expended on the Funded Activities and is not being used in breach of this Agreement.

6.2 Total amount payable

The Funding is the total amount payable by MPI for the provision of the Funded Activities. All other costs, disbursements and other expenses incurred by the Recipient in relation to this Agreement are at the Recipient's cost and not to be paid for by the Funding.

6.3 Invoicing

- (a) The Recipient will invoice the Funding in accordance with this clause 6.3 of Part B. Each Tax Invoice submitted by the Recipient (whether submitted monthly or otherwise) will include sufficient details to enable MPI to identify:
 - (i) the Agreement number (if any);
 - (ii) the period covered by the invoice;
 - (iii) the particular Funded Activities which are the subject of the invoice; and
 - (iv) the amount of Funding payable.
- (b) Unless provided otherwise in this Agreement, the Recipient:
 - (i) will provide MPI with a Tax Invoice for the aggregate amount of Funding for each Management Unit for the relevant Financial Year, as set out in the table at clause 4.2 of Part A (as those amounts may be amended in accordance with clause 4.2 of Part A); and
 - (ii) may provide that Tax Invoice annually in advance for the immediately following Financial Year.
- (c) Without limiting MPI's other rights under this Agreement, MPI will pay the Recipient's Tax Invoices by the within 20 Business Days of receiving that invoice or before the beginning of the Financial Year to which the invoice relates, whichever is the later date. All payments by MPI will be deemed to have been made in Wellington, New Zealand. Payment by MPI is not evidence that the Activities to which the invoice relates have been provided in accordance with this Agreement.

6.4 Disputed invoices

If MPI has a bona fide dispute in relation to all or any portion of any Tax Invoice, MPI may withhold payment of the amount subject to the dispute, provided that:

- (a) MPI will pay the undisputed amount when it becomes due and payable; and
- (b) the Recipient will continue to perform its obligations under this Agreement while the dispute is resolved.

6.5 Eligible Expenditure

The Recipient must apply the Funding only to expenditure that:

- (a) is incurred by the Recipient;
- (b) for the purpose of the Funded Activities or for purposes incidental to the Funded Activities;
- (c) is incurred during the term of this Agreement; and
- (d) is otherwise approved in writing by MPI (in its absolute discretion) as eligible expenditure for the purposes of this Agreement,

(Eligible Expenditure).

6.6 Financial Management

The Recipient must:

- (a) ensure that any payments of Funding made to a third party in connection with this Agreement (including to its Personnel) are correctly made and properly authorised;
- (b) maintain proper and diligent control over the incurring of all liabilities in relation to the Funding;
- (c) maintain an appropriate financial management system to ensure that the Funding is separately identified and managed within its accounts; and
- (d) except with MPI's prior written approval, not use the Funding for the purposes of a guarantee or security for any loan, credit, payment or other interest, or in the context of any litigation.

6.7 Funding Freeze

- (a) Without limiting any other right or remedy of MPI, if the Recipient materially breaches this Agreement, then MPI may issue the Recipient with a notice directing the Recipient not to spend the Funding (**Funding Freeze Notice**).
- (b) If the Recipient receives a Funding Freeze Notice under this clause 6.7 of this Part B, then, until the breach is remedied to MPI's satisfaction, the Recipient must not spend any Funding:
 - (i) unless and until MPI notifies the Recipient otherwise; and
 - (ii) except to the extent required to pay for any bona fide and unavoidable pre-existing contractual commitments to spend the Funding in accordance with this Agreement.

6.8 Repayment

- (a) Without limiting any other right or remedy of MPI, MPI may recover Funding from the Recipient in the following circumstances (and the Recipient will pay that Funding within 5 Business Days of MPI's written notice requiring payment):
 - (i) **Misspent Funding:** At any time MPI may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, together with interest on all such amounts calculated at 10% per annum from the date of the misspending to the date the money is repaid.
 - (ii) **Uncommitted Funding:** On expiry or termination of this Agreement, MPI may recover any Funding which the Recipient:
 - (A) has not spent or contractually committed to spend in accordance with this Agreement; and/or
 - (B) has spent or contractually committed to spend in accordance with this Agreement but which the Recipient can have refunded or released from that commitment, and the Recipient must use all reasonable endeavours to obtain such refund or release.
 - (iii) **Activities Abandoned:** MPI may recover an amount up to the total value of the Funding less the amount that the Recipient spent in accordance with this Agreement if the Recipient:
 - (A) states an intention not to perform the Activities in accordance with this Agreement; and/or
 - (B) within 10 Business Days of being requested to do so by MPI, does not demonstrate (to MPI's reasonable satisfaction) that the Recipient will proceed with performing the Activities in accordance with this Agreement.
 - (iv) **Excess Funding:** Where the total Funding paid under this Agreement and any other money received by the Recipient to carry out the Funded Activities exceeds or is likely to exceed the funding required to perform the Activities, the Recipient must notify MPI upon becoming aware and, if MPI requests, promptly refund to MPI the excess amount.
- (b) If the Recipient does not pay, as required by this clause, the Recipient must pay MPI interest calculated at 10% per annum from the date payment is due until the date the money is repaid.

6.9 Insufficient Funding

If the Recipient uses (or reasonably expects to use) all of the Funding in accordance with this Agreement without completing its performance of the Funded Activities during the term of this Agreement, then:

- (a) the Recipient will give MPI written notice as soon as reasonably practicable (but the Recipient does not need to give more than six (6) months advance notice), detailing the amount of additional funding requested by the Recipient (**Additional Funding**) and

supporting evidence as to why the Additional Funding will be sufficient for the Recipient to complete the performance of the Funded Activities; and

- (b) within a reasonable period of time after receiving the Recipient's request for Additional Funding under clause 6.9(a) above, MPI will give the Recipient written notice as to whether it will provide:
 - (i) the Additional Funding in full (in which case the Recipient will be obliged to complete the performance of the Funded Activities in accordance with this Agreement); or
 - (ii) part of the Additional Funding (in which case the parties will follow the change control procedure set out at clause 7 to agree upon a reduction in the scope of Funded Activities to be performed by the Recipient); or
 - (iii) no Additional Funding (in which case the Recipient will not be obliged to continue to perform the Activities under this Agreement after all of the funding has been spent on the Funded Activities in accordance with this Agreement).

6.10 Tax

All amounts set out in this Agreement are stated before the addition of GST, which, if payable, will be paid at the same time as the supply to which the GST relates. Subject to the previous sentence, MPI will not be obliged to pay any of the Recipient's and/or its Personnel:

- (a) taxes, duties, excess, levies, carbon credits;
- (b) holiday pay, sick pay or other payment under the Holidays Act 2003;
- (c) redundancy or any other form of severance pay; and/or
- (d) other amounts in relation to the performance of its obligations under this Agreement that are not the performance of the Funded Activities.

MPI will not be required to gross up any payment or Funding to the Recipient where MPI deducts tax due to non-resident contractors' tax.

7. Change control procedure

7.1 Change request

A party may request an amendment to the terms of this Agreement at any time by providing a written change request to the other. Unless the parties' respective Agreement Managers agree in writing to use a truncated process, each party agrees to follow the process set out in this clause 7 when requesting a change to the terms of this Agreement.

7.2 Understanding consequence of change request

- (a) Where MPI submits a change request, it will provide a reasonable description and explanation of the change sought.
- (b) Where the Recipient submits a change request, or within a reasonable period of time of receiving a change request from MPI, the Recipient must provide MPI with a reasonable description of:
 - (i) how the proposed change would be implemented, including details of how the requested change would affect the Activities and any other term of this Agreement;
 - (ii) the cost of implementing the change and the Recipient's calculation of changes to the Funding (if any), which must be reasonable and calculated in good faith;
 - (iii) any information reasonably requested by MPI; and
 - (iv) any other relevant information, which may include how any change request can be most optimally implemented.

No change request will be binding unless each party accepts the change request in writing.

8. Information management

8.1 Provision of information

Each party will:

- (a) provide the other party with all information relating to the Activities as reasonably requested from time to time, within the timeframe reasonably requested; and
- (b) as soon as reasonably practicable, provide the information requested by the other party to comply with its statutory, parliamentary or other public sector reporting obligations; and
- (c) ensure that all information provided in writing to the other party under or in connection with this Agreement is materially accurate, complete and not misleading at the time the information was provided, for the purpose for which it was provided.

8.2 Privacy

- (a) Each party must act in accordance with the Privacy Act 1993.
- (b) Each party will not use any Personal Information acquired in the course of performing its obligations under this Agreement, or disclose that Personal Information to any person other than MPI or the Recipient (as applicable) or the individual to whom the information relates, except:
 - (i) to the extent reasonably required to perform its obligations under this Agreement;
 - (ii) in accordance with the Privacy Laws; or
 - (iii) with the other party's or person's written consent.

8.3 Recordkeeping

The Recipient will (and will ensure that each of its Subcontractors under and in relation this Agreement):

- (a) keep full, accurate and up-to-date records, including:
 - (i) financial records relating to the performance of the Activities and all monies paid and payable by MPI under or in relation to this Agreement sufficient to enable MPI to meet its obligations under the Public Finance Act 1989; and
 - (ii) any health and safety event which has been investigated internally by the Recipient, or a health and safety regulator, relating to the Activities (and the outcome of such investigations); and
 - (iii) any health and safety due diligence processes, compliance records, and any associated documents, relating to the health and safety compliance and performance of Workers and other Personnel involved in the Activities;
- (b) retain such records for 7 years from the expiry or termination of this Agreement; and
- (c) on request by MPI, and at no cost to MPI, provide to MPI copies of any such records reasonably requested by MPI and any information or materials (including financial information relating to the provision of Activities).

9. Confidentiality

9.1 Security and non-disclosure

Subject to clauses 9.2 and 9.3 of this Part B, each party agrees that it will:

- (a) use all reasonable endeavours to keep the Confidential Information of the other party confidential at all times;
- (b) not Use, communicate, make available or re-supply the other party's Confidential Information to any person, other than for the purposes of performing its obligations and/or exercising its rights in accordance with this Agreement;
- (c) effect and maintain all reasonable security measures to safeguard the other party's Confidential Information from access, damage or use by unauthorised persons;

- (d) store all Confidential Information in New Zealand; and
- (e) ensure that any Personnel or professional adviser to whom a party discloses the other party's Confidential Information is aware of, and complies with, the provisions of this clause 9 of this Part B.

9.2 Permitted disclosure

A party will not be bound by the obligations of confidentiality in clause 9.1 of this Part B to the extent that any disclosure of Confidential Information:

- (a) is required by law, convention, parliamentary rules or the rules of any stock exchange (**Requirement**), in which case, if permitted by the Requirement and as soon as reasonably practicable, the disclosing party will notify the other party of the Requirement, the information it will disclose and the date on which it will disclose the information, and will comply with that notice;
- (b) is required for the purposes of performing and enforcing this Agreement;
- (c) is of information that is publicly available through no fault of that party;
- (d) is made with the other party's prior written approval of the disclosure or (in the case of clause 9.1(d)) the transfer outside New Zealand;
- (e) which was rightfully received from a third party without restriction or without breach of this Agreement; or
- (f) was developed independently of the Confidential Information.

9.3 Information sharing

In addition to clause 9.2 of this Part B, and in recognition of the mutual benefit of information sharing for the National Programme as a whole, the obligations of confidentiality in clause 9.1 of this Part B do not apply to the extent that any disclosure of Confidential Information is for the purpose of consulting, cooperating or coordinating with other than current recipients of funding from MPI under the National Programme, including in relation to:

- (a) current best practice in relation to the performance of the Activities; and/or
- (b) a party's health and safety management under this Agreement.

9.4 Mandatory disclosures

If any party is required to disclose any Confidential Information (as contemplated by clauses 8.1(a) or 9.2 of this Part B), that party will use its reasonable endeavours to obtain the recipient's commitment that it will treat the confidential information confidentially.

9.5 Publicity and announcements

- (a) The Recipient will acknowledge MPI as a source of funding in all publications and publicity regarding the Activities, and will obtain MPI's approval of the form of the acknowledgement.
- (b) MPI may publicise and report on its distribution of Funding to the Recipient on any website, in any media releases, general announcements or annual reports. MPI may disclose the name of the Recipient, any of its Subcontractors, the amount of the Funding and a brief description of Activities.
- (c) Neither party may post on websites, social networking sites or publicly display objectionable or derogatory comments about the Activities, this Agreement, each other, or any of their Personnel.
- (d) The Recipient will promptly refer any enquiries from the media or any other person about the terms or performance of this Agreement to the MPI Programme Manager. If the MPI Programme Manager cannot be contacted, the Recipient will instead contact the person holding the office of "MPI National Procurement and Agreements Manager".

10. Warranties

10.1 Warranties

The Recipient warrants that at the date of this Agreement:

- (a) it is not insolvent or bankrupt and no action has been taken to initiate any form of insolvency or administration in relation to the Recipient;
- (b) there are no circumstances or matters that are likely to have a material adverse effect on the performance of its obligations under this Agreement;
- (c) it is not aware of any information that has not been disclosed to MPI which may, if disclosed, materially adversely affect the decision of MPI to provide the Funding;
- (d) all information relating to the Activities that was provided by the Recipient to MPI prior to MPI's execution of this Agreement, including in any proposal or presentation by the Recipient, was accurate, complete and true at the time it was provided. The Recipient acknowledges that MPI is entering into this Agreement in reliance on such information; and

on a continuing basis during the term of this Agreement (to the best of the Recipient's knowledge and belief):

- (e) the performance of the Activities under this Agreement will not constitute or give rise to a breach of:
 - (i) the rights of any person (including any Intellectual Property Rights or physical property rights); or
 - (ii) any law with which the Recipient or Personnel is required to comply.

11. Intellectual Property and data

11.1 Background Intellectual Property

Except to the extent specified in this Agreement, nothing in this Agreement confers on a party any right, title or interest in the other party's Background Materials.

11.2 New Intellectual Property

Unless otherwise agreed between the parties, all Intellectual Property Rights in the New Materials arising under or in relation to this Agreement are the property of MPI from the time of creation or will vest in MPI immediately afterwards.

11.3 Licence

Subject to clause 11.4, each party (**Licensor**) grants the other (**Licensee**) a perpetual, irrevocable, world-wide, royalty-free, non-exclusive licence to Use any of the Licensor's:

- (a) Background Materials;
- (b) New Materials;
- (c) Third Party Materials (provided that the Licensor holds the rights to grant this licence in relation to Third Party Materials); and/or
- (d) any of the Licensor's data,

provided or made available by the Licensor to the Licensee under or in connection with this Agreement for the purpose of performing its obligations or exercising its rights under this Agreement. The Licensee may sub-license its rights under this clause 11.3 to its Subcontractors, but only to the extent necessary for that Subcontractor to perform the Activities or provide the Outputs in accordance with this Agreement.

11.4 Wall-IS

The Recipient must not (and will ensure its Personnel does not) copy, reverse engineer, rent, decompile or attempt to circumvent any security measures on Wall-IS or any part of it.

11.5 Know How

Notwithstanding any other provision of this Agreement, MPI and the Recipient will not be prevented or restricted by this Agreement from using any technique, idea, concept or know-how relating to this Agreement.

12. Third party rights

12.1 Third Party Claim

If a third party claims that a party (the **Infringing Party**) has infringed that third party's Intellectual Property Rights, other rights of that third party or the law (**Third Party Claim**), then:

- (a) the other party will allow the Infringing Party to control settlement or defence of the Third Party Claim. The Infringing Party will consult with the other party on the settlement or defence of the Third Party Claim;
- (b) at the Infringing Party's cost and reasonable request, the other party will co-operate with the Infringing Party in the defence and any related settlement negotiations concerning any Third Party Claim; and
- (c) the other party will not enter into any settlement, negotiation or compromise with the third party without the Infringing Party's written consent (not to be unreasonably withheld).

13. Conflicts of interest

13.1 Avoiding conflicts

Each party must maintain a high standard of honesty and integrity at all times in the performance of this Agreement and must use all reasonable endeavours to avoid any actual or perceived conflict of interest, being:

- (a) a situation which might create an actual or perceived conflict of interest, or compromise the Recipient's or MPI's integrity; and/or
- (b) any financial or other interest or undertaking that might interfere with or compromise the performance of the other party's obligations under this Agreement, or the integrity or standing of either party.

13.2 Notifying conflicts

Each party must advise the other party in writing of any actual or perceived conflict of interest that might arise in the performance of its obligations under, or in connection with, this Agreement. Each party will assist the other party to manage, avoid or mitigate that conflict and follow any reasonable instructions (which may include stopping the performance of certain work) that the parties consider necessary or appropriate to manage the conflict of interest.

14. Audit

14.1 Audit

- (a) As part of the public sector, each party acknowledges the need to ensure transparency and accountability in the use of public funds, and also the cost and resource involved in carrying out an audit. Accordingly, MPI will work with the Recipient to identify an appropriate audit frequency and scope but, as the funder, MPI must have default rights of audit that it can use at any stage.
- (b) The Recipient must allow MPI and any auditor nominated by MPI to conduct an audit from time to time, for the purpose of:
 - (i) determining the level of compliance with this Agreement (including whether there has been a breach of this Agreement) by the Recipient and/or its Personnel;
 - (ii) determining whether Activities invoiced for or by the Recipient have been performed and invoiced according to this Agreement; and/or
 - (iii) assisting in resolving a matter in dispute between the parties.

- (c) The Recipient will (and will ensure that each of its Personnel will) provide reasonable access and assistance to MPI (or an auditor appointed by MPI) in relation to an audit conducted under this clause 14.1 of this Part B.
- (d) In conducting an audit, MPI must:
 - (i) give the Recipient reasonable notice of the audit, which in any event does not need to be more than 5 Business Days; and
 - (ii) comply with the Recipient's reasonable security requirements.
- (e) The Recipient may use the Funding for the reasonable costs of any audit unless a material non-compliance or charging error with this Agreement is discovered through the audit, in which case, the Recipient must reimburse MPI for the amount of any Funding that has been used to pay for the costs of the audit.
- (f) MPI will promptly notify the Recipient of the draft and final results of any audit conducted under this clause 14.1 of this Part B.

15. Dispute resolution

15.1 Negotiation

Both parties will endeavour to resolve any dispute that may arise under or in connection with this Agreement through negotiation.

15.2 Escalation

If the parties are unable to resolve a dispute by negotiation within 10 Business Days after the dispute was first notified in writing by one party to the other (**Dispute Notice**), and either party gives written notice to the other, then:

- (a) the dispute will be referred for resolution by their respective senior responsible officers with oversight of this Agreement; and
- (b) if the dispute cannot be settled by the senior responsible officers within 20 Business Days of delivery of the Dispute Notice, the dispute will be referred for resolution by their respective Chief Executives.

15.3 Mediation

Subject to clause 15.4 of this Part B, if a dispute cannot be settled within 30 Business Days of delivery of the Dispute Notice under clause 15.2 of this Part B (or such other timeframe agreed in writing by the parties), the dispute may be referred by either party to non-binding mediation in which case:

- (a) the parties agree to the mediation, which will be held in Wellington, New Zealand;
- (b) the mediation will be mediated by a sole mediator agreed in writing by the parties; or
- (c) if the parties cannot agree on a mediator within 10 Business Days of either party referring the dispute to mediation, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent mediator.

15.4 Right to seek relief

This clause 15 of this Part B does not affect either party's right to seek urgent interlocutory and/or injunctive relief from any New Zealand Court of competent jurisdiction.

16. Liability

16.1 Maximum liability

Without limiting clauses 16.2 and 16.3 of this Part B, the maximum aggregate liability, whether in contract, tort (including for negligence), breach of statutory duty or otherwise, of one party to the other party under or in connection with this Agreement is limited to the total amount of Funding paid by MPI under this Agreement.

16.2 Exclusions

- (a) Neither party is liable for any indirect or consequential loss or damage arising under or in connection with this Agreement, even if foreseeable and even if advised of the possibility of such loss or damages.
- (b) The Recipient will not be liable under this Agreement to the extent the Recipient's breach of this Agreement is a direct and unavoidable result of MPI's express written instruction (given knowingly).
- (c) Notwithstanding any other clause in this Agreement, this clause 16 applies only to the extent permitted by law.

16.3 Uncapped liability

Clauses 16.1 and 16.2 of this Part B will not limit either party's liability under or in connection with this Agreement:

- (a) for damage to the other's or a third party's physical property;
- (b) for personal injury or death;
- (c) for fraud or wilful default; or
- (d) an obligation to pay any amount due and owing under this Agreement.

16.4 Mitigation

Each party must take reasonable steps to mitigate any loss or damage, cost or expense it may suffer or incur arising out of anything done or not done by the other party under or in connection with this Agreement.

17. Force Majeure

- (a) Where either MPI or the Recipient (the **Affected Party**) is unable to carry out its obligations in accordance with this Agreement due to a Force Majeure Event, and:
 - (i) the Affected Party gives the other party immediate written notice of the nature, the expected duration of, and the obligation affected by, the Force Majeure Event;
 - (ii) the Affected Party gives regular updates of the expected duration of and effects of the Force Majeure Event; and
 - (iii) the Affected Party uses all reasonable endeavours to:
 - (A) mitigate the effects of the Force Majeure Event on the Affected Party's obligations under this Agreement; and
 - (B) perform the Affected Party's obligations under this Agreement despite the Force Majeure Event,

that obligation is suspended for so long as, and to the extent that, the Affected Party is affected by the Force Majeure Event.
- (b) If the Recipient's obligation is relieved under this clause 17 of Part B, MPI will not be obliged to provide Funding for the Activities that have not been provided in accordance with this Agreement due to the Force Majeure Event.

18. Insurance

For the term of this Agreement, and for at least three years after the term of this Agreement, the Recipient must effect and maintain adequate insurance to cover standard commercial risks, including professional indemnity, public liability and property damage (including fire) with sufficient coverage to cover its obligations under this Agreement. The Recipient must, upon the request of MPI, provide MPI with evidence of its compliance with this clause 18 of Part B.

19. Term and termination

19.1 Term

This Agreement commences on the Start Date and continues until the End Date unless terminated earlier in accordance with its terms including under clause 6.2 of Part A.

19.2 Termination for default

Either party may immediately terminate this Agreement, by written notice to the other party, if the other party breaches any material provision of this Agreement and the breach is not remedied within 20 Business Days of the receipt of written notice from the first party requiring the other to remedy the breach.

19.3 Effects of expiry or termination

- (a) Termination of this Agreement is without prejudice to other rights and obligations of the parties accrued up to and including the date of termination.
- (b) On expiry or termination of this Agreement:
 - (i) MPI may require the Recipient to provide evidence of how the Funding has been spent; and
 - (ii) any Funding that has not yet been distributed by MPI will not be distributed to the Recipient.

19.4 Survival clauses

Clauses 6.8, 8.2, 8.3, 9, 10.1(e), 11, 12, 14, 15, 16, 17, 18, 19, 20 and 21 of Part B any other clauses that expressly or by necessary implication survive this Agreement, continue after expiry or termination of this Agreement or part of it.

20. Notices

- (a) Any notice or other communication under this Agreement will be deemed to be validly given if in writing and delivered by hand, registered mail, national post or international post, or email (subject to the remainder of this clause 20) to the MPI Programme Manager (for MPI) or Fund Manager (for the Recipient).
- (b) Any notice will be deemed to have been given on the date when actually delivered personally, by registered mail or following international posting, on the third Business Day following posting to a national address, and on the date that receipt of an emailed notice is acknowledged by the recipient personally (that is, not by any automatically generated email). However, if delivery occurs after 5:00 pm on a Business Day, it will be deemed delivered at 9.00 am on the next Business Day.
- (c) The parties agree that no notice required or permitted to be given under clause 15 (Dispute resolution) or clause 19 (Term and termination) may be given by email alone.

21. General

- (a) Subject to clause 21(b) of this Part B, neither party will assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of the other party (such consent not to be unreasonably withheld).
- (b) MPI may assign, transfer or subcontract this Agreement or any rights or obligations under this Agreement to another public sector agency who has appropriation for the National Programme without the prior written consent of the Recipient.
- (c) No third party is entitled to the benefit of, or to enforce, this Agreement.
- (d) Each party will bear its own legal and other costs relating to the preparation and execution of this Agreement, unless agreed otherwise in writing.
- (e) This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

- (f) The provisions of this Agreement are severable. If any one provision is determined to be judicially unenforceable, the remaining provisions will continue to be binding and enforceable.
- (g) This Agreement may be executed in any number of counterparts (including by executed, scanned or emailed copies) each of which will be deemed an original. Once each party has received a copy of the executed counterpart from the other party, each counterpart will be deemed to be as valid and binding on the party executing it as if it had been executed by all the parties.
- (h) This Agreement will be governed by, and construed in accordance with, the laws of New Zealand and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand in relation to this Agreement.

Execution

EXECUTED as an Agreement

Signed by The Sovereign in right of
New Zealand acting by and through the
Ministry of Primary Industries by:



Signature

Penny Nelson

Name

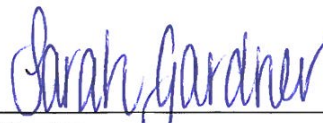
Deputy Director-General Biosecurity New Zealand

Title

13 October 2020

Date

Signed for and on behalf of Otago Regional
Council by:



Signature

SARAH GARDNER

Name

CHIEF EXECUTIVE

Title

6. 11. 2020

Date

Schedule 1 – Definitions and Interpretation

1. Defined terms

1.1 Defined terms

In this document, unless the context requires otherwise, the following terms have the following meanings:

Activities means the activities performed or to be performed (and any outputs provided or to be provided) by or on behalf of Recipient under this Agreement, including the activities and outputs described in clause 3 of Part A, and any other activities that are necessarily or customarily provided as part of those activities and/or outputs.

Agreement means this funding agreement, including Part A, Part B and this Schedule 1.

Agreement Manager means the person identified in clause 7 of Part A as a agreement manager for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Background Material means any property, information, documentation or other material in any form:

- (a) in existence prior to the Start Date; or
- (b) developed outside the scope of this Agreement.

Business Day means any day, excluding Saturdays, Sundays and statutory public holidays in Wellington or Region(s) of the Recipient.

Start Date means the date this Agreement commences, as set out in clause 6.1 of Part A.

Confidential information means

- (a) in the case of MPI, MPI Data; and
- (b) in the case of both MPI and the Recipient, any other information obtained from the other party in the course of, or in connection with this Agreement that is marked confidential or ought to reasonably be considered to be confidential, regardless of value or importance.

End Date means the date this Agreement ends as set out in clause 6.1 of Part A, as may be extended in accordance with clause 6.1 of Part A.

Financial Year means the twelve months from 1 July to 30 June.

Force Majeure Event means, in relation to a party, an event or circumstance which is beyond the reasonable control of that party, but does not include any event or circumstance which could have been avoided, prevented or circumvented by that party taking reasonable steps, including ensuring business continuity by implementing an appropriate disaster recovery plan.

Fund Manager means the Recipient's fund manager, as notified by the Recipient to MPI and may be replaced from time to time.

Funded Activity has the meaning set out in clause 3.1(a) of Part A.

Funding means the amounts paid or payable to the Recipient by MPI under this Agreement.

Governance Group means the group which governs the National Programme, whose members are MPI (**Chair**), Land Information New Zealand (**LINZ**), New Zealand Defence Force (**NZDF**), Department of Conservation (**DOC**), and Local Government New Zealand (**LGNZ**).

GST means goods and services tax chargeable under the GST Act.

GST Act means the Goods and Services Tax Act 1985.

Health and Safety Incident means any event that falls under clause 3.1((k)(i) - (iv)) of Part A.

Health and Safety Management Plan means a written plan agreed between the Recipient and MPI for the management of risks and hazards relating to the Recipient's performance of the Activities. A plan may be documented on a template supplied by MPI, or on the Recipient's own

template. If not completed on MPI's template, then the plan must at a minimum include the following matters:

- (a) the health and safety risk register, specific to the contracted work (including identified risks and mitigations, and assigned responsibilities for managing those risks);
- (b) confirmation of how those risks will be communicated to Workers;
- (c) clearly assigned health and safety roles & responsibilities for the Activities being performed (the name of the person responsible, rather than position titles);
- (d) details of regular meetings to discuss health and safety matters relating to the Activities being performed (this is a requirement for all high risk contracts);
- (e) details of regular (min. monthly) reporting on Health and Safety Incidents (incl. Near Misses) and corrective actions;
- (f) required personal protective equipment, and assigned responsibility for checking equipment;
- (g) any applicable standard operating procedures (step-by-step instructions on key tasks) in place and how Workers access these;
- (h) the name of any and all contractors, subcontractors and if applicable volunteers engaged to assist with the work (and how they will be managed by the Recipient);
- (i) the health and safety induction process for Workers involved in the Agreement;
- (j) identification of required training and/or certification to carry out the work (and confirmation of who checks training and/or certification has been completed);
- (k) emergency procedures, specific to the Activities;
- (l) details on how the Recipient's health and safety performance will be monitored; and
- (m) the process agreed with MPI for regular consultation, co-ordination and co-operation with MPI on health and safety matters, related to the Activities to be performed.

HSWA means the Health and Safety at Work Act 2015.

Incident means an unplanned event that results in injury but does not require time off work.

In Kind Contributions means funds, labour, or materials donated by other stakeholders or interested groups.

Intellectual Property Rights includes copyright, and all rights conferred under statute, common law or equity in relation to inventions (including patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, Confidential Information, know-how, trade secrets, computer program codes and all other proprietary rights, whether registered or unregistered, and all equivalent rights and forms of protection anywhere in the world, together with all rights, interests or licences in or to any of the foregoing.

Management Unit or **MU** means an area designated by MPI as a management unit as set out in Wall-IS, or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Management Unit Operational Plan or **MUOP** means the management unit, operational plan for a Management Unit, which is prepared by or on behalf of the Recipient and endorsed in writing by the relevant RCG.

MPI Coordinator means the MPI coordinator, as notified by MPI to the Recipient and may be replaced from time to time.

MPI Data means:

- (a) any data owned, held, used or created by MPI, and provided to the Recipient;
- (b) any data processed by the Recipient as a direct result of this Agreement; and
- (c) all records, data and other information (other than software object code) provided or made available to the Recipient by MPI.

MPI Programme Manager means the MPI programme manager, as that person may be replaced from time to time in accordance with this Agreement.

MPI's Operations Lead means the MPI operations lead, as that person may be replaced from time to time in accordance with this Agreement.

National Programme means the national wallaby management programme, as described in Recital B of the Background.

Near Miss means an unplanned event that did not result in injury, illness or damage but had the potential to do so.

New Material means any property, information, documentation or other material in any form created:

- (a) by, for or on behalf of the Recipient;
- (b) on or following the Start Date; and
- (c) for the purpose of, or as a result of, performing its obligations under this Agreement.

Notifiable Event means a notifiable event within the meaning of section 25 of the HSWA, including but not limited to the following situations as a result of work:

- (a) a death;
- (b) a notifiable illness or injury; or
- (c) a Notifiable Incident.

Notifiable Incident means a notifiable incident within the meaning of section 24 of the HSWA.

Operational Area or OA means part of the Management Unit designated as an operational area by MPI, as set out in Wall-IS, or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Outcomes has the meaning in clause 1(a) of Part A.

Output means all or any output of the Activities provided or to be provided by or on behalf of the Recipient under this Agreement, including the outputs described in clause 3 of Part A (as amended from time to time in accordance with this Agreement).

Part A means Part A of this Agreement.

Part B means Part B of this Agreement.

PCBU means a person conducting a business or undertaking within the meaning of section 17 of the HWSA. For the purposes of this Agreement, both MPI and the Recipient are PCBUs and are required to consult, cooperate and coordinate their activities to meet their health and safety obligations to workers and others affected by the work in the provision of the Activities.

Personal Information has the meaning given to that term in section 2 of the Privacy Act 1993.

Personnel of any person, means all individuals directly or indirectly engaged by that person, including but not limited to directors, employees, contract staff, agents, consultants, specialists, support staff and co-opted or seconded staff and, in the case of the Recipient, includes its Subcontractors.

Privacy Laws means the Privacy Act 1993 (or any future replacement statute) and any other applicable legislation, principles, industry codes and policies.

Region(s) means the region(s) designated as a region(s) by MPI, as set out in Wall-IS or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Regional Coordination Group or RCG means the regional coordination group for the relevant Region(s), as described in row (b) of the table at clause 3.1 of Part A.

Serious Incident means any Health and Safety Incident that:

- (a) has the potential for causing a fatality, or long-term injury or illness; or
- (b) does not meet the 'Notifiable Event' threshold, but still results in a lost time injury or illness.

Significant Event has the meaning given to that term in clause 5 of Part B.

Start Date means the start date set out in clause 6.1 of Part A.

Subcontractor means:

- (a) any person engaged by the Recipient to perform all or any part of the Activities or in respect of this Agreement; and
- (b) any subcontractor of a person described in (a) of this definition.

Tax Invoice means a tax invoice as defined in the Goods and Services Tax Act 1985.

Technical Liaison means the person identified in clause 7 of Part A as the technical liaison for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Third Party Material means any property, information, documentation or other material in any form owned by a third party that is:

- (a) included, embodied in or attached to the New Material; or
- (b) used in undertaking the Activities.

Use means to use, copy, store, process, transfer, view, handle, modify, support and/or maintain.

Wall-IS means the 'Wallaby Information System' provided or made available by MPI.

Worker means an individual who carries out work for a PCBU within the meaning of section 19 of the HWSA.

2. Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the following order of precedence (in order of decreasing priority) applies to the documents forming part of, or incorporated into, this Agreement if any conflict or inconsistency arises:
 - (i) Part B;
 - (ii) Part A; and
 - (iii) the Schedules;
- (b) headings are for guidance only and do not affect interpretation;
- (c) the singular includes the plural and vice versa;
- (d) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to:
 - (i) a **party** to this Agreement includes that party's permitted assigns and successors;
 - (ii) **\$** or **dollars** is a reference to New Zealand currency;
 - (iii) monetary amounts are the amounts stated before the addition of GST (if any);
 - (iv) **including** and similar words do not imply any limitation;
 - (v) a **person** includes:
 - (A) a company, body of persons (corporate or unincorporated) or any state, regional or local government body or agency; and
 - (B) that person's representatives, successors and assigns;
 - (vi) a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations, as it may be amended or replaced from time to time;

- (vii) a document includes references to that document as it may be amended or replaced from time to time;
- (viii) this Agreement includes all attachments to this Agreement and any document incorporated into this Agreement by reference;
- (ix) a clause is a reference to a clause in this Agreement;
- (x) a Part or Schedule, are references to a part or schedule of this Agreement; and
- (xi) a time means New Zealand standard time, as adjusted for daylight saving;
- (f) subject to clause 20 of Part B, anything that this Agreement requires to be done in writing, may be done by email; and
- (g) no rule of construction applies to the disadvantage of MPI on the basis that MPI put forward this Agreement or any part of it.

Appendix 1 – Health and Safety obligations

1. Definitions

1.1 In this Appendix, unless the context requires otherwise:

Business Hours means the hours between 9:00am and 5:00pm on a Business Day.

Control Measures has meaning set out in regulation 3 of the HSWA (GRWM) Regulations 2016.

HSWA (GRWM) Regulations 2016 means the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016.

HSWA Legislation means the Health and Safety at Work Act 2015 and includes all regulations made under that Act (including but not limited to the Health and Safety at Work (General Risk and Workplace Management Regulations 2016), and any other health and safety-related legislation relevant to the Recipient's performance of the Activities and other obligations under this Agreement.

1.2 Other terms used but not defined in this Appendix have the same meaning as in the HSWA.

2. Compliance with health and safety legislation and directions

2.1 During the term of this Agreement, MPI and the Recipient will:

- (a) consult, cooperate and coordinate activities with MPI to ensure that the parties comply with their respective obligations under HSWA Legislation as they relate to this Agreement, including attending regular meetings with MPI to discuss health and safety matters; and
- (b) perform its, and ensure its Workers perform their, obligations under this Agreement in compliance with HSWA Legislation, including but not limited to the:
 - (i) duties of a PCBU under ss36–43 of HSWA;
 - (ii) duties relating to the identification of hazards and implementation of Control Measures under the HSW (GR&WM) Regulations; and
 - (iii) duties relating to the keeping of records under s57 of HSWA.

2.2 The Recipient will comply with all reasonable directions of MPI relating to health and safety as notified from time to time on any matters not addressed in MPI or the Recipient's health and safety policy and procedures, or in the Health and Safety Management Plan.

2.3 MPI acknowledges that any Worker engaged by the Recipient in the performance of the Activities has a statutory right to cease or refuse to carry out unsafe work, as that term is defined under section 82 of the HSWA.

2.4 During the term of this Agreement, MPI may consult with the Recipient on any concerns it has on any matters not addressed in the Recipient's health and safety policy and procedures. This includes where MPI considers there are new or increased risks or hazards or WorkSafe issues, applicable best practice guidelines or policies.

3. Health and safety policies, practices and plans

- 3.1 During the term of this Agreement, the Recipient will:
- (a) maintain a general health and safety policy and practices that are appropriate to the nature of the Activities carried out by the Recipient;
 - (b) comply with its health and safety policy and practices, and ensure its Workers also comply.
 - (c) consider any concerns raised by MPI under paragraph 2.4 above, and make changes to its health and safety documentation and procedures as it deems appropriate.
- 3.2 Within 10 Business Days after commencing the provision of the Activities contracted under this Agreement, the Recipient will submit to MPI a draft written Health and Safety Management Plan which includes the information required in clause 1.1 of schedule 1 of the Agreement, identification of all health and safety risks arising from the contracted activities, and outlining how the Recipient proposes to mitigate and manage these risks. MPI will have the opportunity to review and comment on the draft plan, and offer suggestions to the Recipient.
- 3.3 Having duly considered MPI's comments, the Recipient will finalise the Health and Safety Management Plan within a further 10 Business Days (or such longer period as the parties may agree in writing). The parties must not unreasonably withhold their agreement to the Health and Safety Management Plan.
- 3.4 Where a Health and Safety Management Plan is in place, the Recipient must comply, and ensure its Workers comply, with the plan. The Recipient must also review and if necessary update the Health and Safety Management Plan at intervals no longer than every six (6) months, and
- (a) following any serious health and safety incident; and/or
 - (b) at any the Recipient or MPI reasonably considers that new or increased risks or hazards have arisen in the provision of the Activities.
- 3.5 If the parties are unable to agree on the content of the Health and Safety Management Plan, then MPI in its sole discretion may:
- (a) suspend or terminate all or part of the Activities under this Agreement, either permanently or until such time as the Health and Safety Management Plan has been agreed between the parties; or
 - (b) refer the matter to the dispute resolution clauses under this Agreement.
- 3.6 During the term of this Agreement, MPI may request any changes to Health and Safety Management Plan that MPI considers are reasonably necessary to manage any new or increased risks or hazards. Where new or increased costs would be incurred by the requested change, the Recipient may seek an agreed variation to cover those costs. If the change to the plan cannot be agreed, then MPI may exercise any of the options set out in paragraph 3.5 above.

4. Notifying events to WorkSafe NZ

- 4.1 During the term of this Agreement, the Recipient will ensure that all Notifiable Events occurring during delivery of the Activities are duly notified to:
- (a) WorkSafe NZ in accordance with the requirements of section 56 of the HSWA; and
 - (b) MPI within one Business Day of becoming aware of the event.

- 4.2 Where the Recipient notifies WorkSafe NZ of a Notifiable Event, the Recipient must report the event to MPI within one Business Day of becoming aware of the event (in accordance with paragraph 4.1) and in addition promptly provide a written summary of that Notifiable Event and corrective actions identified to MPI.

5. Regular health and safety reporting to MPI

- 5.1 During the term of this Agreement the Recipient will comply with the health and safety reporting requirements outlined **Appendix B** to this Agreement.

6. Non-compliance and corrective actions

- 6.1 If MPI becomes aware of a breach of HSWA Legislation or these health and safety clauses by the Recipient or its Personnel or Subcontractors in relation to the Activities, MPI may, in its reasonable discretion, require the Recipient to do any one or more of the following:

- (a) remedy any breach of the HSWA Legislation or this Agreement;
- (b) suspend or terminate all or part of the Activities under this Agreement, until such time as the breach has been remedied and/or the health and safety risk eliminated or managed (and during any such period of suspension MPI is not required to make payment to the Recipient for the Activities);
- (c) if the breach relates to the acts or omissions of a Subcontractor, direct the Recipient to terminate or suspend the relevant subcontract;
- (d) make an amendment to the Health and Safety Management Plan to manage health and safety risks; and/or
- (e) refer the matter to dispute resolution under clause 15 of this Agreement.

- 6.2 In the event that the Recipient fails to remedy a breach or take any other action required by MPI under paragraph 6.1, MPI may terminate this Agreement under clause 19 of this Agreement. In this event, MPI's liability is limited to payment for Activities performed in accordance with this Agreement up to and including the date on which MPI gave notice of the action required to be taken.

7. Subcontractors

- 7.1 This paragraph 7 applies in addition to any other clauses in this Agreement relating to Subcontractors.

- 7.2 MPI may, at any time during the term of this Agreement, require the Recipient to:

- (a) conduct a health and safety pre-qualification process for all, or any particular, Subcontractors the Recipient proposes to use to carry out the Activities; and/or
- (b) submit a Health and Safety Management Plan, or amend an existing Health and Safety Management Plan, to address specific health and safety risks posed by the proposed use of the Subcontractor.

- 7.3 The Recipient must ensure that prior to the commencement of the Activities by any Subcontractor, the Subcontractor has been advised of, and complies with:

- (a) the Recipient's health and safety policy and procedures;
- (b) the Health and Safety Management Plan relevant to the Activities to be carried out;
- (c) any specific site-based health and safety issues in performing the Activities; and

- (d) any health and safety directions given by MPI to the Recipient under paragraph 2.2.

8. Records

- 8.1 The Recipient must keep all records required under the HSWA (and promptly provide them on request to MPI).
- 8.2 In addition to any records required under HSWA, the Recipient must keep records (and provide them on request to MPI) of:
 - (a) any Health and Safety Incidents which have been investigated internally by the Recipient, or by WorkSafe NZ, relating to the Activities (and the outcome of such investigations); and
 - (b) health and safety due diligence processes, and any associated documents, relating to the health and safety compliance and performance of Subcontractors used for the Activities.

9. Health and safety audit and inspection

- 9.1 MPI may, at any time during the term of this Agreement:
 - (a) require the Recipient to provide information or documentation in relation to any matter concerning the Recipient's health and safety performance or compliance in relation to the Activities, or relating to a Health and Safety Incident or risk; or
 - (b) carry out a paper-based audit of the Recipient's health and safety system as it relates to the Activities.
- 9.2 At any reasonable time during Business Hours, MPI may carry out a physical inspection of any place of work that the Recipient is using or intends to use in connection with the provision of the Activities to MPI.

Appendix 2 – Regular health and safety reporting

The Recipient health and safety reporting is to fall under the following three categories:

1. Notifiable Events

As set out in paragraph 4.1(b) of Appendix A, Notifiable Events must be reported to MPI within one Business Day of the Recipient becoming aware of the event. To clarify, under paragraph 4.2 of Appendix A where WorkSafe has been notified, the Recipient must also promptly provide a written summary of that Notifiable Event and corrective actions to MPI.

2. Contemporaneous reporting of Serious Incidents that do not meet the 'Notifiable Event' threshold

The Recipient must report any Serious Incident to MPI as soon as practicable.

MPI considers a "Serious Incident" to be any Health and Safety Incident relating to the Activities provided under this Agreement that:

- a) has a potential for causing a fatality, or a long-term injury or illness; or
- b) does not meet the 'Notifiable Event' threshold, but still results in a lost time injury or illness.

Serious incidents must be reported contemporaneously to MPI by inputting the relevant information into Wall-IS in accordance with any Wall-IS User Guide. If that inputting functionality is not available on Wall-IS, the Recipient will provide the results to MPI in the form and format that MPI reasonably requests.

3. Monthly summary of all incidents

In addition to other reporting requirements, the Recipient will deliver a written monthly report to MPI summarising all Health and Safety Incidents relating to the Activities carried out under this Agreement. The monthly report will include:

- a) the identity of the project, response, long-term programme or other piece of work the incident related to. Where this is not possible the incidents will be classified generally (i.e. general laboratory incidents);
- b) corrective actions identified for each Serious Incident and whether these have been implemented – including any corrective actions taken as a result of any MPI or WorkSafe NZ audit or investigation, or any internal investigation resulting from a Notifiable Event;
- c) any instances it becomes aware of where its Workers, in carrying out the Activities, have not complied with the requirements of this Agreement or HSWA in relation to health and safety, or have not complied with MPI's health and safety policy or practices, or those of the Recipient;
- d) current status of any injured Workers; and
- e) any damaged property or environmental damage or pollution to the extent that it relates to a health or safety risk of the Activities.

The monthly report will be compiled from information entered into Wall-IS, if any additional information is required to satisfy the information requirements set out in 3. a)-e), that information will be delivered to your MPI Technical Liaison/Contract Manager by the 5th Business Day of each month during the term of this Agreement.

Ministry for Primary Industries
Manatū Ahu Matua



Services Agreement

in relation to Wallaby Management Programme

—
The Sovereign in right of New Zealand acting by and through
the Ministry of Primary Industries (**MPI**)
and
Otago Regional Council (**Recipient**)
—

Services Agreement

Wallaby Management Programme

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Details

Date

Parties

Name The Sovereign in right of New Zealand acting by and through The Ministry of Primary Industries with delegated financial authorisation to enter into the agreement, by the Chief Operational Officer & Head of Biosecurity, Ministry for Primary Industries

Short form name **MPI**

Notice details Address: PO Box 2526, Wellington 6140
Email: Wallaby@mpi.govt.nz
Attention: National Wallaby Management Programme

Name Otago Regional Council, a body corporate under the Local Government Act 2002 having its head office at 70 Stafford Street, Dunedin

Short form name **Recipient**

Notice details Address: 70 Stafford Street, Dunedin
Email: richard.saunders@orc.govt.nz
Attention: Richard Saunders

Background

- A. Wallabies are a serious pest in New Zealand and populations have been expanding numerically and geographically for a number of years. They have a significant impact on indigenous forest through browsing on undergrowth and regenerating plants. They compete with stock for pasture and fodder species, consequently reducing stocking rates. Wallabies have also been known to damage fences, contribute to erosion and cause damage to plantation forestry seedlings.
- B. The issue is one that can only be addressed by landowners, community groups, iwi, industry, local and central government working together. This was initially recognised by the New Zealand Government in Budget 2020 providing funding of \$27 million over 4 years to establish a collaborative national wallaby management programme (now called the Tipu Mātoro National Wallaby Eradication Programme) (the **National Programme**).
- C. The New Zealand Government has previously allocated funding for managing wallabies to be distributed through MPI.
- D. MPI are awaiting confirmation of Government funding for the National Programme for future years.
- E. MPI will distribute available funding on a regional basis to selected regional councils for the purpose of that regional council carrying out activities that help manage wallabies, as part of the National Programme. Each Region(s) will comprise specific Management Units and within those Management Units there will be Operational Areas, within which operational activities for wallaby management will be carried out.
- F. The Recipient is a regional council who wishes to manage wallabies in its Region(s).. In addition, at times the Recipient may carry out activities in other regions (e.g. in response to wallaby sightings reported in other regions). Any such activities will be coordinated with the relevant regional council for that region.
- G. As MPI and the Recipient are part of the public sector, each wishes to ensure that there is appropriate oversight across the Recipient's activities and use of public funding, focus on health

and safety, and sharing of useful information. The parties wish that the “Regional Coordination Groups”, of which the Recipient is a member, help provide oversight of the National Programme in its Region(s).

- H. The Recipient and MPI were parties to a funding agreement (as varied and amended) in relation to the National Programme, which has now expired (“Previous Funding Agreement”). The purpose of this Agreement is to record the current terms on which MPI will distribute the Funding to the Recipient under this Agreement and the terms on which the Recipient will apply the Funding and ensure that the Activities are carried out (by either itself or through others), in each case, for the purpose of the National Programme. This Agreement replaces the Previous Funding Agreement (except those clauses of the Previous Funding Agreement that expressly or by necessary implication continue after expiry or termination of the Agreement).
- I. This Agreement is for a period of one year only and the parties acknowledge that it is an interim agreement until future Programme funding is confirmed. The form of any future agreements will reflect the nature of the Programme funding and the services to be provided by the Recipient to MPI.

Agreed terms

PART A: OPERATIONAL AND COMMERCIAL DETAILS

1. Outcomes

- (a) The intended outcomes for this Agreement (the **Outcomes**) are to:
 - (i) help to contain and reduce the number of wallabies in New Zealand such that progressive containment is achieved;
 - (ii) support the implementation of the Aotearoa New Zealand Wallaby Strategy, including any subsequent amendments made by the Governance Group for the National Programme;
 - (iii) support the Recipient to tailor Outcomes to reflect the "Regional Pest Management Plans" for the Region(s) for which the Recipient is responsible;
 - (iv) encourage and, where reasonably practicable, implement feedback from the Regional Coordination Group(s) for the Region(s) for which the Recipient is responsible;
 - (v) build and maintain a collaborative and constructive relationship between the parties and other stakeholders to address and manage the critical overarching issues caused by wallabies;
 - (vi) support the Recipient to ensure the health and safety of Workers and others involved in and/or affected by the Activities, as required by law; and
 - (vii) for the Region(s) in which the Recipient operates, enable oversight of the operational programme and use of the Funding.
- (b) In performing the Activities, the Recipient will use all reasonable endeavours to contribute to the achievement of the Outcomes.

2. Acknowledgement of appropriation

Each party acknowledges that the Funding under this Agreement is provided under the 'Border and Domestic Biosecurity Risk Management MCA appropriation of Vote Agriculture, Biosecurity, Fisheries and Food Safety'. The scope of the appropriation is 'Biosecurity Incursion Response and Long-Term Pest Management' (**Scope of Appropriation**). Regardless of any other clause in this Agreement, the Recipient agrees that MPI does not provide the Funding, and the Recipient will not use the Funding, for any purpose outside the Scope of Appropriation.

3. Activities

3.1 In scope

The Recipient will perform the Activities and provide the corresponding Outputs, as each is set out in the table below. Where indicated in that table, the Recipient:

- (a) may use the Funding to perform the Activity, where indicated as "Funded" in the corresponding column (a **Funded Activity**); and
- (b) will perform each Activity at its cost, where indicated as "Recipient's cost" in the corresponding column.

	Activity	Output	Funded or Recipient's cost
Operational Planning			
(a)	For each Financial Year during the Term of this Agreement, and for each Management Unit in the Region(s) that the Recipient is responsible for, prepare (or procure the preparation of) a draft Management Unit Operational Plan using the template provided by MPI. The Management Unit Operational Plan (MUOP) may include contingency plans to respond to wallaby sightings in other New Zealand regions (i.e. outside of the Recipient's region).	Each draft Management Unit Operational Plan is reviewed and, by 1 May each year, is endorsed in writing by the: <ol style="list-style-type: none"> 1. RCG; and 2. MPI Agreement Manager. 	Recipient's cost
(b)	<p>If one does not already exist, set up a Regional Coordination Group for the Region(s) that the Recipient is responsible for and:</p> <ol style="list-style-type: none"> (i) ensure that the RCG members adequately represent partner organisations, including local iwi and stakeholders with an interest in the National Programme; and (ii) ensure the RCG meets periodically (and at the frequency to be determined by the RCG) for the purpose of ensuring: <ul style="list-style-type: none"> • that operational activities (to be performed under the MUOP) are planned in a cohesive and coordinated way; • that operational activities (to be performed under the MUOP) achieve the objectives in New Zealand Wallaby Management Strategy (once approved by the Governance Group); • alignment between the Activities carried out in relation to the National Programme and any other wallaby management work funded through other mechanisms; • effective communication between the organisations responsible for wallaby management in the Region(s); • that progress on the operational activities (to be performed under the MUOP) are communicated with local communities including relevant land occupiers; and • issues and risks are identified and dealt with or escalated to MPI. 	The Regional Coordination Group operates effectively to represent the key stakeholders of that particular Region(s) and the Management Unit(s) within that Region(s).	Recipient's cost

	Activity	Output	Funded or Recipient's cost
(c)	Implement (or procure the implementation of) the Management Unit Operational Plan in accordance with its terms, including by engaging Personnel and Subcontractors to implement that plan and help deliver the Outcomes.		Funded
(d)	Managing its Personnel engaged for the purpose of implementing the relevant Management Unit Operational Plan to ensure the Personnel carries out their work and engagement in accordance with the terms of that plan and this Agreement.		Recipient's cost
Financial and Operational Reporting			
(e)	Comply with any Wall-IS user guide provided by MPI to the Recipients, as may be amended from time to time (Wall-IS User Guide).	Keep accurate, up to date records showing the delivery of the Activities against the relevant plan, including by taking minutes and complete actions arising from regular meetings.	Recipient's cost
(f)	Ensure that all data is uploaded to Wall-IS in an accurate and timely manner, in each case, as described and in accordance with any Wall-IS User Guide and MPI's reasonable instructions given from time to time. For each Region(s) the Recipient is responsible for providing reports to MPI (or if directed by MPI, into Wall-IS) on the following: (i) all operational activities (to be performed under the MUOP) completed in each month (including method, location, area (length, if fencing), contractor, start date, end date, total person hours worked, costs expended), to be reported within 5 Business Days of the end of that month; and (ii) location and number of wallaby sightings, to be reported within the timeframe reasonably requested by MPI.	Provide adequate information and reports to MPI at meetings. Take minutes and complete actions arising from meetings held with MPI ("Operational Meeting & Reporting Cycle" table below).	
(g)	Input (or procuring the inputting of) the financial data into Wall-IS in accordance with any Wall-IS User Guide and MPI's reasonable instructions given from time to time, and do so accurately to reflect (amongst other things) the costs of completed operations, and:		

	Activity	Output	Funded or Recipient's cost
	(i) Funding (ii) any other funding; and (iii) In Kind Contributions. If that inputting functionality is not available on Wall-IS, the Recipient must provide that data to MPI in the form and forma that MPI reasonably requests.		
(h)	Comply with any audit under clause 14.1 of Part B.		Funded (subject to clause 14.1(e))
Health and Safety Management			
	Schedule 2 sets out the Recipient's health and safety obligations under the Agreement. In the event there is any inconsistency between item (i) to (m) below and Schedule 2, Schedule 2 will prevail.		
(i)	Work with MPI to ensure a Health and Safety Management Plan (HSMP) is in place and agreed prior to the commencement of any Funded Activity.	HSMP is documented and agreed with MPI prior to the commencement of any Funded Activity.	Recipient's cost
(j)	For each PCBU, ensure a HSMP is in place prior to the commencement of any Funded Activity, which: (i) meets the relevant requirements of the HSMP agreed with MPI in (i); (ii) includes the information required in the definition of Health and Safety Management Plan in clause 1.1 of Schedule 2 (Health and Safety Terms) – and identifies: a. all health and safety risks arising from the contracted activities, outlining how the Recipient proposes to mitigate and manage these risks; and b. how assurance will be provided to MPI that the Critical Risks to Health and Safety are managed – for the work being (or to be) carried out under and in relation to this Agreement. Make the HSMP for each PCBU available to MPI when requested..		Recipient's cost

	Activity	Output	Funded or Recipient's cost
(k)	<p>Provide regular health and safety reporting to MPI as required under clause 5.1 of Schedule 2 (Health and Safety Terms).</p> <p>Ensure each Notifiable Event and/or High Actual or Potential Critical Risk Incident is reported to MPI within the timeframes below:</p> <p>(i) Notifiable Event within 1 Business Day of the Recipient becoming aware of the Notifiable Event;</p> <p>;</p> <p>(ii) High Actual or Potential Critical Risk Incident as soon as practicable but in any case for an incident that:</p> <p>a. caused harm to a worker or other person, within 1 Business Day of becoming aware of the incident; or</p> <p>b. could have caused harm to a worker or other person, within 5 Business Days of becoming aware of the incident.</p> <p>Notifiable Events and High Actual or Potential Critical Risk Incident must be reported to the MPI Technical Liaison (or delegate) via email or phone and via MPI's Safety and Wellbeing team via email address SafetyAndWellbeing@mpi.govt.nz in order to confirm investigation roles, responsibilities and actions.</p> <p>High Actual or Potential Critical Risk Incidents reporting should include the results of the health and safety investigation that followed the incident and be submitted by inputting the relevant information into WCIS in accordance with the WCIS User Guide.</p> <p>(iii) Where WorkSafe or another relevant regulator has been notified the Recipient must also promptly provide a documented summary of that Notifiable Event and corrective actions that manage Critical Risks identified in the investigation to MPI.</p>	As agreed with MPI HSW team, reporting means health and safety is discussed at bimonthly meetings between the recipient with MPI, and documented.	Recipient's cost
(l)	<p>MPI may, under clause 9.1 of Schedule 2 (Health and Safety Terms), at any time carry out a health and safety audit of the Recipient's health and safety systems as it relates to the Activities and/or in accordance with the auditing schedule outlined in the HSMP. Any required improvements that are identified during an audit are implemented.</p>		Recipient's cost

	Activity	Output	Funded or Recipient's cost
	The results of audits and corrective actions must be uploaded to WCIS within 20 working days from confirmation of the corrective actions, or as agreed with MPI.		
(m)	Review and update the HSMP agreed under this Agreement in accordance with clauses 3.4 and 3.6 of Schedule 2 (Health and Safety Terms).	Meet at the frequency agreed with MPI in order to cooperatively ensure that health and safety risks and hazards related to operations are being managed appropriately. Report in compliance with clause 3.4 of Schedule 2 (Health and Safety Terms).	Recipient's cost
Reporting and meetings			
(n)	Attend any meeting with MPI that MPI reasonably request.		Recipient's cost
(o)	Report to MPI in accordance with the "Operational Meeting & Reporting Cycle" table below (or as otherwise agreed in writing between the parties). At any "face to face" meeting, each party will endeavour to meet physically in person or, where a physical meeting is not possible or desirable, by video-conference instead.		Recipient's cost

Operational Meeting & Reporting Cycle – Recipients			
Month	Type	Meeting Objectives	
September	Conference call	<p>Confirm forecast financial contributions from partners.</p> <p>Confirm Subcontractor/s for each operation (or agree dates when this will be confirmed).</p> <p>Confirm that a HSMP is in place for each PCBU (or agree dates when this can be completed).</p> <p>Current operations and spend - % complete.</p> <p>Identify and agree resolution actions for key operational issues.</p> <p>Agree actions and next meeting agenda.</p>	
December	Conference call	<p>Current operations and spend - % complete.</p> <p>Review risks/issues (includes health and safety).</p> <p>Confirm financial contributions received from partners (YTD).</p> <p>Confirm In Kind Contributions made by partners (YTD).</p> <p>Agree actions and next meeting agenda.</p>	
March	Face to Face	<p>Agree Management Unit operational planning process for upcoming Financial Year.</p> <p>Confirm date for operational plans to be submitted.</p> <p>Current operations and spend - % complete.</p> <p>Review risks/issues (includes health and safety).</p> <p>Forecast budget for upcoming Financial Year.</p>	
May	Conference call	<p>Confirm approved operations and budget for upcoming Financial Year (or actions required to complete).</p> <p>Confirm actions to complete sign off for any variations to this Agreement and the supporting HSMP.</p> <p>Agree upcoming Financial Year meetings schedule.</p> <p>Agree annual debrief date and attendees.</p>	

Operational Meeting & Reporting Cycle – Recipients			
Month	Type	Meeting Objectives	
Late June	Conference call	<p>Confirm whether all previous Financial Year data is in Wall-IS or, if the relevant functionality to input that data in Wall-IS is not available, that the data has been provided to MPI.</p> <p>Confirm complete operations and spend for Financial Year (includes journals for expected invoices).</p> <p>Confirm financial contributions from each co-funding partner and land-occupier, as identified in the MUOP (Partners).</p> <p>Confirm In Kind Contributions.</p>	

4. Funding

4.1 Purpose

The Recipient will only use the Funding for the purpose of carrying out the Funded Activities.

4.2 Maximum amount

Regardless of anything else in this Agreement, MPI will not be obliged to provide Funding under this Agreement which, in total, exceeds the following amount for the corresponding Region. The amounts in the table may change from Financial Year to Financial Year by written notice from MPI, which may be given only after consultation with the Governance Group:

Region	Financial Year	Maximum amount of Funding (plus GST if any)

4.3 Method of payment

The Recipient will invoice MPI by sending a valid Tax Invoice to the MPI Operations Lead in accordance with clause 6 of Part B. Each Tax Invoice may only be issued when the invoicing criteria (as notified by MPI to the Recipient from time to time) for that Tax Invoice has been met to MPI's reasonable satisfaction.

4.4 Other provisions

Further detail regarding the method of payment, eligible expenditure, financial management, funding freezes and repayment is set out in clause 6 of Part B.

5. Governance

5.1 Role and responsibilities

The party described as "appointor" in the table below will engage and keep engaged suitably qualified, skilled and experienced Personnel in the roles set out in the table below. Each party will ensure its appointee performs the responsibilities for that role, as described in the table below and elsewhere in this Agreement.

Name of Role	Responsibilities	Appointer
Representative on the Regional Coordination Group	<ol style="list-style-type: none"> 1. Have oversight and involvement in the development, endorsement-seeking process, implementation and monitoring of each relevant MUOP. 2. Keeps up to date on progress towards delivering the MUOP. 3. Is involved in risk mitigation (all informed and involved). 4. Assist in coordination of control work (and other related work). 	The Recipient
Representation on the Governance Group	To help govern the National Programme, and oversee associated Crown funding and National Programme operational delivery.	MPI and, where the Recipient is part of LGNZ, through the Recipient's LGNZ representative

6. Term and termination

6.1 Term

Start Date	1 July 2024
End Date	30 June 2025
Extending the End Date	The parties may extend the Term of this Agreement by written agreement but it is intended that the parties will enter into a new services agreement for future years once Programme funding has been confirmed.

6.2 Termination of this Agreement

In addition to the rights contained in clause 19 of Part B, MPI or the Recipient may terminate this Agreement at any time for convenience, without cause, by giving at least four (4) months' prior written notice to the other party.

6.3 Expiry of existing Funding Agreement

- (a) The parties acknowledge that the previous funding agreement between the parties dated **6 November 2020 (Previous Funding Agreement)** has expired.
- (b) The Recipient agrees that any policy, instruction or guidance given by MPI under the Previous Funding Agreement is deemed to be given and continue under this Agreement also, unless MPI has expressly replaced or withdrawn that policy, instruction and/or guidance. To the extent that there is any inconsistency between such policy, instruction, or guidance given under the Previous Funding Agreement (or any policy, instruction, or guidance given by MPI under this Agreement), the terms of this Agreement (or the terms of any such policy, instruction or guidance given by MPI under this Agreement, as the case may be) will prevail.
- (c) If the Recipient has not spent all of the funding allocated to the Recipient by MPI under the Previous Funding Agreement, MPI and the Recipient agree that, the unspent funding will be deemed to be provided by MPI as part of (but not in addition to) the Funding provided under this Agreement.

7. Contact details

- (a) All matters or enquiries regarding the technical implementation or operation of this Agreement will be directed to MPI's Technical Liaison or the Recipient's Technical Liaison, as appropriate.
- (b) All general matters relating to this Agreement (including concerning the interpretation of this Agreement) will be directed to MPI's Agreement Manager or the Recipient's Agreement Manager, as appropriate.
- (c) If the Recipient cannot contact MPI's Agreement Manager or MPI's Technical Liaison within a reasonable timeframe in the circumstances, enquiries can be directed to the person for the time being holding the office of "MPI Manager Recovery and Pest Management".
- (d) If MPI cannot contact the Recipient's Agreement Manager or the Recipient's Technical Liaison, enquiries can be directed to the Recipient's Chief Executive or Managing Director.
- (e) The initial contact persons for each party are below. If a party's contact persons or their details change, that party must notify the other party in writing 10 Business Days in advance.

Party	Role	Details
MPI	Manager Pest Management	
MPI	Technical Liaison	
MPI	Agreement Manager	
Recipient	Chief Executive	
Recipient	Managing Director	
Recipient	Technical Liaison	
Recipient	Agreement Manager	

PART B: GENERAL TERMS AND CONDITIONS

1. Activities

MPI agrees to provide the Funding to the Recipient, and the Recipient agrees to use the Funding and carry out the Activities (or ensure the Activities are carried out), subject to and in accordance with the terms of this Agreement, and will use the Funding solely for the purpose of performing the Funded Activities under the National Programme.

2. Obligations

2.1 Mutual obligations of the parties

- (a) Each party agrees to:
 - (i) act in good faith in all matters relating to this Agreement and, without abandoning their own interests, to demonstrate honesty, integrity, openness, reasonableness, and accountability in their dealings with each other; and
 - (ii) discuss any matters affecting this Agreement or the performance of the Activities, whenever necessary.
- (b) Each party will ensure it performs its obligations under this Agreement:
 - (i) with due diligence, care and skill and using a standard of skill, care and diligence no lower than that expected of an experienced and well-resourced organisation performing that obligation;
 - (ii) in accordance with the specified timeframes or, if no timeframe is specified, then within a reasonable period; and
 - (iii) in accordance with all applicable laws, regulations and, where legally binding upon that party, codes and standards of practice.

2.2 Recipient's general obligations

- (a) The Recipient will ensure that it provides the Activities, and will ensure that any Personnel engaged to provide the Activities does so:
 - (i) using appropriately trained, qualified, experienced and supervised persons;
 - (ii) in accordance with all Government or MPI internal policies and procedures relevant to this Agreement, as notified in writing to the Recipient at or before the Start Date;
 - (iii) in accordance with the Standards of Integrity and Conduct issued by the Public Service Commission (see www.publicservice.govt.nz); and
 in a manner that:
 - (iv) is culturally appropriate for Māori, Pacific and other ethnic or indigenous groups;
 - (v) respects the personal privacy and dignity of all participants and stakeholders; and
 - (vi) meets MPI's satisfaction, as reasonably described by MPI in writing from time to time.
- (b) Unless otherwise agreed in writing, the Recipient will ensure that it obtains all necessary and prudent authorisations, consents, permits, licences and the like, to ensure the Recipient can perform its obligations under this Agreement in compliance with the law and any third party's rights, including in relation to performance of any Activities carried out on MPI's or a third party's premises.

2.3 MPI's obligations

If reasonably requested by the Recipient, and without limiting the Recipient's obligations under this Agreement, MPI will:

- (a) cooperate and collaborate with the Recipient in the same way that MPI generally cooperates and collaborates with other recipients similar to the Recipient in the relevant circumstances;

- (b) provide or give access to MPI's resources and information, including templates, which MPI generally makes available to recipients similar to the Recipient, for the purpose of the National Programme; and
- (c) endeavour to find opportunities to share best practices and lessons learned across the National Programme's delivery.

3. Health and safety

3.1 Compliance with health and safety legislation and directions

During the Term of this Agreement, the Recipient will comply with the Health and Safety provision as set out in Schedule 2 (Health and Safety Terms).

4. Subcontractors and Personnel

4.1 Subcontractors

- (a) The Recipient must ensure that:
 - (i) each Subcontractor is fully aware of the Recipient's obligations under this Agreement to the extent necessary for the Subcontractor to properly perform its obligations;
 - (ii) each subcontract it enters into with a Subcontractor is consistent with this Agreement, to the extent relevant and material for the performance of the Subcontractor's obligations;
 - (iii) each subcontract with a Subcontractor requires that further subcontracting is also consistent with this Agreement; and
 - (iv) each Subcontractor has been advised of, and complies with the the requirements recorded in paragraph 7.3 of Schedule 2 (Health and Safety Terms).
- (b) The Recipient must ensure that, prior to the performance of the Activities by any Subcontractor, the Subcontractor has been advised of, and agrees to comply with:
 - (i) the Recipient's health and safety policy and procedures;
 - (ii) the health and safety risk management plan for the relevant PCBU (as described in (j) of the Activities table in Part A);
 - (iii) the plan to manage any specific site within the relevant Management Unit based on health and safety issues in performing the Activities; and
 - (iv) any health and safety directions given by MPI to the Recipient under paragraph 2.2 of Schedule 2 (Health and Safety Terms).
- (c) The Recipient will be responsible for the acts and omissions of each Subcontractor as if the act or omission was the Recipient's. The Recipient will not be relieved of any of its liabilities or obligations under this Agreement by entering into any subcontract.
- (d) The Recipient will ensure that:
 - (i) its contract with each Subcontractor it engages in relation to the National Programme contains generally the same obligations and it gives MPI the same rights as are set out in this Agreement to the extent that those obligations and rights relate to the Subcontractor's performance of the Activities; and
 - (ii) MPI can directly enforce those obligations and exercise its rights against the Subcontractor pursuant to the Agreement and Commercial Law Act 2017, provided that MPI will not:
 - (A) enforce its rights under this 4.1(d)(i) without seeking to resolve any issues in the first instance with the Recipient; or
 - (B) engage with Subcontractors without the prior written consent of the Recipient, such consent not to be unreasonably withheld.

4.2 Personnel

If MPI is at any time dissatisfied on reasonable grounds with the performance of the Recipient's Personnel in its performance of the Recipient's obligations under this Agreement:

- (a) MPI may notify the Recipient in writing of that dissatisfaction; and
- (b) the parties, in good faith, will discuss an appropriate course of action in relation to that Personnel.

If the Personnel performs a role that involves the accounting or allocation of Funding and has been arrested for or committed a dishonesty offence, the Recipient will remove that Personnel from that role immediately, if requested by MPI.

5. Significant Events process

5.1 Notification of Significant Event

Each party will notify the other party as soon as reasonably practicable upon becoming aware of an actual or likely:

- (a) **Serious failure:** significant failure (or series of related failures which together are significant) of the Recipient to perform its obligations in accordance with this Agreement;
- (b) **MPI Breach:** significant event, breach or likely breach by MPI of its obligations under this Agreement;
- (c) **Reputational Event:** any event relating to the Agreement which is likely to cause MPI, the government, the Recipient, its Personnel and/or Subcontractors significant adverse media or parliamentary attention, and in any event, if there is a change in the criminal record of the Recipient, and/or its Personnel;
- (d) **Security Event:** security event, breach or likely breach relating to the Agreement that compromises or is likely to compromise the integrity or security of MPI, the Recipient, the Activities, Funding, MPI assets (including any technology system) or MPI Data (such event, breach or likely breach being a **Security Event**); and
- (e) **Regulatory Event:** any event, or a near miss, relating to the Agreement that would cause the Recipient to notify a regulator, including any health and safety regulator, the office of the Privacy Commissioner or a financial services regulator,

(each such event, circumstance, breach or failure being a **Significant Event**).

5.2 Rectification process

If a party advises the other of a Significant Event, and MPI requests, the parties will endeavour to agree a course of action. If no course of action is agreed within the timeframes advised by MPI (which, depending on the nature of the Significant Event, could be required within an hour), the Recipient must:

- (a) **Co-operate:** co-operate with MPI and any other third party specified by MPI;
- (b) **Follow instructions:** follow any instructions given by MPI, including any instruction given:
 - (i) under clause 6.7(b) of this Part B; and/or
 - (ii) to stop following a previous instruction (or any part of it),
 and, if the Significant Event is related to a Notifiable Event, near miss, or breach, MPI's instruction may include:
 - (iii) to stop performing the Activities (or any part of them);
 - (iv) to suspend any work being carried out under or in relation to this Agreement by the Recipient, and/or its Personnel until MPI (in its sole discretion) considers the health and safety risk has been eliminated or adequately mitigated; and/or
 - (v) to amend the HSMP in the manner MPI instructs.

- (c) **Investigate:** investigate the cause of the Significant Event and give a report to MPI (in writing if MPI requests) which describes (to the extent reasonably known):
 - (i) the cause of the Significant Event;
 - (ii) where the Significant Event is a Security Event and to the extent known, the identity of the person or persons who have gained or attempted to gain unauthorised access; and
 - (iii) the actions proposed to be taken by the Recipient.

If MPI requests, allow MPI to be involved in relation to that investigation to the level MPI requests.
- (d) **Update:** update MPI on regular basis of any subsequent developments relating to the Significant Event.
- (e) **Remedy/Mitigate:** remedy or mitigate the immediate effects of the Significant Event, or the circumstances or issue giving rise to the Significant Event, as soon as reasonably practicable, in the manner reasonably requested by MPI and provide MPI with a report (in writing, if MPI requests) of the action taken. MPI will take reasonable steps to remedy or mitigate the effects of the Significant Event on MPI.
- (f) **Prevent Recurrence:** take all reasonable action to prevent a recurrence of the relevant Significant Event and notify MPI (in writing if MPI requests) of any such action taken.
- (g) **Remedy plan:** within the period reasonably requested by MPI, prepare and submit to MPI for its approval a remedy plan setting out how the Recipient considers the Significant Event could be optimally remedied, the relevant timeframes for such remediation, what the Recipient considers would be required of the Recipient, MPI and/or any third party and any other details reasonably required in order for the Significant Event to be remedied in an optimal manner. If MPI approves that submitted plan, each party will comply with the requirements of that party as set out in that plan and any other requirements notified by MPI (acting reasonably).

5.3 Cost of remedying

MPI will pay the Recipient for the actual reasonable costs incurred by the Recipient in complying with clause 5.2 of this Part B but only:

- (a) up to the amount of the costs that was advised by the Recipient to MPI in advance of the Recipient incurring those costs; and
- (b) to the extent that the Significant Event is not due to the Recipient's or its Personnel's breach or misconduct.

5.4 Other remedies

The issuing of a notice under clause 5.1 of this Part B does not limit either party's other rights and remedies.

6. Payment

6.1 MPI's obligation to pay the Funding

MPI's obligation to pay the Funding is subject to:

- (a) MPI continuing to have sufficient funding within its budget for the Funded Activities;
- (b) there being no un-remedied breach of this Agreement by the Recipient; and
- (c) MPI being satisfied on reasonable grounds that the Funding is being appropriately expended on the Funded Activities and is not being used in breach of this Agreement.

6.2 Total amount payable

The Funding is the total amount payable by MPI for the provision of the Funded Activities. All other costs, disbursements and other expenses incurred by the Recipient in relation to this Agreement are at the Recipient's cost and not to be paid for by the Funding.

6.3 Invoicing

- (a) The Recipient will invoice the Funding in accordance with this clause 6.3 of Part B. Each Tax Invoice submitted by the Recipient (whether submitted monthly or otherwise) will include sufficient details to enable MPI to identify:
 - (i) the Agreement number (if any);
 - (ii) the period covered by the invoice;
 - (iii) the particular Funded Activities which are the subject of the invoice; and
 - (iv) the amount of Funding payable.
- (b) Unless provided otherwise in this Agreement, the Recipient:
 - (i) will provide MPI with a Tax Invoice for the aggregate amount of Funding for each Management Unit for the relevant Financial Year, as set out in the table at clause 4.2 of Part A (as those amounts may be amended in accordance with clause 4.2 of Part A); and
 - (ii) may provide that Tax Invoice annually in advance for the immediately following Financial Year.
- (c) Without limiting MPI's other rights under this Agreement, MPI will pay the Recipient's Tax Invoices by the within 20 Business Days of receiving that invoice or before the beginning of the Financial Year to which the invoice relates, whichever is the later date. All payments by MPI will be deemed to have been made in Wellington, New Zealand. Payment by MPI is not evidence that the Activities to which the invoice relates have been provided in accordance with this Agreement.

6.4 Disputed invoices

If MPI has a bona fide dispute in relation to all or any portion of any Tax Invoice, MPI may withhold payment of the amount subject to the dispute, provided that:

- (a) MPI will pay the undisputed amount when it becomes due and payable; and
- (b) the Recipient will continue to perform its obligations under this Agreement while the dispute is resolved.

6.5 Eligible Expenditure

The Recipient must apply the Funding only to expenditure that:

- (a) is incurred by the Recipient;
- (b) for the purpose of the Funded Activities or for purposes incidental to the Funded Activities;
- (c) is incurred during the Term of this Agreement; and
- (d) is otherwise approved in writing by MPI (in its absolute discretion) as eligible expenditure for the purposes of this Agreement,

(Eligible Expenditure).

6.6 Financial Management

The Recipient must:

- (a) ensure that any payments of Funding made to a third party in connection with this Agreement (including to its Personnel) are correctly made and properly authorised;
- (b) maintain proper and diligent control over the incurring of all liabilities in relation to the Funding;
- (c) maintain an appropriate financial management system to ensure that the Funding is separately identified and managed within its accounts; and
- (d) except with MPI's prior written approval, not use the Funding for the purposes of a guarantee or security for any loan, credit, payment or other interest, or in the context of any litigation.

6.7 Funding Freeze

- (a) Without limiting any other right or remedy of MPI, if the Recipient materially breaches this Agreement, then MPI may issue the Recipient with a notice directing the Recipient not to spend the Funding (**Funding Freeze Notice**).
- (b) If the Recipient receives a Funding Freeze Notice under this clause 6.7 of this Part B, then, until the breach is remedied to MPI's satisfaction, the Recipient must not spend any Funding:
 - (i) unless and until MPI notifies the Recipient otherwise; and
 - (ii) except to the extent required to pay for any bona fide and unavoidable pre-existing contractual commitments to spend the Funding in accordance with this Agreement.

6.8 Repayment

- (a) Without limiting any other right or remedy of MPI, MPI may recover Funding from the Recipient in the following circumstances (and the Recipient will pay that Funding within 5 Business Days of MPI's written notice requiring payment):
 - (i) **Misspent Funding:** At any time MPI may recover the amount of any Funding that has been spent or used other than in accordance with this Agreement, together with interest on all such amounts calculated at 10% per annum from the date of the misspending to the date the money is repaid.
 - (ii) **Uncommitted Funding:** On expiry or termination of this Agreement, MPI may recover any Funding which the Recipient:
 - (A) has not spent or contractually committed to spend in accordance with this Agreement; and/or
 - (B) has spent or contractually committed to spend in accordance with this Agreement but which the Recipient can have refunded or released from that commitment, and the Recipient must use all reasonable endeavours to obtain such refund or release.
 - (iii) **Activities Abandoned:** MPI may recover an amount up to the total value of the Funding less the amount that the Recipient spent in accordance with this Agreement if the Recipient:
 - (A) states an intention not to perform the Activities in accordance with this Agreement; and/or
 - (B) within 10 Business Days of being requested to do so by MPI, does not demonstrate (to MPI's reasonable satisfaction) that the Recipient will proceed with performing the Activities in accordance with this Agreement.
 - (iv) **Excess Funding:** Where the total Funding paid under this Agreement and any other money received by the Recipient to carry out the Funded Activities exceeds or is likely to exceed the funding required to perform the Activities, the Recipient must notify MPI upon becoming aware and, if MPI requests, promptly refund to MPI the excess amount.
- (b) If the Recipient does not pay, as required by this clause, the Recipient must pay MPI interest calculated at 10% per annum from the date payment is due until the date the money is repaid.

6.9 Insufficient Funding

If the Recipient uses (or reasonably expects to use) all of the Funding in accordance with this Agreement without completing its performance of the Funded Activities during the Term of this Agreement, then:

- (a) the Recipient will give MPI written notice as soon as reasonably practicable (but the Recipient does not need to give more than six (6) months advance notice), detailing the amount of additional funding requested by the Recipient (**Additional Funding**) and

supporting evidence as to why the Additional Funding will be sufficient for the Recipient to complete the performance of the Funded Activities; and

- (b) within a reasonable period of time after receiving the Recipient's request for Additional Funding under clause 6.9(a) above, MPI will give the Recipient written notice as to whether it will provide:
 - (i) the Additional Funding in full (in which case the Recipient will be obliged to complete the performance of the Funded Activities in accordance with this Agreement); or
 - (ii) part of the Additional Funding (in which case the parties will follow the change control procedure set out at clause 7 to agree upon a reduction in the scope of Funded Activities to be performed by the Recipient); or
 - (iii) no Additional Funding (in which case the Recipient will not be obliged to continue to perform the Activities under this Agreement after all of the funding has been spent on the Funded Activities in accordance with this Agreement).

6.10 Tax

All amounts set out in this Agreement are stated before the addition of GST, which, if payable, will be paid at the same time as the supply to which the GST relates. Subject to the previous sentence, MPI will not be obliged to pay any of the Recipient's and/or its Personnel:

- (a) taxes, duties, excess, levies, carbon credits;
- (b) holiday pay, sick pay or other payment under the Holidays Act 2003;
- (c) redundancy or any other form of severance pay; and/or
- (d) other amounts in relation to the performance of its obligations under this Agreement that are not the performance of the Funded Activities.

MPI will not be required to gross up any payment or Funding to the Recipient where MPI deducts tax due to non-resident contractors' tax.

7. Change control procedure

7.1 Change request

A party may request an amendment to the terms of this Agreement at any time by providing a written change request to the other. Unless the parties' respective Agreement Managers agree in writing to use a truncated process, each party agrees to follow the process set out in this clause 7 when requesting a change to the terms of this Agreement.

7.2 Understanding consequence of change request

- (a) Where MPI submits a change request, it will provide a reasonable description and explanation of the change sought.
- (b) Where the Recipient submits a change request, or within a reasonable period of time of receiving a change request from MPI, the Recipient must provide MPI with a reasonable description of:
 - (i) how the proposed change would be implemented, including details of how the requested change would affect the Activities and any other term of this Agreement;
 - (ii) the cost of implementing the change and the Recipient's calculation of changes to the Funding (if any), which must be reasonable and calculated in good faith;
 - (iii) any information reasonably requested by MPI; and
 - (iv) any other relevant information, which may include how any change request can be most optimally implemented.

No change request will be binding unless each party accepts the change request in writing.

8. Information management

8.1 Provision of information

Each party will:

- (a) provide the other party with all information relating to the Activities as reasonably requested from time to time, within the timeframe reasonably requested; and
- (b) as soon as reasonably practicable, provide the information requested by the other party to comply with its statutory, parliamentary or other public sector reporting obligations; and
- (c) ensure that all information provided in writing to the other party under or in connection with this Agreement is materially accurate, complete and not misleading at the time the information was provided, for the purpose for which it was provided.

8.2 Privacy

- (a) Each party must act in accordance with the Privacy Act 1993.
- (b) Each party will not use any Personal Information acquired in the course of performing its obligations under this Agreement, or disclose that Personal Information to any person other than MPI or the Recipient (as applicable) or the individual to whom the information relates, except:
 - (i) to the extent reasonably required to perform its obligations under this Agreement;
 - (ii) in accordance with the Privacy Laws; or
 - (iii) with the other party's or person's written consent.

8.3 Recordkeeping

The Recipient will (and will ensure that each of its Subcontractors under and in relation this Agreement):

- (a) keep full, accurate and up-to-date records, including:
 - (i) financial records relating to the performance of the Activities and all monies paid and payable by MPI under or in relation to this Agreement sufficient to enable MPI to meet its obligations under the Public Finance Act 1989; and
 - (ii) any health and safety event which has been investigated internally by the Recipient, or a health and safety regulator, relating to the Activities (and the outcome of such investigations); and
 - (iii) any health and safety due diligence processes, compliance records, and any associated documents, relating to the health and safety compliance and performance of Workers and other Personnel involved in the Activities;
- (b) retain such records for 7 years from the expiry or termination of this Agreement; and
- (c) on request by MPI, and at no cost to MPI, provide to MPI copies of any such records reasonably requested by MPI and any information or materials (including financial information relating to the provision of Activities).

9. Confidentiality

9.1 Security and non-disclosure

Subject to clauses 9.2 and 9.3 of this Part B, each party agrees that it will:

- (a) use all reasonable endeavours to keep the Confidential Information of the other party confidential at all times;
- (b) not Use, communicate, make available or re-supply the other party's Confidential Information to any person, other than for the purposes of performing its obligations and/or exercising its rights in accordance with this Agreement;
- (c) effect and maintain all reasonable security measures to safeguard the other party's Confidential Information from access, damage or use by unauthorised persons;

- (d) store all Confidential Information in New Zealand; and
- (e) ensure that any Personnel or professional adviser to whom a party discloses the other party's Confidential Information is aware of, and complies with, the provisions of this clause 9 of this Part B.

9.2 Permitted disclosure

A party will not be bound by the obligations of confidentiality in clause 9.1 of this Part B to the extent that any disclosure of Confidential Information:

- (a) is required by law, convention, parliamentary rules or the rules of any stock exchange (**Requirement**), in which case, if permitted by the Requirement and as soon as reasonably practicable, the disclosing party will notify the other party of the Requirement, the information it will disclose and the date on which it will disclose the information, and will comply with that notice;
- (b) is required for the purposes of performing and enforcing this Agreement;
- (c) is of information that is publicly available through no fault of that party;
- (d) is made with the other party's prior written approval of the disclosure or (in the case of clause 9.1(d)) the transfer outside New Zealand;
- (e) which was rightfully received from a third party without restriction or without breach of this Agreement; or
- (f) was developed independently of the Confidential Information.

9.3 Information sharing

In addition to clause 9.2 of this Part B, and in recognition of the mutual benefit of information sharing for the National Programme as a whole, the obligations of confidentiality in clause 9.1 of this Part B do not apply to the extent that any disclosure of Confidential Information is for the purpose of consulting, cooperating or coordinating with other than current recipients of funding from MPI under the National Programme, including in relation to:

- (a) current best practice in relation to the performance of the Activities; and/or
- (b) a party's health and safety management under this Agreement.

9.4 Mandatory disclosures

If any party is required to disclose any Confidential Information (as contemplated by clauses 8.1(a) or 9.2 of this Part B), that party will use its reasonable endeavours to obtain the recipient's commitment that it will treat the confidential information confidentially.

9.5 Publicity and announcements

- (a) The Recipient will acknowledge MPI as a source of funding in all publications and publicity regarding the Activities, and will obtain MPI's approval of the form of the acknowledgement.
- (b) MPI may publicise and report on its distribution of Funding to the Recipient on any website, in any media releases, general announcements or annual reports. MPI may disclose the name of the Recipient, any of its Subcontractors, the amount of the Funding and a brief description of Activities.
- (c) Neither party may post on websites, social networking sites or publicly display objectionable or derogatory comments about the Activities, this Agreement, each other, or any of their Personnel.
- (d) The Recipient will promptly refer any enquiries from the media or any other person about the terms or performance of this Agreement to the MPI Agreement Manager. If the MPI Agreement Manager cannot be contacted, the Recipient will instead contact the person holding the office of "MPI National Procurement and Agreements Manager".

10. Warranties

10.1 Warranties

The Recipient warrants that at the date of this Agreement:

- (a) it is not insolvent or bankrupt and no action has been taken to initiate any form of insolvency or administration in relation to the Recipient;
- (b) there are no circumstances or matters that are likely to have a material adverse effect on the performance of its obligations under this Agreement;
- (c) it is not aware of any information that has not been disclosed to MPI which may, if disclosed, materially adversely affect the decision of MPI to provide the Funding;
- (d) all information relating to the Activities that was provided by the Recipient to MPI prior to MPI's execution of this Agreement, including in any proposal or presentation by the Recipient, was accurate, complete and true at the time it was provided. The Recipient acknowledges that MPI is entering into this Agreement in reliance on such information; and

on a continuing basis during the Term of this Agreement (to the best of the Recipient's knowledge and belief):

- (e) the performance of the Activities under this Agreement will not constitute or give rise to a breach of:
 - (i) the rights of any person (including any Intellectual Property Rights or physical property rights); or
 - (ii) any law with which the Recipient or Personnel is required to comply.

11. Intellectual Property and data

11.1 Background Intellectual Property

Except to the extent specified in this Agreement, nothing in this Agreement confers on a party any right, title or interest in the other party's Background Materials.

11.2 New Intellectual Property

Unless otherwise agreed between the parties, all Intellectual Property Rights in the New Materials arising under or in relation to this Agreement are the property of MPI from the time of creation or will vest in MPI immediately afterwards.

11.3 Licence

Subject to clause 11.4, each party (**Licensor**) grants the other (**Licensee**) a perpetual, irrevocable, world-wide, royalty-free, non-exclusive licence to Use any of the Licensor's:

- (a) Background Materials;
- (b) New Materials;
- (c) Third Party Materials (provided that the Licensor holds the rights to grant this licence in relation to Third Party Materials); and/or
- (d) any of the Licensor's data,

provided or made available by the Licensor to the Licensee under or in connection with this Agreement for the purpose of performing its obligations or exercising its rights under this Agreement. The Licensee may sub-license its rights under this clause 11.3 to its Subcontractors, but only to the extent necessary for that Subcontractor to perform the Activities or provide the Outputs in accordance with this Agreement.

11.4 Wall-IS

The Recipient must not (and will ensure its Personnel does not) copy, reverse engineer, rent, decompile or attempt to circumvent any security measures on Wall-IS or any part of it.

11.5 Know How

Notwithstanding any other provision of this Agreement, MPI and the Recipient will not be prevented or restricted by this Agreement from using any technique, idea, concept or know-how relating to this Agreement.

12. Third party rights**12.1 Third Party Claim**

If a third party claims that a party (the **Infringing Party**) has infringed that third party's Intellectual Property Rights, other rights of that third party or the law (**Third Party Claim**), then:

- (a) the other party will allow the Infringing Party to control settlement or defence of the Third Party Claim. The Infringing Party will consult with the other party on the settlement or defence of the Third Party Claim;
- (b) at the Infringing Party's cost and reasonable request, the other party will co-operate with the Infringing Party in the defence and any related settlement negotiations concerning any Third Party Claim; and
- (c) the other party will not enter into any settlement, negotiation or compromise with the third party without the Infringing Party's written consent (not to be unreasonably withheld).

13. Conflicts of interest**13.1 Avoiding conflicts**

Each party must maintain a high standard of honesty and integrity at all times in the performance of this Agreement and must use all reasonable endeavours to avoid any actual or perceived conflict of interest, being:

- (a) a situation which might create an actual or perceived conflict of interest, or compromise the Recipient's or MPI's integrity; and/or
- (b) any financial or other interest or undertaking that might interfere with or compromise the performance of the other party's obligations under this Agreement, or the integrity or standing of either party.

13.2 Notifying conflicts

Each party must advise the other party in writing of any actual or perceived conflict of interest that might arise in the performance of its obligations under, or in connection with, this Agreement. Each party will assist the other party to manage, avoid or mitigate that conflict and follow any reasonable instructions (which may include stopping the performance of certain work) that the parties consider necessary or appropriate to manage the conflict of interest.

14. Audit**14.1 Audit**

- (a) As part of the public sector, each party acknowledges the need to ensure transparency and accountability in the use of public funds, and also the cost and resource involved in carrying out an audit. Accordingly, MPI will work with the Recipient to identify an appropriate audit frequency and scope but, as the funder, MPI must have default rights of audit that it can use at any stage.
- (b) The Recipient must allow MPI and any auditor nominated by MPI to conduct an audit from time to time, for the purpose of:
 - (i) determining the level of compliance with this Agreement (including whether there has been a breach of this Agreement) by the Recipient and/or its Personnel;
 - (ii) determining whether Activities invoiced for or by the Recipient have been performed and invoiced according to this Agreement; and/or
 - (iii) assisting in resolving a matter in dispute between the parties.

- (c) The Recipient will (and will ensure that each of its Personnel will) provide reasonable access and assistance to MPI (or an auditor appointed by MPI) in relation to an audit conducted under this clause 14.1 of this Part B.
- (d) In conducting an audit, MPI must:
 - (i) give the Recipient reasonable notice of the audit, which in any event does not need to be more than 5 Business Days; and
 - (ii) comply with the Recipient's reasonable security requirements.
- (e) The Recipient may use the Funding for the reasonable costs of any audit unless a material non-compliance or charging error with this Agreement is discovered through the audit, in which case, the Recipient must reimburse MPI for the amount of any Funding that has been used to pay for the costs of the audit.
- (f) MPI will promptly notify the Recipient of the draft and final results of any audit conducted under this clause 14.1 of this Part B.

15. Dispute resolution

15.1 Negotiation

Both parties will endeavour to resolve any dispute that may arise under or in connection with this Agreement through negotiation.

15.2 Escalation

If the parties are unable to resolve a dispute by negotiation within 10 Business Days after the dispute was first notified in writing by one party to the other (**Dispute Notice**), and either party gives written notice to the other, then:

- (a) the dispute will be referred for resolution by their respective senior responsible officers with oversight of this Agreement; and
- (b) if the dispute cannot be settled by the senior responsible officers within 20 Business Days of delivery of the Dispute Notice, the dispute will be referred for resolution by their respective Chief Executives.

15.3 Mediation

Subject to clause 15.4 of this Part B, if a dispute cannot be settled within 30 Business Days of delivery of the Dispute Notice under clause 15.2 of this Part B (or such other timeframe agreed in writing by the parties), the dispute may be referred by either party to non-binding mediation in which case:

- (a) the parties agree to the mediation, which will be held in Wellington, New Zealand;
- (b) the mediation will be mediated by a sole mediator agreed in writing by the parties; or
- (c) if the parties cannot agree on a mediator within 10 Business Days of either party referring the dispute to mediation, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent mediator.

15.4 Right to seek relief

This clause 15 of this Part B does not affect either party's right to seek urgent interlocutory and/or injunctive relief from any New Zealand Court of competent jurisdiction.

16. Liability

16.1 Maximum liability

Without limiting clauses 16.2 and 16.3 of this Part B, the maximum aggregate liability, whether in contract, tort (including for negligence), breach of statutory duty or otherwise, of one party to the other party under or in connection with this Agreement is limited to the total amount of Funding paid by MPI under this Agreement.

16.2 Exclusions

- (a) Neither party is liable for any indirect or consequential loss or damage arising under or in connection with this Agreement, even if foreseeable and even if advised of the possibility of such loss or damages.
- (b) The Recipient will not be liable under this Agreement to the extent the Recipient's breach of this Agreement is a direct and unavoidable result of MPI's express written instruction (given knowingly).
- (c) Notwithstanding any other clause in this Agreement, this clause 16 applies only to the extent permitted by law.

16.3 Uncapped liability

Clauses 16.1 and 16.2 of this Part B will not limit either party's liability under or in connection with this Agreement:

- (a) for damage to the other's or a third party's physical property;
- (b) for personal injury or death;
- (c) for fraud or wilful default; or
- (d) an obligation to pay any amount due and owing under this Agreement.

16.4 Mitigation

Each party must take reasonable steps to mitigate any loss or damage, cost or expense it may suffer or incur arising out of anything done or not done by the other party under or in connection with this Agreement.

17. Force Majeure

- (a) Where either MPI or the Recipient (the **Affected Party**) is unable to carry out its obligations in accordance with this Agreement due to a Force Majeure Event, and:
 - (i) the Affected Party gives the other party immediate written notice of the nature, the expected duration of, and the obligation affected by, the Force Majeure Event;
 - (ii) the Affected Party gives regular updates of the expected duration of and effects of the Force Majeure Event; and
 - (iii) the Affected Party uses all reasonable endeavours to:
 - (A) mitigate the effects of the Force Majeure Event on the Affected Party's obligations under this Agreement; and
 - (B) perform the Affected Party's obligations under this Agreement despite the Force Majeure Event,

that obligation is suspended for so long as, and to the extent that, the Affected Party is affected by the Force Majeure Event.

- (b) If the Recipient's obligation is relieved under this clause 17 of Part B, MPI will not be obliged to provide Funding for the Activities that have not been provided in accordance with this Agreement due to the Force Majeure Event.

18. Insurance

For the Term of this Agreement, and for at least three years after the Term of this Agreement, the Recipient must effect and maintain adequate insurance to cover standard commercial risks, including professional indemnity, public liability and property damage (including fire) with sufficient coverage to cover its obligations under this Agreement. The Recipient must, upon the request of MPI, provide MPI with evidence of its compliance with this clause 18 of Part B.

19. Term and termination

19.1 Term

This Agreement commences on the Start Date and continues until the End Date unless extended or terminated earlier in accordance with its terms including under clause 6.2 of Part A.

19.2 Termination for default

Either party may immediately terminate this Agreement, by written notice to the other party, if the other party breaches any material provision of this Agreement and the breach is not remedied within 20 Business Days of the receipt of written notice from the first party requiring the other to remedy the breach.

19.3 Effects of expiry or termination

- (a) Termination of this Agreement is without prejudice to other rights and obligations of the parties accrued up to and including the date of termination.
- (b) On expiry or termination of this Agreement:
 - (i) MPI may require the Recipient to provide evidence of how the Funding has been spent; and
 - (ii) any Funding that has not yet been distributed by MPI will not be distributed to the Recipient.

19.4 Survival clauses

Clauses 6.8, 8.2, 8.3, 9, 10.1(e), 11, 12, 14, 15, 16, 17, 18, 19, 20 and 21 of Part B any other clauses that expressly or by necessary implication survive this Agreement, continue after expiry or termination of this Agreement or part of it.

20. Notices

- (a) Any notice or other communication under this Agreement will be deemed to be validly given if in writing and delivered by hand, registered mail, national post or international post, or email (subject to the remainder of this clause 20) to the MPI Agreement Manager (for MPI) or Recipient Agreement Manager (for the Recipient).
- (b) Any notice will be deemed to have been given on the date when actually delivered personally, by registered mail or following international posting, on the third Business Day following posting to a national address, and on the date that receipt of an emailed notice is acknowledged by the recipient personally (that is, not by any automatically generated email). However, if delivery occurs after 5:00 pm on a Business Day, it will be deemed delivered at 9.00 am on the next Business Day.
- (c) The parties agree that no notice required or permitted to be given under clause 15 (Dispute resolution) or clause 19 (Term and termination) may be given by email alone.

21. General

- (a) Subject to clause 21(b) of this Part B, neither party will assign or transfer this Agreement or any rights or obligations under this Agreement without the prior written consent of the other party (such consent not to be unreasonably withheld).
- (b) MPI may assign, transfer or subcontract this Agreement or any rights or obligations under this Agreement to another public sector agency who has appropriation for the National Programme without the prior written consent of the Recipient.
- (c) No third party is entitled to the benefit of, or to enforce, this Agreement.
- (d) Each party will bear its own legal and other costs relating to the preparation and execution of this Agreement, unless agreed otherwise in writing.
- (e) This Agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

- (f) The provisions of this Agreement are severable. If any one provision is determined to be judicially unenforceable, the remaining provisions will continue to be binding and enforceable.
- (g) This Agreement may be executed in any number of counterparts (including by executed, scanned or emailed copies) each of which will be deemed an original. Once each party has received a copy of the executed counterpart from the other party, each counterpart will be deemed to be as valid and binding on the party executing it as if it had been executed by all the parties.
- (h) This Agreement will be governed by, and construed in accordance with, the laws of New Zealand and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand in relation to this Agreement.

Execution

EXECUTED as an Agreement

Signed by The Sovereign in right of
New Zealand acting by and through the
Ministry of Primary Industries by:

Signed for and on behalf of Otago Regional
Council by:

Signature

Signature

Name

Name

Title

Title

Date

Date

Schedule 1 – Definitions and Interpretation

1. Defined terms

1.1 Defined terms

In this document, unless the context requires otherwise, the following terms have the following meanings:

Activities means the activities performed or to be performed (and any outputs provided or to be provided) by or on behalf of Recipient under this Agreement, including the activities and outputs described in clause 3 of Part A, and any other activities that are necessarily or customarily provided as part of those activities and/or outputs.

Agreement means this services agreement, including Part A, Part B and this Schedule 1 and Schedule 2.

Agreement Manager means the person identified in clause 7 of Part A as a agreement manager for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Background Material means any property, information, documentation or other material in any form:

- (a) in existence prior to the Start Date; or
- (b) developed outside the scope of this Agreement.

Business Day means any day, excluding Saturdays, Sundays and statutory public holidays in Wellington or Region(s) of the Recipient.

Start Date means the date this Agreement commences, as set out in clause 6.1 of Part A.

Confidential information means

- (a) in the case of MPI, MPI Data; and
- (b) in the case of both MPI and the Recipient, any other information obtained from the other party in the course of, or in connection with this Agreement that is marked confidential or ought to reasonably be considered to be confidential, regardless of value or importance.

End Date means the date this Agreement ends as set out in clause 6.1 of Part A, as may be extended in accordance with clause 6.1 of Part A.

Financial Year means the twelve months from 1 July to 30 June.

Force Majeure Event means, in relation to a party, an event or circumstance which is beyond the reasonable control of that party, but does not include any event or circumstance which could have been avoided, prevented or circumvented by that party taking reasonable steps, including ensuring business continuity by implementing an appropriate disaster recovery plan.

Funded Activity has the meaning set out in clause 3.1(a) of Part A.

Funding means the amounts paid or payable to the Recipient by MPI under this Agreement.

Governance Group means the group which governs the National Programme, whose members are MPI (**Chair**), Land Information New Zealand (**LINZ**), New Zealand Defence Force (**NZDF**), Department of Conservation (**DOC**), and Local Government New Zealand (**LGNZ**).

GST means goods and services tax chargeable under the GST Act.

GST Act means the Goods and Services Tax Act 1985.

Health and Safety Management Plan or HSMP has the meaning given to it in the definition of Health and Safety Management Plan in clause 1.1 of Schedule 2 (Health and Safety Terms).

HSWA means the Health and Safety at Work Act 2015.

In Kind Contributions means funds, labour, or materials donated by other stakeholders or interested groups.

Intellectual Property Rights includes copyright, and all rights conferred under statute, common law or equity in relation to inventions (including patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, Confidential Information, know-how, trade secrets, computer program codes and all other proprietary rights, whether registered or unregistered, and all equivalent rights and forms of protection anywhere in the world, together with all rights, interests or licences in or to any of the foregoing.

Management Unit or **MU** means an area designated by MPI as a management unit as set out in Wall-IS, or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Management Unit Operational Plan or **MUOP** means the management unit, operational plan for a Management Unit, which is prepared by or on behalf of the Recipient and endorsed in writing by the relevant RCG.

MPI Coordinator means the MPI coordinator, as notified by MPI to the Recipient and may be replaced from time to time.

MPI Data means:

- (a) any data owned, held, used or created by MPI, and provided to the Recipient;
- (b) any data processed by the Recipient as a direct result of this Agreement; and
- (c) all records, data and other information (other than software object code) provided or made available to the Recipient by MPI.

MPI's Operations Lead means the MPI operations lead, as that person may be replaced from time to time in accordance with this Agreement.

National Programme means the national wallaby management programme, as described in Recital B of the Background.

New Material means any property, information, documentation or other material in any form created:

- (a) by, for or on behalf of the Recipient;
- (b) on or following the Start Date; and
- (c) for the purpose of, or as a result of, performing its obligations under this Agreement.

Aotearoa New Zealand Wallaby Strategy means any strategy approved by the Governance Group for the National Programme.

Notifiable Event means a notifiable event within the meaning of section 25 of the HSWA, including but not limited to the following situations as a result of work:

- (a) a death;
- (b) a notifiable illness or injury; or
- (c) a Notifiable Incident.

Notifiable Incident means a notifiable incident within the meaning of section 24 of the HSWA.

Operational Area or **OA** means part of the Management Unit designated as an operational area by MPI, as set out in Wall-IS, or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Outcomes has the meaning in clause 1(a) of Part A.

Output means all or any output of the Activities provided or to be provided by or on behalf of the Recipient under this Agreement, including the outputs described in clause 3 of Part A (as amended from time to time in accordance with this Agreement).

Part A means Part A of this Agreement.

Part B means Part B of this Agreement.

PCBU means a person conducting a business or undertaking within the meaning of section 17 of the HSWA. For the purposes of this Agreement, both MPI and the Recipient are PCBUs and are

required to consult, cooperate and coordinate their activities to meet their health and safety obligations to workers and others affected by the work in the provision of the Activities.

Personal Information has the meaning given to that term in section 2 of the Privacy Act 1993.

Personnel of any person, means all individuals directly or indirectly engaged by that person, including but not limited to directors, employees, contract staff, agents, consultants, specialists, support staff and co-opted or seconded staff and, in the case of the Recipient, includes its Subcontractors.

Privacy Laws means the Privacy Act 1993 (or any future replacement statute) and any other applicable legislation, principles, industry codes and policies.

Region(s) means the region(s) designated as a region(s) by MPI, as set out in Wall-IS which will include the regional boundaries of both the Recipient and Waikato Regional Council, or as otherwise notified by MPI, and has a fixed name, number and boundary (area).

Regional Coordination Group or **RCG** means the regional coordination group for the relevant Region(s), as described in row (b) of the table at clause 3.1 of Part A.

Significant Event has the meaning given to that term in clause 5 of Part B.

Start Date means the start date set out in clause 6.1 of Part A.

Subcontractor means:

- (a) any person engaged by the Recipient to perform all or any part of the Activities or in respect of this Agreement; and
- (b) any subcontractor of a person described in (a) of this definition.

Tax Invoice means a tax invoice as defined in the Goods and Services Tax Act 1985.

Technical Liaison means the person identified in clause 7 of Part A as the technical liaison for the relevant party, as that person may be replaced from time to time in accordance with this Agreement.

Term has the meaning given in clause 19.1 of Part B.

Third Party Material means any property, information, documentation or other material in any form owned by a third party that is:

- (a) included, embodied in or attached to the New Material; or
- (b) used in undertaking the Activities.

Use means to use, copy, store, process, transfer, view, handle, modify, support and/or maintain.

Wall-IS means the 'Wallaby Information System' provided or made available by MPI.

Worker means an individual who carries out work for a PCBU within the meaning of section 19 of the HWSA.

2. Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the following order of precedence (in order of decreasing priority) applies to the documents forming part of, or incorporated into, this Agreement if any conflict or inconsistency arises:
 - (i) Part B;
 - (ii) Part A; and
 - (iii) the Schedules;
- (b) headings are for guidance only and do not affect interpretation;
- (c) the singular includes the plural and vice versa;

- (d) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (e) a reference to:
 - (i) a **party** to this Agreement includes that party's permitted assigns and successors;
 - (ii) **\$ or dollars** is a reference to New Zealand currency;
 - (iii) monetary amounts are the amounts stated before the addition of GST (if any);
 - (iv) **including** and similar words do not imply any limitation;
 - (v) a **person** includes:
 - (A) a company, body of persons (corporate or unincorporated) or any state, regional or local government body or agency; and
 - (B) that person's representatives, successors and assigns;
 - (vi) a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations, as it may be amended or replaced from time to time;
 - (vii) a document includes references to that document as it may be amended or replaced from time to time;
 - (viii) this Agreement includes all attachments to this Agreement and any document incorporated into this Agreement by reference;
 - (ix) a clause is a reference to a clause in this Agreement;
 - (x) a Part or Schedule, are references to a part or schedule of this Agreement; and
 - (xi) a time means New Zealand standard time, as adjusted for daylight saving;
- (f) subject to clause 20 of Part B, anything that this Agreement requires to be done in writing, may be done by email; and
- (g) no rule of construction applies to the disadvantage of MPI on the basis that MPI put forward this Agreement or any part of it.

Schedule 2 – Health and Safety Terms

1 DEFINITIONS

1.1 In this Schedule, unless the context requires otherwise:

“Control Measures” has the same meaning as in regulation 3 of the HSW (GR&WM) Regulations 2016.

“Critical Risks to Health and Safety” or “Critical Risks” means any acute, chronic, or catastrophic risk that has the potential for causing a fatal injury/illness, or serious physical or mental illness or injury.

“Health and Safety Management Plan” means a plan provided by the Recipient and accepted by MPI, for the management of risks and hazards relating to the Recipient’s delivery of Activities. A plan may be documented on a template supplied by MPI, or on the Recipient’s own template. If not completed on MPI’s template, then the plan must at a minimum include the following matters:

- (a) The health and safety risk register, specific to the contracted work and its operational requirements, including:
 - i. identified risks and mitigations, with Critical Risks to Health and Safety clearly identified
 - ii. clearly assigned responsibilities for managing risks to health and safety, clearly showing where the work exposes Workers to Critical Risks to Health and Safety
 - iii. evidence the Recipient has identified Critical Risks and has critical controls in place that are comparable to MPI’s Critical Controls for management of Critical Risks to Health and Safety.
- (b) Confirmation of how those risks and critical controls will be communicated to Workers.
- (c) Clearly assigned health and safety roles & responsibilities for the Activities being delivered (the name of the person responsible or position titles).
- (d) Details of regular meetings to discuss health and safety matters relating to the performance and delivery of the Activities.
- (e) Details of regular (min. monthly) reporting on health and safety critical risk management, incidents (incl. near misses) and corrective actions.
- (f) Required personal protective equipment and assigned responsibility for checking equipment.
- (g) Any applicable standard operating procedures (step-by-step instructions on key tasks) in place and how workers access these.
- (h) The name of any and all subcontractors and if applicable, volunteers, engaged to assist with the Activities (and how they will be managed by the Recipient, including how assurance will be provided to MPI that Critical Risks subcontractors and volunteers are exposed to the Recipient has identified Critical Risks and has critical controls in place that are comparable to MPI’s Critical Controls for management of Critical Risks to Health and Safety).
- (i) The health and safety induction process for Workers involved in the Agreement.
- (j) Identification of required training and/or certification to carry deliver the Activities (and confirmation of who checks training and/or certification has been completed).
- (k) Emergency procedures, specific to the contracted work and its location.
- (l) Details on how the Recipient’s health and safety performance will be monitored.
- (m) The process identified by the Recipient and accepted by MPI for regular consultation, co-ordination and co-operation with MPI on health and safety matters, related to the Activities being delivered.

“High Actual or Potential Critical Risk Incident” means any health and safety incident relating to the Activities delivered under this Agreement that includes exposure to an identified Critical Risk which either did or could have caused serious harm to a worker or other person.

“HSWA” means the [Health and Safety at Work Act 2015](#);

“HSWA Legislation” means the HSWA and includes all regulations made under that Act, including but not limited to the HSW (GR&WM) Regulations 2016), and any other health and safety-related legislation relevant to the Recipient’s performance and delivery of the Activities and Outputs;

“HSW (GR&WM) Regulations 2016” means the [Health and Safety at Work \(General Risk and Workplace Management\) Regulations 2016](#).

“MPI’s Critical Controls for Health and Safety Critical Risks” means the document [MPI’s Critical Controls for Health and Safety Critical Risks](#).

“Notifiable Event” has the same meaning as in section 25 of the HSWA.

“PCBU” means a person conducting a business or undertaking within the meaning of section 17 of the HSWA. For the purposes of this Agreement, both MPI and the Recipient are PCBUs and are required to consult, cooperate and coordinate their activities to meet their health and safety obligations to workers and others affected by the work in the performance and delivery of the Activities.

“Worker” means an individual who carries out work in any capacity for a PCBU within the meaning of section 19 of the HSWA.

- 1.2 Other terms used but not defined in this Agreement or this Schedule have the same meaning as in HSWA, where applicable
- 1.3 Where this document requires the acceptance, or the agreement of a Party, such acceptance or agreement must not be unreasonably withheld.

2. COMPLIANCE WITH HEALTH AND SAFETY LEGISLATION AND DIRECTIONS

- 2.1 During the Term each of MPI and the Recipient will:
 - (a) Consult, cooperate and coordinate activities to ensure that the Parties comply with their respective obligations under HSWA Legislation as they relate to this Agreement, including attending regular meetings with MPI to discuss health and safety matters;
 - (b) Perform its, and ensure its workers perform their, obligations under this Agreement in compliance with HSWA Legislation, including but not limited to the:
 - i. Duties of a PCBU under ss36–43 of HSWA;
 - ii. Duties relating to the identification of risks and implementation of Control Measures under the HSW (GR&WM) Regulations 2016;
 - iii. Duties relating to the identification of hazards and implementation of Control Measures under the HSW (GR&WM) Regulations 2016;
- 2.2 The Recipient will comply with all reasonable directions of MPI relating to health and safety as notified from time to time on any matters not addressed in MPI’s or the Recipient’s health and safety policy and procedures, or in the Health and Safety Management Plan.
- 2.3 MPI acknowledges that any Worker engaged by the Recipient in the performance of the Activities has a statutory right to cease or refuse to carry out unsafe work, as ‘cease work’ is defined under section 82 of the HSWA.
- 2.4 During the Term MPI may consult with the Recipient on any concerns it has on any matters not addressed in the Recipient’s health and safety policy and procedures. This includes where MPI considers there are new or increased risks or hazards or WorkSafe issues, applicable best practice guidelines or policies.

3. HEALTH AND SAFETY RISK MANAGEMENT

3.1 During the Term the Recipient will:

- (a) Maintain a general health and safety policy and practices that are appropriate to the nature of the Activities delivered.
- (b) Comply with its health and safety policy and practices, and ensure its Workers also comply.
- (c) Identify, control, and regularly review all Critical Risks to Health and Safety, with controls commensurate to MPI's Critical Controls for Health and Safety Critical Risks.
- (d) Provide suitable assurance to MPI that Critical Risks to Health and Safety in subcontracted activities are being appropriately identified, controlled, and reviewed. The subcontractors' controls for all Critical risks must be commensurate to MPI's Critical Controls for Health and Safety Critical Risks.
- (e) Consider any concerns raised by MPI under clause 2.4 of this Schedule 2 and make changes to its health and safety documentation and procedures as it deems appropriate.

3.2 The Recipient will submit to MPI a draft Health and Safety Management Plan which includes the information required in the definition of Health and Safety Management Plan in clause 1.1 of this Schedule 2, identification of all health and safety risks arising from the contracted activities, outlining how the Recipient proposes to mitigate and manage these risks, and how assurance will be provided to MPI that the Critical Risks to Health and Safety are managed. The Health and Safety Management Plan will normally be provided before the commencement of the Activities. In exceptional circumstances (e.g. natural disaster, biosecurity response) the Health and Safety Management Plan can be provided within 10 Business Days after commencing the provision of the Activities. Incident reporting alone is not sufficient, and Critical Risks to Health and Safety must be clearly identified. The Recipient will recognise MPI's Critical Controls for Health and Safety Critical Risks and will either match these controls or show how their controls mitigate and manage the risks to a comparable level. MPI will have the opportunity to review and comment on the draft plan and offer suggestions to the Recipient.

3.3 Having duly considered MPI's comments, the Recipient will finalise the Health and Safety Management Plan within a further 10 Business Days (or such longer period as MPI may accept in writing). The finalised Health and Safety Management Plan must be provided to MPI in a timely manner, normally before the commencing the provision of the Activities.

3.4 Where a Health and Safety Management Plan is in place, the Recipient must comply, and ensure its Workers comply, with the plan at all times and in all circumstances. The Recipient must also review and if necessary, update the Health and Safety Management Plan. This may be a continual review process or at intervals no longer than every six (6) months, and

- (a) Following any Notifiable Event; and/or
- (b) At any time the Recipient or MPI reasonably considers that new or increased risks (particularly greater exposure to Critical Risks to Health and Safety) have arisen in the provision of the Activities.

3.5 If MPI does not accept the content of the Health and Safety Management Plan, then MPI in its sole discretion may:

- (a) Suspend or terminate all or part of the Activities under this Agreement, either permanently or until such time as the Health and Safety Management Plan has been accepted by MPI; or
- (b) Refer the matter to the dispute resolution clauses under this Agreement.

3.6 During the Term MPI may request any changes to Health and Safety Management Plan that MPI considers are reasonably necessary to manage any new or increased risks. Where new or increased costs would be

incurred by the requested change, the Recipient may seek a variation to the Agreement to cover those costs. If the change to the plan cannot be accepted by MPI, then MPI may exercise any of the options set out in clause 3.5 above.

4. NOTIFYING EVENTS TO WORKSAFE NZ OR OTHER RELEVANT REGULATOR

- 4.1 During the Term the Recipient will ensure that all Notifiable Events (both incidents and injuries/illnesses) occurring during delivery of the Activities are duly notified WorkSafe NZ or other relevant regulator in accordance with the requirements of section 56 of the HSWA.

5. REGULAR HEALTH AND SAFETY REPORTING TO MPI

- 5.1 During the Term the Recipient will comply with the following health and safety reporting requirements:

(a) Critical risk management and assurance

The Recipient must provide regular assurance that all Critical Risks to Health and Safety identified in the Health and Safety Management Plan are controlled to a comparable standard to MPI's Critical Controls for Health and Safety Critical risks. This assurance must include evidence that the controls have been confirmed to be in place and effective, including where operations have been subcontracted or undertaken by volunteers.

(b) Notifiable Events

Notifiable Events must be reported to MPI within one Business Day of the Recipient becoming aware of the event. Where WorkSafe or another relevant regulator has been notified the Recipient must also promptly provide a documented summary of that Notifiable Event and corrective actions that manage Critical Risks identified in the investigation to MPI.

(c) Contemporaneous reporting of High Actual or Potential Critical Risk incidents

The Recipient must report any High Actual or Potential Critical Risk Incident to MPI as soon as practicable.

High Actual or Potential Critical Risk Incidents must be reported contemporaneously to your Contract Manager via email or phone **and** via MPI's Safety and Wellbeing team via email address SafetyAndWellbeing@mpi.govt.nz.

(d) Regular Health and Safety reporting

In addition to other reporting requirements, the Recipient must deliver a documented regular report to MPI at least every two months while the Activities are being delivered. The report will summarise how Health and Safety is being managed. The report must include:

- i. The identity of the project, response, long-term programme or other piece of work the critical risk exposure and/or incident related to. Where this is not possible the Critical Risks and incidents will be classified generally (i.e. general laboratory incidents).
- ii. Pro-active health and safety measures being implemented to continuously improve health and safety critical risk management.
- iii. Corrective actions identified for each High Actual or Potential Critical Risk Incident, and whether these have been implemented, including any corrective actions taken as a result of any MPI or WorkSafe NZ audit or investigation, or any internal investigation resulting from a Notifiable Event.

- iv. Any instances the Recipient becomes aware of where its Workers, in carrying out Activities, have not complied with the requirements of this Agreement or the HSWA in relation to health and safety, or have not complied with MPI's health and safety policy or practices, or those of the Recipient;
- v. Current status of any injured Workers; and
- vi. Any damaged property or environmental damage or pollution to the extent that it relates to a health or safety risk of the Activities.

The regular report must be delivered to the Contract Manager and MPI's Health, Safety and Wellbeing Directorate via email address SafetyandWellbeing@mpi.govt.nz at least every two months during the Term.

6. NON-COMPLIANCE AND CORRECTIVE ACTIONS

- 6.1 If MPI becomes aware of a breach of the HSWA Legislation or these health and safety clauses by the Recipient or its personnel or any of the Recipient's subcontractors in relation to the Activities, MPI may, in its reasonable discretion, require the Recipient to do any one or more of the following:
- (a) Remedy any breach of the HSWA legislation or this Agreement;
 - (b) Suspend or terminate all or part of the Activities under this Agreement, until such time as the breach has been remedied and/or the health and safety risk eliminated or managed (and during any such period of suspension MPI is not required to make payment to the Recipient for the Activities);
 - (c) If the breach relates to the acts or omissions of a subcontractor of the Recipient, direct the Recipient to terminate or suspend the relevant subcontract;
 - (d) Make an amendment to the Health and Safety Management Plan to manage health and safety risks; and/or
 - (e) Refer the matter to dispute under clause 15 of Part B.
- 6.2 In the event that the Recipient fails to remedy a breach or take any other action required by MPI under clause 6.1 of this Schedule 2, MPI may terminate this Agreement under Part B of this Agreement. In this event, MPI's liability is limited to payment for Activities performed in accordance with this Agreement up to and including the date on which MPI gave notice of the action required to be taken.

7. Subcontractors

- 7.1 This clause applies in addition to any other clauses in this Agreement relating to subcontractors.
- 7.2 MPI may, at any time during the Term, require the Recipient to:
- (a) Conduct a health and safety pre-qualification or assurance process for all, or any particular, subcontractors the Recipient proposes to use to deliver the Activities, ensuring that Critical Risks to Health and Safety are managed to the same or higher level as MPI's Critical Controls; and/or
 - (b) Submit a Health and Safety Management Plan, or amend an existing Health and Safety Management Plan, to address specific health and safety risks posed by the proposed use of the subcontractor.
- 7.3 The Recipient must ensure that prior to the delivery of Activities by any subcontractor, the subcontractor has been advised of, and complies with:
- (a) The Recipient's management controls for Critical Risks to Health and Safety, where appropriate, comparable with MPI's Critical Controls for Health and Safety Critical Risks;
 - (b) The Recipient's health and safety policy and procedures;

- (c) The Health and Safety Management Plan relevant to the Activities provided;
- (d) Any specific site based health and safety issues in delivering the Activities; and
- (e) Any health and safety directions given by MPI to the Recipient under clause 2.2 of this Schedule 2.

8. RECORDS

- 8.1 The Recipient must keep all records required under the HSWA (and promptly provide them on request to MPI).
- 8.2 In addition to any records required under HSWA, the Recipient must keep records (and provide them on request to MPI) of:
- (a) Health and safety critical risk management, including assurance activities that provide clear evidence that Critical Risks to Health and Safety are adequately controlled by the Recipient and any and all subcontractors and volunteers at all times;
 - (b) Any health and safety incidents which have been investigated internally by the Recipient, or by WorkSafe NZ or other relevant regulator, relating to the Activities (and the outcome of such investigations);
 - (c) Health and safety due diligence processes, and any associated documents, relating to the health and safety compliance and performance of subcontractors used for the Activities.

9. HEALTH AND SAFETY AUDIT AND INSPECTION

- 9.1 MPI may, at any time during the Term:
- (a) Require the Recipient to provide information or documentation in relation to any matter concerning the Recipient's health and safety performance or compliance in relation to the Activities, or relating to a health and safety incident or risk; or
 - (b) Carry out an audit of the Recipient's health and safety system as it relates to the Activities; or
 - (c) At any reasonable time during Business Hours, MPI may carry out a physical inspection of any place of work that the Recipient is using or intends to use in connection with the supply of the Activities to MPI.

10.11. On water engagement, education of recreational users and safety campaigns by the Harbour Master Team

Prepared for: Council

Report No. REG2407

Activity: Regulatory - Harbour Management

Author: Steve Rushbrook, Harbourmaster

Endorsed by: Joanna Gilroy, Acting General Manager Regulatory

Date: 26 June 2024

PURPOSE

- [1] To report on the on-water and education activities of the Harbourmaster Team during the 2023/2024 financial year.

EXECUTIVE SUMMARY

- [2] The Harbourmaster team undertakes on-water and education based activities as part of implementing their responsibilities under the Maritime Transport Act. These activities are focused on increasing and supporting the community's awareness of being safe on the water. Reporting on these activities is a level of service under the Annual Plan and must be reported to Council by the end of the financial year. Quarterly reporting of these activities occurs to the Regional Leadership Committee.

RECOMMENDATION

That the Council:

- a) **Notes** this report.

BACKGROUND

- [3] The Harbourmaster Team undertakes on and off the water activities as part of implementing the Maritime Transport Act 1994 and Otago's Navigation Safety Bylaw. These activities support their education first approach to navigational safety. The activities are focused on increasing the community's awareness of the importance of being safe on the rivers, lakes and coastal waters of Otago. Three team members and two boats (one in central and one in Dunedin) make up the Harbourmaster team. The Harbourmaster functions for the Queenstown Lakes District are undertaken by the Queenstown Lakes District Council under a transfer agreement.
- [4] As well as being out on the water, the Harbourmaster Team engage with the community at a number of community events throughout Otago. The off-water engagement part of the Harbourmaster's work programme has grown organically over the past 5 years.
- [5] Reporting on the on-water and education based activities is a level of service committed to under the current Annual Plan. Updates on these activities are provided every quarter

to the Regional Leadership Committee. To meet audit requirements, these activities also need to be reported to Council by 30 June.

- [6] Under the new Long Term Plan (subject to Council approval), the current level of service will change to the development and delivery of a safety campaign for recreational boaters and water users. This will be developed by 30 August 2024 and posted on Council's website. All of the below activities and messages will continue in the new financial year and will be wrapped up into the safety campaign that will be developed and delivered.
- [7] The on and off water activities of the team are discussed below. These are in addition to core functions such as maintaining compliance with the Port and Harbour Marine Safety Code, a Navigational Safety management system that includes a navigational risk assessment process for Otago Harbour. Examining Pilots and maintaining a functional and operational relationship with Port Otago's maritime team are also core functions of the team.

DISCUSSION

On-water activities

- [8] Through the summer season, the team had a focus on educating water users about boating safety. Key messages included having two forms of water proof communication, wearing life jackets and checking the weather forecast. This supported the wider national water safety programme. Interactions about boating safety occurred on Lake Dunstan and in Central Otago area and at boat ramps throughout the entire area of responsibility. Overall boating hours for the period of 31 July to 11 June were 271 hours.
- [9] Due to the high levels of boating activity on Lake Dunstan over the summer period, the Harbourmaster team were on the water at Lake Dunstan in the lead up to the holiday period and for 5 days over the new year holiday period. 70 on water interactions (talking to water users) and 80 at the boat ramps were undertaken over this period. As the team were in Central over the holiday period, they were able to respond to several small incidents relating to pollution and the sinking of a vessel.
- [10] The programme of updating and adding in new boating safety signage across the region has continued. Updated signs include ones on Lake Dunstan and new signs include those at Balclutha, Ophir Gorge and Cape Saunders. Four more 5 knot buoys have been laid in key locations on some of our waterways.
- [11] No formal actions were taken under the Navigation Safety Bylaw in this financial year.

Off-water activities

- [12] The Harbourmaster Facebook page set up last financial year, continues to grow from strength to strength. This page has over 500 followers now and is providing a great avenue for specific boating information sharing. Information shared this financial year includes drone footage of Taieri Mouth and Karitane Bars; information on Rahu's, the new wave buoys, incidents and general boating safety videos and information.

- [13] The team attended the Port Chalmers Seafood festival, the South Dunedin Street Festival and The Brighton Show during this season. The focus was on promoting safer boating with large numbers of people attending all of these events. Due to the success of attending these events, one outside of coastal Dunedin will be attended in the next financial year.
- [14] Three new boating safety videos were filmed and added to Council's YouTube channel. These were focused on Bar Crossings, Kill Cords and Wash and Wake and have added further boating safety advice for our customers.
- [15] As well as attending events, the team also present to other community groups. This year, this included giving a boating safety presentation at Anderson's Bay Sea Scout event (50 Children in attendance).
- [16] Bar Crossing is a key part of keeping people safe on the water, in particular at Taieri Mouth. A seminar was held on safe bar crossing, with the team presenting at this event. These seminars are always well attended and are supported by videos on bar crossing, the ability to put drones up to get clear pictures of the bar and the camera that is on site.

OPTIONS

- [17] As this is a paper for noting there are no options.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [18] There are no policy considerations.

Financial Considerations

- [19] This work is part of the budget for the Harbourmaster Team. There are no financial considerations associated with this paper.

Significance and Engagement Considerations

- [20] As this is a report for noting consideration of the Significance and Engagement Policy is not required.

Legislative and Risk Considerations

- [21] A number of legislative requirements govern the activities of the Harbourmaster Team, including the Maritime Transport Act 1994 and implementation of Otago's Navigation Safety Bylaw 2020.
- [22] There are a number of legal and reputational risks associated with the delivery of ORC's Harbour Master functions. On and off water education and engagement is a way to address these risks and enhance connections with the community.

Climate Change Considerations

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

Communications Considerations

- [24] Communication with the Otago community occurs on a regular basis to educate and inform people about water safety.

NEXT STEPS

- [25] For the 2024/2025 Financial year the Harbour Master Team will continue to undertake on the water engagement and education activities. These will be reported through the Regional Leadership Committee.

ATTACHMENTS

Nil

11.1 Recommendations of the Regional Leadership Committee 22 May 2024**Resolution**

That the Council adopts the recommendations of the Regional Leadership Committee 22 May 2024.

Rep	Resolution	Res#	Mover/ Second
9.1. Regulatory Group Update: Quarterly Report	<i>Recommends that Council Approves the Compliance Audit and Performance Monitoring Schedule for the 2024-25 year included as Attachment Two.</i>	RLC24-107	Cr Malcolm Moved, Cr Weir Seconded

11.2 Recommendations of the Environmental Implementation Committee 8 May 2024**Resolution**

That the Council adopts the recommendations of the Environmental Implementation Committee.

Rep	Resolution	Res#	Mover/ Second
9.1. Eco Fund Application Recommendations	Recommends to Council to approve funding recommendations of the ECO Fund Assessment Panel for the March 2024 round to a total value of \$854,733.92, as outlined in tables 2 to 7.	EIC24-105	Cr Somerville/ Cr Wilson
9.1. Eco Fund Application Recommendations	Recommends to Council to approve the funding recommendation of the direct funding to support community groups undertaking pest management work within the Terrestrial Site-Led Programme areas as outlined in Table 8.	EIC24-103	Cr Malcolm / Cr Somerville
9.2. Integrated Catchment Management	Recommends to Council to endorse the boundary for the Upper Lakes Catchment Action Plan (CAP) being adjusted to best reflect the community of interest and to better enable integrated management. Any adjustment shall be reported to and approved by Council.	EIC24-106	Cr Malcolm/ Cr Laws
9.4. Freshwater Improvement Projects Update	Recommends to Council to endorse the implementation plans for Tomahawk Lagoon and Lake Tuakitoto (Appendix 1 and Appendix 3).		

11.3 Recommendations of the Finance Committee 28 & 29 May 2024**Resolution**

That the Council adopts the recommendations of the Finance Committee on 28 & 29 May 2024.

Repor	Resolution	Res#	Mover/ Seconder
6.1 Long-Term Plan 2024-2034 Deliberation	3) Recommends to Council to Approve the preferred consulted option for Proposal 1 'Investing in our Environment' being dedicated funding of two million dollars from year 2 onwards for inclusion in the Long-Term Plan 2024-	FIN24-108	Cr Weir/ Cr Somerville
6.1 Long-Term Plan 2024-2034 Deliberation	4) Recommends to Council to Approve the Revenue and Financing Policy proposal to fund proposal 1 'Investing in our Environment by dedicated funding of two million dollars from year 2 onwards' by an Otago-wide rate.	FIN24-109	Cr Somerville/ Cr Scott
6.1 Long-Term Plan 2024-2034 Deliberation	5) Recommends to Council to Approve the preferred consulted option 1 for proposal 2 'Investing in Public Transport – Dunedin' being the consulted extra services on popular routes and electric buses.	FIN24-110	Cr Noone/ Cr Wilson
6.1 Long-Term Plan 2024-2034 Deliberation	6) Recommends to Council to Approve the preferred consulted option 1 for proposal 2 'Investing in Public Transport – Queenstown Lakes' being the consulted existing ferry service and improved bus service.	FIN24-111	Cr Forbes/ Cr Noone

6.1 Long-Term Plan 2024-2034 Deliberation	8) Recommends to Council to Approve the proposed Revenue and Financing Policy change to fund Council's share of Public transport cost by a 20% Otago-wide general rate and 80% target rate split.	FIN24-113	Cr Weir/ Cr Forbes
6.1 Long-Term Plan 2024-2034 Deliberation	9) Recommends to Council to approve the targeted rate allocation for Public Transport will continue to be charged using the status quo being capital value basis with commercial differential. 10) Recommends to Council to Approve targeted rate area to be based on status quo	FIN24-114	Cr Somerville/ Cr Forbes
6.1 Long-Term Plan 2024-2034 Deliberation	11) Recommends to Council to Approves the proposed Revenue and Financing Policy change to repay the public transport deficit over five years through the existing targeted transport rate area on capital value basis	FIN24-115	Cr Mephram/ Cr Forbes
6.1 Long-Term Plan 2024-2034 Deliberation	12) Recommends to Council to Approves the proposed Revenue and Financing Policy change to fund flood protection costs by an 80% targeted rate – 20% general rate split.	FIN24-116	Cr Weir/ Cr Forbes
6.1 Long-Term Plan 2024-2034 Deliberation	14) Recommends to Council to Approves the proposed Revenue and Financing Policy change to fund drainage costs by an 90% targeted rate – 10% general rate split.	FIN24-118	Cr Wilson/ Cr Weir

6.1 Long-Term Plan 2024-2034 Deliberation	15) Recommends to Council to Approve the proposed Revenue and Financing Policy change for the general rate portion of flood protection costs and drainage costs to apply across Otago.	FIN24-119	Cr Weir/ Cr Wilson
6.1 Long-Term Plan 2024-2034 Deliberation	17a) Recommends to Council to Approve the status quo for benefit zone allocations for the Lower Clutha flood and drainage scheme. 17b) Recommends to Council to Approve the preferred option as consulted and as described in the LTP Consultation Document to change how targeted rates for all schemes with the exception of the Lower Clutha flood	FIN24-122	Cr McCall/ Cr Forbes
6.1 Long-Term Plan 2024-2034 Deliberation	18) Recommends to Council to Approve the preferred option for the Leith Indirect Rate to be allocated to all of Dunedin.	FIN24-123	Cr Mephram/ Cr Somerville
6.1 Long-Term Plan 2024-2034 Deliberation	19) Recommends to Council to Approve the preferred option to discontinue the Lower Waitaki River Control Rate and fund via River and Waterway Management - Waitaki.	FIN24-124	Cr Robertson/ Cr Weir
6.1 Long-Term Plan 2024-2034 Deliberation	20) Recommends to Council to Approve the preferred option for a new Alexandra Flood Targeted Rate allocation funded from River and Waterway Management – Central Otago.	FIN24-125	Cr Robertson/ Cr Weir

6.1 Long-Term Plan 2024-2034 Deliberation	21) Recommends to Council to Approve the preferred option as consulted and as described in the LTP Consultation Document to create a catchment management rate.	FIN24-126	Cr Robertson/ Cr McCall
6.1 Long-Term Plan 2024-2034 Deliberation	23) Recommends to Council to Approve the preferred option as consulted and as described in the LTP Consultation Document to create navigational safety rate.	FIN24-128	Cr Mephram/ Cr Robertson
6.1 Long-Term Plan 2024-2034 Deliberation	24) Recommends to Council to Approve that the navigational safety rate is a uniform rate charged Otago-wide excluding Queenstown Lakes District who provide and fund their own service.	FIN24-129	Cr McCall/ Cr Mephram
6.1 Long-Term Plan 2024-2034 Deliberation	28) Recommends to Council to Approve <i>the new River and Waterway Management – Queenstown Lakes Rate.</i>	FIN24-131	Cr Forbes/ Cr Robertson
6.1 Long-Term Plan 2024-2034 Deliberation	34) Recommends to Council to Approve the proposal of Infrastructure capital repayment being applied over 30 years.	FIN24-143	Cr Mephram/ Cr Noone

6.1 Long-Term Plan 2024-2034 Deliberation	35) Recommends to Council to Approve the preferred option as consulted for the level of UAGC to include in the final LTP being 25% of general rates.	FIN24-144	Cr Wilson/ Cr Noone
6.1 Long-Term Plan 2024-2034 Deliberation	37) Recommends to Council to Approve that the rate increase policy limit is set for years 1 and 2 at the estimated increase and remaining years at 10%.	FIN24-146	Cr Robertson/ Cr Noone