



Otago
Regional
Council

Draft Long-Term Plan 2024-2034





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Chairpersons Foreword



Tokatā / Nugget Point, Catlins

Building a strong future for Otago

A healthy, connected environment and communities with a strong future have been front of mind as we shape the draft Long-Term Plan 2024-34.

Otago's future opportunities and challenges are the focus as we develop this crucial plan to set the direction for the future, identify key work programmes, and look at what the rates implications are for this.

This draft Long-Term Plan (LTP) is built on a new vision, **'For our environment and communities to be healthy and connected ki uta ki tai (from the mountains to the sea)'**. We're keen to hear your thoughts on this vision and the six associated focus areas: partnership, communities, environment, resilience, climate and transport. The vision is part of our strategic direction and helps to shape the work we propose to do in the future, outlined in our LTP.

Your thoughts on Otago's vision for now and tomorrow and the work proposed in the LTP are important. We recognise that the work we do for Otago's environment and communities has increased in recent years and this has impacted ratepayers. We've responded to community and central government expectations by improving and adding to the services we provide.

We're acutely aware that although ORC's rates are among the lowest per head of regional councils, changes in levels of service and the rates impact affects ratepayers uniquely. We value your views on issues of general affordability as well as where you think we should increase or decrease our focus and investment.

As part of this draft LTP, we're giving significant focus to three areas: public transport, large-scale environmental project funding and we're proposing changes to how we rate.

We're proposing significant investment to improve public transport in Dunedin and

Queenstown, benefitting the community and the environment. We're also proposing investigation or trial of public transport services for Ōamaru, Alexandra, Clyde, Cromwell, Balclutha and Wānaka.

Important investment in our environment through new funding for large-scale environmental projects across the region is also proposed. This would fill a gap in funding for this work which benefits current and future generations.

As well the levels of service we provide, we're looking at the principles behind how these services are rated and who pays for them. There are proposed changes that would affect all ratepayers. The average rates impact is an 18.6% increase in 2024-25, 11.2% for 2025-26 and 9.4% for 2026-27. But the impact would be different for each property, depending on factors like where it is located and the services we provide for that area.

It's clear there are both challenges and opportunities ahead for Otago, which this draft LTP acknowledges. It seeks a positive vision of healthy, connected environments and communities.

Please take the opportunity to have your say on what we're proposing. Tell us what you think about what we're prioritising and how this should be funded.

Thank you for taking the time to read this information and have your say about the future of Otago.



Gretchen Robertson
Chair, Otago Regional Council

A handwritten signature in blue ink, appearing to read 'Gretchen Robertson'.

Audit Report



Purakaunui Falls, Catlins

Audit Report - Insert Content Here

Part 1 Overview



Koekohe Beach

Why Does This Document Matter?

About us

We are responsible for sustainably managing Otago's natural resources of land, air and water on behalf of our community. Our responsibilities include:

- Setting policies and rules to protect Otago's water, land and air resources
- Monitoring the environment – collecting data and knowledge to inform decision making
- Responding to environmental incidents
- Taking a lead role in pest management
- Taking an active role in minimising risks from natural hazards
- Keeping you safe along our coast and on our lakes and rivers through our Harbourmaster function
- Civil Defence Emergency Management
- Providing public transport in Dunedin and Queenstown
- Providing support to community groups for environmental enhancement
- Taking a lead role in responding to issues that affect Otago, such as climate change, biodiversity loss and urban development

About the Long Term Plan

The Long Term Plan (LTP) sets out our strategic vision and outcomes sought by the community for the next 10 years. This provides direction for Council decision-making. It also describes our work programme priorities and planned activities, how much they cost and how they will be funded. The LTP also provides an opportunity for the public to participate in council decision-making processes. It also provides the basis for accountability to the community.

Councils are required to develop long term plans under the Local Government Act 2002. We refresh the LTP every three years. In years between LTPs, we produce an Annual Plan, with a budget for the next financial year.

We also produce annual reports to track the progress of what we've committed to through the LTP and annual plans.

The Otago Region

Making up 12% of Aotearoa New Zealand's land mass, Otago is the third largest and arguably the most geographically diverse region in the country. With a population density of only 8.16 people per square kilometre, we have a lot of rolling open country and striking expansive landscapes.

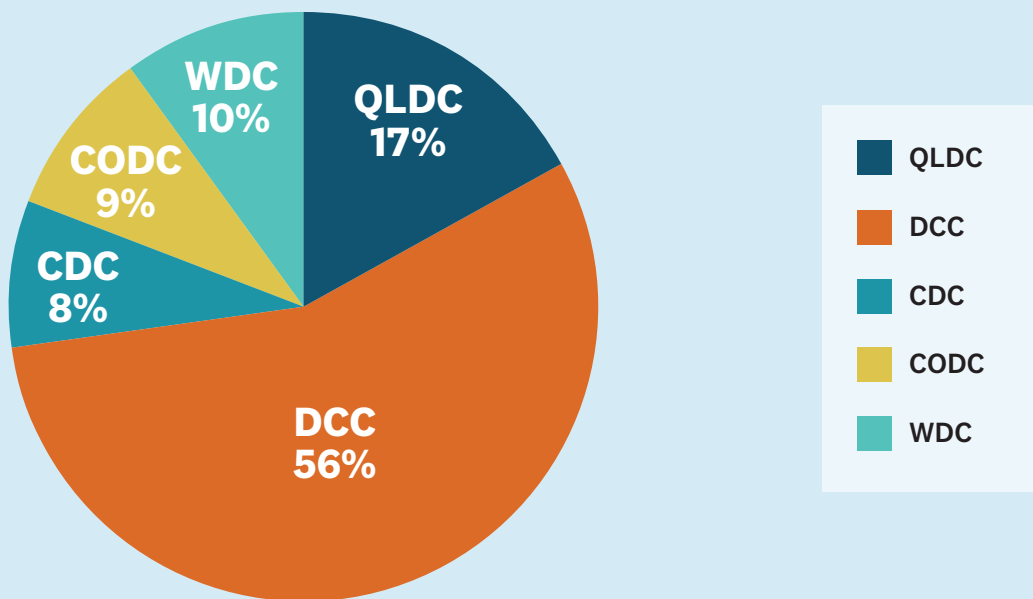
Otago is known for its abundant wildlife, be that the albatrosses and yellow-eyed penguins on the Otago Peninsula, the endangered skinks of Central Otago, the cheeky kea of the Southern Alps, the sealions basking on our beaches, endemic galaxiids inhabiting creeks in the upper reaches of our catchments, or the orca that occasionally visit Otago Harbour. Not to mention the wide range of lizards and birds under protection at the Orokonui Ecosanctuary. We also boast some pretty unique habitats, such as the remnant beech forest at the head of Lake Wakatipu, inland saline wetlands near Middlemarch, and the relatively untouched Tautuku Estuary and Tahakopa Marsh Complex in the Catlins, to name but a few.

Otago is home to some of the country's largest rivers and lakes. The Clutha River/ Mata-Au, for example, is the country's biggest river by volume, and Lake Wakatipu, Wanaka and Hawea are each over 310 m deep. These, plus thousands of other lakes, creeks, wetlands, swamps, estuaries and salt marshes are home to an abundance of native and exotic biodiversity. Otago's indigenous species and waterbodies are also ngā taoka to Kāi Tahu, and form a strong part of their cultural identity.

Our communities also rely on these water bodies for their social, cultural, and economic wellbeing. Around half of the region's population (225,186 according to census 2018) can be found living in Dunedin, 11% live in Queenstown, and smaller population hotspots exist around Mosgiel, Oamaru, Wānaka, Cromwell, Alexandra, Balclutha, Arrowtown, Milton, Waikouaiti, Clyde, and other geographically scattered smaller towns.

There are five territorial authorities in Otago: Dunedin City Council (DCC), Queenstown Lakes District Council (QLDC), Waitaki District Council (WDC), Central Otago District Council (CODC) and Clutha District Council (CDC).

Distribution of Otago's Population



Otago's economy is centered around agriculture, forestry, tourism, construction, mineral extraction, professional services, and education. The rate of GDP growth in the year ending March 2023 was 3.2%, which is higher than the national average of 2.8%. In the year end March 2023, some of the top contributors to Otago's GDP were as follows:

Industry Sector	% of Otago's GDP
Construction	8.73
Professional, scientific and technical services	7.18
Health care and social assistance	6.89
Agriculture, forestry and fishing	6.65
Rental, hiring and real estate services	6.43
Retail trade	5.59
Accommodation and food services	5.58
Property operators and real estate services	5.3
Education and training	5.26
Manufacturing	4.91

Table 1: Otago Gross Domestic Product by Industry, 2023 (source: Infometrics.co.nz)

Climate

The Otago region experiences two distinct climates: temperature coastal areas and almost continental inland areas. Weather on the coast tends to alternate frequently between warm and dry, and a cool and damp. Central Otago's climate, on the other hand, is famously characterised by hot, dry summers and very cold, frosty winters. Queenstown's climate (especially the head of the lake) can be influenced by wetter weather from the West Coast.

	Annual Rainfall (mm)	Mean max temp January (degrees Celsius)	Mean min temp July (degrees Celsius)	Mean annual sunshine hours	Mean annual ground frost days
Dunedin	809	18.9	3.1	1590	60
Alexandra	356	23.5	-1.8	2042	148
Queenstown	900	22.5	1	1913	105

Table 2: Climatic variations across the region (source: Metservice.com)

The weather extremes of the region present both challenges and opportunities for our food producers, who need to be prepared to adapt to our rapidly changing climate.

Otago Regional Council plays a core role in the management of our natural resources whilst also maintaining our indigenous biodiversity. It is also our role to provide regional transport services and help build more resilient communities in the face of our changing climate and natural hazards including sea level rise. The diverse nature of our region, our changing population demographics, and climate change are just some of the many variables that we need to consider in all of our decision making.

Elected Representation

Twelve Otago Regional Council members are elected to represent the region’s four constituencies* –Dunedin, Dunstan, Moeraki, and Molyneux. They in turn elect a chairperson who facilitates decisions about the committee structure that Council uses for decision-making and chairs the Council meetings, that sits over the recommending committees. Importantly, the elected arm of Council employs a Chief Executive Officer (CEO) to lead the Council organisation and its staff. The CEO is responsible for the delivery of advice to the elected arm and ultimately services to the community. An election is planned for late 2025, being year 2 (and every three years) of this LTP.

The Dunedin Constituency is represented by six Councillors and is comprised of Central Dunedin and the Waikouaiti Coast, West Harbour, Otago Peninsula and Saddle Hill community board areas located within the Dunedin City territorial area.

The Dunstan Constituency is represented by three Councillors and is comprised of the Central Otago District and Queenstown Lakes District territorial areas.

The Moeraki Constituency is represented by one Councillor and is comprised of the Otago portion of Waitaki District territorial area (part of the Ahuriri and Corriedale wards) and the entirety of the Oamaru and Waihemo wards.

The Molyneux Constituency is represented by two Councillors and is comprised of the Clutha District territorial area and the Mosgiel-Taieri and Strath-Taieri community board areas located within the Dunedin territorial area.”

*NB Council is required to undertake a Membership Representation Review in 2024. This may result in changes to the above constituencies.

Partnering with Mana Whenua

The Otago Regional Council values its relationship with Kāi Tahu Papatipu Rūnaka. We continue to work with our iwi partners, to give effect to Te Tiriti o Waitangi partnership, strengthen it and acknowledge the unique, enduring relationship iwi have with this land.

For LTP 2024-34, the Otago Regional Council is committed to work in partnership with mana whenua to incorporate te ao Māori in our work. Working in partnership will deliver better outcomes for Otago, and fulfil on the principles and requirements for engaging with iwi under the Local Government Act and Resource Management Act.

For Council, these legislative requirements are considered a bottom line. We aspire to go beyond these statutory responsibilities to ensure meaningful engagement with mana whenua, which recognises Te Tiriti principles of partnership. This also recognises the value that engagement with Māori adds through the sharing of their knowledge and wisdom as mana whenua.

Te Rūnanga o Ngāi Tahu is the tribal representative body of Ngāi Tahu Whānui, a body corporate established 24 April 1996. The takiwā (area) of Ngāi Tahu Whānui includes the entire area of Otago Region, as set out in Section 5 of the Te Rūnanga o Ngāi Tahu Act 1996.

Te Rūnanga o Ngāi Tahu encourages consultation in the first instance with the Papatipu Rūnanga. There are four Kāi Tahu ki Otago Rūnaka, being:

- Te Rūnaka Moeraki;
- Kati Huirapa Rūnaka ki Puketeraki;
- Te Rūnaka o Ōtākou; and
- Hokonui Rūnaka.

There are three Ngāi Tahu ki Murihiku rūnanga with interests in the region as well, which are:

- Awarua Rūnanga;
- Waihopai Rūnanga; and
- Ōraka-Aparima Rūnaka.

The Otago Regional Council has current processes and initiatives that give effect to the principles and requirements set out in national legislation. These facilitate participation and building of capacity of Kāi Tahu Papatipu Rūnaka. They include:

- Mana to Mana: Kāi Tahu ki Otago Rūnaka Chairs and Councillors meet to discuss governance related issues of interest to either side.
- Iwi representative as Co-Chair of the Environmental Science and Policy Committee.

- Two iwi representatives from Kāi Tahu ki Otago are members of the Environmental Science and Policy Committee.
 - Memorandum of Understanding and Protocol (2003) between Otago Regional Council, Te Rūnanga Ngāi Tahu and Kāi Tahu ki Otago for Effective Consultation and Liaison.
 - Charter of Understanding (2016) signed with Te Ao Mārama Inc. and Southland Rūnanga.
 - Co-Governance: Land and Water Regional Plan Governance Group, with two iwi representatives and two ORC Councillors to guide the development of the Land and Water Regional Plan.
 - Partnership approach with iwi, Aukaha and Te Ao Mārama Inc. in policy development to ensure that iwi views are being incorporated. The Papatipu Rūnaka consultancy services, Aukaha, representing Otago Rūnaka, and Te Ao Marama Inc., representing the Southland Rūnaka, provide a first point of contact and facilitate engagement in resource management processes.
 - Partnership funding to support Aukaha to deliver and participate in Council processes.
 - Regular liaison with Aukaha at a Council staff level.
- ORC is giving effect to these processes and initiatives via our planned LTP work programme that includes:
- Dedicated internal resourcing for a Senior Iwi Partnerships and Engagement role.
 - Implementing recommendations from a Te Tiriti o Waitangi audit undertaken by Te Kura Taka Pini.
 - Committing to sustainable funding of Aukaha and Te Ao Mārama Inc. to assist with business planning in both organisations.
 - Encouraging a sense of connection, partnership, and engagement, by building the cultural confidence of ORC staff.
 - Building cultural awareness and integration of Te Ao Māori (the Māori world view) into ORC's work and culture.
 - Reviewing the effectiveness of ORC's Significance and Engagement Policy.
 - Giving effect to the revised ORC 'Strategic Directions' to ensure that ORC has effective and meaningful partnerships with mana whenua, creating better outcomes for our region.

Financial and Infrastructure Strategies - Overview

Financial Strategy

Purpose

This strategy sets out how the Otago Regional Council will manage its finances over the next 10 years. It outlines the financial direction Council wishes to take on matters such as levels of future rating, borrowings and investments and discusses factors that influence those areas. These matters have a significant influence on council's ability to deliver against the six focus areas defined in our 'Strategic Direction 2024-2034' including: the community outcome, aspirational statements and associated goals. The 10-year work program that delivers progress against our strategic intent must be implemented in consideration of what is affordable to the community. This financial strategy sets out a path for the prudent and sustainable funding of this Long-Term Plan.

Overview of the Strategy

Over the previous Long-Term Plan period (2021-2024) Council increases its work program to reflect increased Central Government requirements and community expectations. This resulted in significant rates increases over the last three years. This Long Term Plan (2024-34) reflects that increased work program and also has identified areas that still require further investment especially in public transport and infrastructure activities.

Council has undertaken a review of its funding and rates to ensure funding of the future work program is sustainable and affordable over the long term while also meeting immediate funding requirements. This has resulted in a change to the period over which capital expenditure is funded and a corresponding increase in external borrowing. Changes to rates are outlined in this strategy and in the Revenue and Financing Policy which has been reviewed resulting in a number of rates changes that are proposed in the Long-Term Plan.

Additionally, over previous years Council has relied on reserves to fund increases in operating expenditure especially in public transport. Going forward, Council aims to 'balance the budget' and have operating expenditure funded as it occurs. The changes proposed for public transport rates achieves this going forward but there are also existing deficits in transport reserves that need to be addressed. This financial strategy and the Revenue and Financial Policy address this issue and assumes those deficits will be paid off under the existing rating policy over the first 3 years of this 10-year plan.

Over the next 10 years, the key financial challenges and how Council is proposing to address them in this financial strategy are:

- There is a significant increase in planned expenditure occurring in the Infrastructure Strategy 2024-2054 and in public transport. That requires a corresponding increase in expenditure and funding in the Long-Term Plan.
- There will be an increased use of debt and reserves over the life of this plan. This reflects a change to extend repayment of capital expenditure to better reflect the life of those assets. Capital repayment is now assumed to occur over a 30-year period. External debt is forecast to increase from \$25M to \$105M to fund the resulting reserve deficits.
- Existing public transport deficits are proposed to be repaid over the first 5 years of the plan. This will be done on the existing rating basis and a new rating basis is proposed going forward and ensures public transport operating costs are fully funded in the year they occur.
- An extensive review of Council's Revenue and Financing Policy (RFP) has been undertaken. This included establishing a set of funding principles and completing funding needs analysis for all of Council's activities. As a result, a number of new and amended rates are proposed. This reflects changes in those activities over time and the need to ensure funding is sustainable, consistent and transparent. The key rates changes (outlined in the Revenue and Financing Policy) are:
 - A new catchment management rate has been introduced. This will fund biosecurity and catchment activity including integrated catchment management and liaison group activity across the region. These activities were previously funded by a mix of general rates, general reserves river and waterway management targeted rates and the rural water quality rate (which has been disestablished).
 - Flood and drainage general rate allocations have been amended to apply a consisted targeted/general allocation across all schemes. Flood schemes now assume an 80% targeted / 20% general split and drainage schemes assume 90% targeted / 10% general.
 - Differentials within the flood and drainage targeted rate allocation have been simplified and reduced to one or two differentials.
 - Lower Waitaki River Control has been amended and is now funded by the River and Waterway Management Rate - Waitaki moving funding to be a district wide as opposed to a smaller defined area.
 - A 20% general rate allocation has been introduced for public transport. The targeted rate has also been amended to be funded over the entire district (Dunedin or Queenstown Lakes) and is now charged on a uniform basis.

- The existing transport rate zones for Dunedin and Whakatipu are retained, and historic deficits will be repaid by those ratepayers on a CV basis over the first 3 years of the Long-Term Plan.
- A new rate is proposed for Oamaru transport to fund the on-demand trial requested by that district. Consistent with other public transport rates, this rate will fund 80% of the rate requirement with 20% being general rate funded. The targeted rate will be funded over the entire Waitaki district on a uniform basis.
- A new navigational safety rate has been introduced. This is charged on a uniform basis in the districts where Council provides Harbourmaster services (Central Otago, Clutha, Dunedin and Waitaki). Previously this was funded through sub-regional general rates.
- A new farm plan rate is proposed for year 2 at which time the existing dairy monitoring rate will cease.
- General rates are now allocated on a region wide basis. The use of sub-regional (district based) general rates has been removed and those activities are now funded by new targeted rates i.e. catchment management, navigational safety. If the activity doesn't justify establishing a new targeted rate other targeted rates have been used where possible i.e. river and waterway management or general rates if no alternative exists or the amount being rated doesn't justify establishing a separate rate.
- To reduce the rates increase, Port Otago dividends are forecast to increase from current levels (\$15 million in 2023-24 and provide \$18 million in year 1 (2024-25) rising to \$20 million in year 2 (2025-26) and remain at that level for the remainder of the Long-Term Plan.

Infrastructure Strategy

Our Infrastructure Strategy outlines how we intend to manage our flood protection, drainage, and river management infrastructure in response to the significant issues we expect that to face over the 30-year lifetime of the strategy. This also will highlight options of managing those issues and the implications of those options. This is a requirement of the Local Government Act 2002.

We provide flood protect and land drainage to around 21,000 hectares of rural and urban land in Otago, through 218 km of floodbanks, 14 pumping stations, 42 bridges, 535km drains, 369 culverts and various river management infrastructure. We own and maintain:

- three flood protection schemes in Alexandra, Leith and Lower Taieri
- four drainage schemes in East Taieri, West Taieri, Tokomairiro and Lower Clutha [being combined flood and drainage]
- a range of river and waterway schemes across Otago

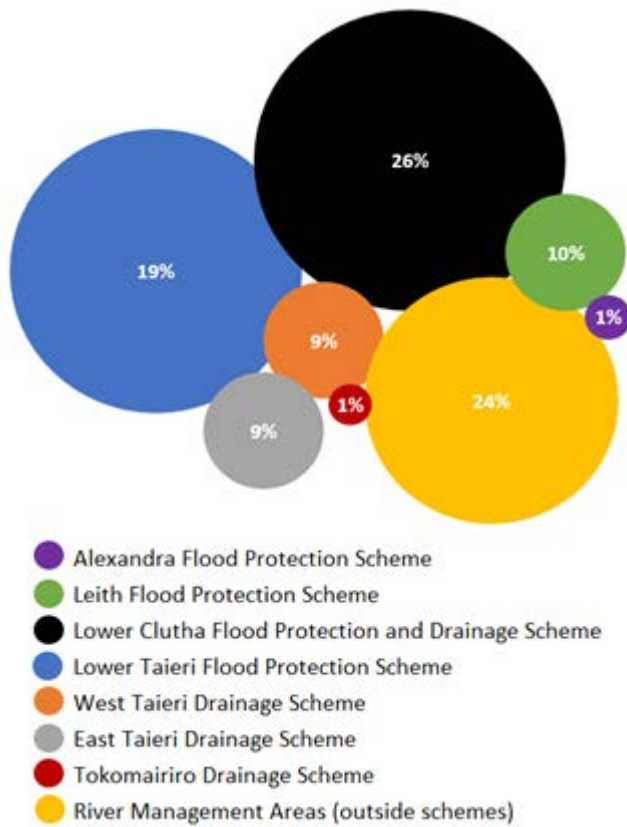
Our Infrastructure Strategy 2024-2054 identifies seven significant issues facing our region , our infrastructure - climate change, settlement trends, land use change, infrastructure condition, legislation and regulatory changes , and funding.



Our Infrastructure Strategy outlines the proposed investment programme for managing, maintaining and renewing our infrastructure over a 30-year period. There are 14 major programmes of work where there are key decisions over the next 10 years.

There is \$314.9 million of capital expenditure estimated over the 30-year lifetime of the Infrastructure Strategy, 18% of which falls within the 10-year lifetime of the Long-term Plan.

The picture below outlines an estimated breakdown of the funding by scheme.



Further information can be found in the Infrastructure Strategy .

Strategic Directions



Strategic Directions 2024-2034

In 2023, Councillors and Mana Whenua participated in a programme of work to revise the organisation's strategic directions. Both global and local trends, as well as existing enduring priorities, were taken in to consideration as part of the process. As a result, our vision for Otago has been defined as:

Our environment and communities are healthy and connected ki uta ki tai (from the mountains to the sea)



Our ambition is to make significant progress towards realising our vision over the next ten years by aligning our work programmes with six focus areas. We have set goals for each focus area, which allows us to arrange and prioritise our work to ensure our aspirations are fulfilled.

The goals we have set for each focus area are as follows:

Partnership

- 1 Te Ao Māori concepts of intergenerationally and deeply connected systems are incorporated throughout Council's work programmes
- 2 Mātauraka Māori and the principle of te mana o te wai are incorporated into our environmental planning, management, and decision making.
- 3 We always go above and beyond our statutory responsibilities (as prescribed in local government and treaty settlement legislation) to support the intention of the Crown to uphold the principles of the Treaty of Waitangi.

Communities

- 1 Our communities trust us, and they are satisfied with us and the outcomes that we are delivering.
- 2 Our communities are supported and empowered to achieve better environmental outcomes.
- 3 The social, cultural, economic, and environmental wellbeing of Otago is consistently improving.

Environment

- 1 Ecosystems are healthy, our water and air are clean, and biodiversity loss is arrested across the region
- 2 We predict and address emerging environmental issues before they arise.
- 3 Our regional plans are effective at ensuring our resources are managed in a planned and considered way.

Resilience

- 1 Plans are in place to ensure that the region's most vulnerable communities (geographic and demographic) and ecosystems are resilient in the face of natural hazards.
- 2 Our infrastructure is designed and built to accommodate variability and uncertainty associated with changing weather patterns and sea level rise.
- 3 Our Regional Policy Statement and regional plans control development in areas that are vulnerable to natural hazards.

Climate

- 1 The carbon footprint of our organisation is reduced in line with our climate change strategy, and we are supporting and collaborating with others to do the same.
- 2 Climate change mitigation and adaptation are key considerations in all our decisions.
- 3 Our agriculture and horticulture systems are more climate resilient in the face of changing weather patterns, water availability and consumer choice.

Transport

- 1 Congestion is reduced and connection is increased throughout the region.
- 2 Carbon emissions are reduced and air quality is improved across the region, supported by our public transport services.
- 3 Active transport is the preferred mode for short journeys in urban areas.

We are already making good progress towards achieving some of these goals, but for others further resources may need to be allocated. We can't do this on our own, and so we will be drawing on support from within and beyond our organisation and the Otago region to ensure we have the right teams assembled to address specific challenges and opportunities. Effective collaboration and relationship management will, therefore, be key to making this possible.

Over the next 10 years, we will be monitoring progress towards achieving our goals and adjusting our work programmes accordingly. Being agile in our approach will be important to ensure we can respond to changing circumstances and/or new challenges and opportunities. We are developing a broader framework for defining, measuring and reporting the ORC's performance. This includes developing a suite of indicators to monitor progress against each goal.

Aspirations

Embedding our Strategic Directions throughout our work programmes and achieving the goals we have set should ensure that our aspirations- or community outcomes- are fulfilled over the next 10 years.

Partnership: Otago Regional Council has effective and meaningful partnerships with mana whenua, creating better outcomes for our region.

Communities: Otago has cohesive and engaged communities that are connected to the environment and each other.

Environment: Otago has a healthy environment ki uta ki tai (from mountains to the sea), including thriving ecosystems and communities, as well as flourishing biodiversity.

Resilience: Otago builds resilience in a way that contributes to community and environmental wellbeing through planned and well-managed responses to shocks and stresses, including natural hazards.

Climate: Otago is a climate-resilient region that plans for and invests in initiatives that reduce emissions and help us adapt to our changing climate.

Transport: Otago has an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations.

Opportunities and challenges

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As Otago Regional Council prepares to begin its next long-term planning cycle, it does so in the context of the need for continued and rapid change. This environmental scan draws on workshops with the Council and mana whenua, highlighting some of the significant trends that offer both challenges and opportunities for Otago.

Partnership

In recent years, there has been an increased recognition and emphasis of the role of Te Tiriti o Waitangi in shaping Aotearoa me Te Waipounamu/New Zealand's past, present and future. Strengthening and deepening our partnership with mana whenua will help embed our shared aspiration of using multigenerational, holistic-systems-thinking to create positive outcomes for Otago's environment and communities. It also provides the ability to address complex challenges, share responsibilities, access expertise and resources, foster community engagement and implement coordinated approaches to governance and decision making.

Communities

We are facing a range of significant trends that present challenges for our communities. These include challenges around inequality, social division and a lack of trust in public institutions. Our communities are at the heart of our decision making and our work. There is opportunity to reconnect and improve how we engage with our communities, to ensure they feel listened to, and to support them to better interact and engage with one another.

Technological change

Technology is changing many aspects of daily life, including enabling remote work and education, instant access to more information, allowing freer communication, and changing the way people shop. Technological innovation is also improving our ability to plan, mitigate, and respond to natural hazard events, and predict and address emerging environmental issues before they arise.

Technology has the potential to significantly change the job market, including creating, changing and replacing jobs. We may see higher skill requirements for employment, and, consequently, more barriers to employment for disadvantaged groups.

Climate change

Climate change is one of the greatest threats to Aotearoa me Te Waipounamu/New Zealand's security, prosperity, and wellbeing, and Otago will continue to be impacted by the effects of climate change. Our region is particularly vulnerable to flooding, coastal erosion, water quality and quantity issues, wildfire and droughts. Resulting issues are wide ranging:

- changes to the climate are impacting how land can be used and what crops can be grown
- hydrological system changes are putting pressure on our communities
- native biodiversity is at risk
- natural hazard events are increasing in frequency and intensity;
- consumer choices are changing, affecting our businesses. This also creates opportunities for our businesses to adapt to changing consumer preferences.

No two communities will experience climate change in the same way, and climate change may exacerbate current inequities as well as create new ones. Food production may be an area of significant change in coming years, with food producers needing to be more agile and adapt innovative practices. There will be some new opportunities with fewer frosts, but increased threat of new pest incursions and less water availability. This will impact our region's food growers and their supporting communities.

Climate change is a worldwide issue requiring action at regional and local levels. We know that we can't fix climate change, but we can reduce its impacts and we have a responsibility to do so for future.

There will also be some new opportunities. The Council will need to become adept at dynamic adaptive planning, and be proactive and flexible to ensure best infrastructure investment.

Environment

Otago's environment is facing challenges around water quality and availability, soil and air quality, soil erosion and run-off, biodiversity loss, biosecurity threats and impacts on the coastal environment. Changes to our land and water has impacted on how mana whenua carry out cultural practices, such as mahika kai and mātauraka. A healthy environment is also important for our economy. We need to protect, manage and use our natural resources in a planned and considered way, and more operate more within the biophysical limitations of our natural environment.

Government reform

There is significant Government reform underway that will impact the role of local government, our communities and how we manage environmental outcomes. The Government has announced it will retain the Resource Management Act 1991 in the short-term, develop a permanent fast-track consenting regime, and change the RMA to make it easier to develop housing and infrastructure and enable primary industry. The Government also repealing and replacing various policies that ORC has been working under, and we need to be ready to respond to new legislation that is introduced in its place.

Cost of living

Geopolitical instability, overseas conflicts, diminishing natural resources, a tight labour market, persisting global supply chain challenges, and rising global energy prices are all driving high inflation. This is increasing the cost of living and households across Aotearoa me Te Waipounamu/New Zealand are facing increasing financial pressure. It also reduces consumer purchasing power, which will likely result in declining visitors and discretionary spending in the short-term. These pressures are causing disruption and uncertainty for businesses, communities, and households throughout Otago, especially those on lower incomes less able to accommodate increased costs.

What We Will Deliver

This section outlines our work activities, grouped under the following headings:

Regional Leadership

- Governance and Community Engagement
- Regional Planning
- Regulatory

Environment

- Land and Water
- Biodiversity and Biosecurity
- Air

Resilience and Climate Change

- Climate Change and Hazards
- Flood Protection, Drainage and River Management
- Emergency Management

Transport

- Transport (including Regional Land Transport and Public Transport)

Council Organisation

- Internal Services
- Port Otago

REGIONAL LEADERSHIP

Otago Harbour

Our Regional Leadership work supports both the elected body of Council and the organisation in its role of decision-making, partnering with mana whenua, and engaging with the community across the specific legislative responsibilities and other matters important to the Otago community.

We have three activities supporting our Regional Leadership work. They are:

- **Governance and Community Engagement**

This activity supports the structure (e.g. partnership agreements, committees) and running (e.g. meetings, recording decisions) of Otago's regional democracy. It enables the elected regional councillors to conduct the representation of duties required of them.

Communication and engagement work is an important aspect that seeks to connect communities to the proposals, decisions of governance and the work of the Regional Council.

- **Regional Planning**

This activity ensures Otago has an effective and compliant regional planning framework under the Resource Management Act (RMA). The Regional Policy Statement (RPS) sits over the detailed plans (e.g. land and water, air and coast) with objectives, policies and rules for the sustainable use of natural and physical resources in Otago.

- **Regulatory**

This activity gives effect to (e.g. consents, enforcement, information and education) the guidance and rules from regional planning and Resource Management Act. It enables the Council to manage for the results sought for natural resources (water, land, air and coast) in Otago.

Strategic Directions and Aspirations

This activity is influenced by the focus areas defined by our Strategic Directions 2024-2034, in particular the 'Partnership' and 'Communities' focus areas.



Partnership

Otago Regional Council has effective and meaningful partnerships with mana whenua, creating better outcomes for our region.



Communities

Otago has cohesive and engaged communities that are connected to the environment and each other.



Environment

Otago has a healthy environment ki uta ki tai (from mountains to the sea), including thriving ecosystems and communities, as well as flourishing biodiversity.

Strengthening and deepening the partnership with mana whenua is a key priority for ORC. This means incorporating more mātauraka Māori and customary knowledge into our decision making and processes and building greater connectivity between policy, planning and environmental outcomes. We are committed to continuing our journey to work more closely and effectively with mana whenua in both our strategic and operational work. This will help embed our shared aspiration of using multigenerational, holistic-systems-thinking to create positive outcomes for Otago's environment and communities. The partnership sits across all we do; it provides the ability to address complex challenges, share responsibilities, access expertise and resources, foster community engagement and implement coordinated approaches to governance and decision making.

We are facing a range of significant trends that present challenges for our communities. These include inequality, social division and a lack of trust in public institutions. Our communities are at the heart of our decision making and our work. There is opportunity to reconnect and improve how we engage with our communities, to ensure they feel listened to, and to support them to better interact and engage with one another.

Group Revenue and Expenditure (10yrs) - Regional Leadership

Annual Plan	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
\$000s											
Governance and Community											
8,649 Engagement	13,488	15,158	15,180	15,314	16,229	16,186	16,052	17,202	17,213	17,079	
3,071 Regional Planning	2,938	3,089	2,325	2,482	2,533	2,589	2,638	2,689	2,742	2,795	
14,245 Regulatory	13,044	14,145	14,808	15,795	16,163	16,633	16,998	17,382	17,789	18,198	
25,965 Expenditure	29,470	32,392	32,313	33,590	34,925	35,408	35,688	37,273	37,744	38,072	
20,064 General Rates	23,710	26,107	26,355	27,299	27,896	28,694	28,807	29,607	30,476	30,609	
210 Targeted Rates	1,075	1,199	1,236	1,435	1,461	1,545	1,576	1,608	1,647	1,675	
4,971 Fees & Charges	3,942	4,314	4,503	4,654	4,801	4,963	5,109	5,263	5,423	5,590	
225 Grants	225	75	75	75	75	75	75	75	75	75	
239 Other Income	(126)	176	198	204	203	202	200	199	198	197	
224 Reserves	258	436	(115)	(132)	433	(129)	(140)	460	(138)	(136)	
25,934 Revenue	29,084	32,308	32,252	33,534	34,868	35,349	35,628	37,212	37,682	38,009	

Governance and Community Engagement

What we do

Connecting our communities in a timely and meaningful way to the work of the Regional Council is vital.

Through our elected representatives and communication and engagement activities, the many diverse voices from around Otago can be heard and be part of our decision-making process. In turn, we share the stories about our work, to raise awareness of the results of the investment Otago people make in us.

We aim to provide quality leadership that benefits our region and our work in this activity supports Otago's elected Regional Council representatives to carry out their duties.

The key programmes that make up this activity are:

- Media and Communications
- Governance and Democracy

Why we do it

Supporting governance, good decision-making, and connecting and engaging with our communities are essential features of a civilized society. Connecting the community in a timely and accessible way to decision-making and the work of Council is critical. Legislation also enshrines principles, powers, duties and functions that underpin this activity and the need for it.

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Elected member committee structure, council meetings
	Partnership with Kāi Tahu and Iwi liaison
	Engaging with partners, organisations and community groups on key work initiatives
	Council media and communications to assist with connecting council and the community
	Advice, support and information to develop and give effect to Council's Strategic Directions 2024-34
	Secretariat support for the 'Otago Mayoral Forum'
New or revised work [change]	Provision for 3-4 regional meetings a year {increase}
	Governance advice / projects – additional FTE to support decision making structures, remuneration, voting systems, Māori wards, membership representation reviews, Standing Orders, Code of Conduct, Conflict of Interest, strategy, legal, CE performance management, Ombudsman Report/recommendations.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide and promote governance processes and democratic decision making that is robust and transparent for the community.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Percentage of council agendas that are publicly available two working days or more before a meeting	2022-2023: Achieved	100%	100%	100%	100%
Percentage of official information requests responded to within 20 working days of being logged.	2022-2023: Achieved	100%	100%	100%	100%

LoS: Develop and deliver robust and effective corporate planning and reporting.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Deliver our Long Term Plan, Annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements	Unmodified audit reports received	Annual Plan [Yr2] adopted by council prior to 30 June 2025 Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2024	Annual Plan [Yr2] adopted by council prior to 30 June 2026 Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2025	Annual Plan [Yr2] adopted by council prior to 30 June 2027 Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2026	Annual Plan [Yr2] adopted by council prior to 30 June 2028 Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2027

LoS: Build mana whenua participation in Council decision making through a treaty based partnership approach in our engagement.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Participate in governance and management forums (Mana to Mana, Te Rōpū Taiao, Aukaha and Te Ao Mārama)	New measure	Participate in at least 10 hui/meetings with all Papatipu Rūnaka/ Rūnanga (or their representatives) during the year	Participate in at least 10 hui/meetings with all Papatipu Rūnaka/ Rūnanga (or their representatives) during the year	Participate in at least 10 hui/meetings with all Papatipu Rūnaka/ Rūnanga (or their representatives) during the year	Participate in at least 10 hui/meetings with all Papatipu Rūnaka/ Rūnanga (or their representatives) during the year
Mana whenua are satisfied with participation in Council projects and processes	New measure	Baseline target to be established - based off annual feedback from the Mana to Mana forum	Target to be determined	Target to be determined	Target to be determined

LoS: Represent the diverse views and interest of the region in a fair and equitable way through engagement, communication and partnership.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Increase opportunities for engagement with diverse groups across Otago to lift awareness and understanding of the work of the regional council and seek feedback on performance	New measure	create and implement engagement plan and establish engagement data	maintain or increase numbers	maintain or increase numbers	maintain or increase numbers

LoS: Provide relevant, timely and accessible communication activities which enable the community to understand and participate in ORC's programmes and decision making.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Biannual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC	2022-2023: Achieved	Report against the action plan to Council by March 2025	Survey and action plan completed March 2026	Report against the action plan to Council by March 2027	Survey and action plan completed by March 2028
Customers express high levels of satisfaction with customer service provision.	2022-2023: Achieved	Develop Customer Policy to determine satisfaction levels	Meet or exceed satisfaction targets	Meet or exceed satisfaction targets	Meet or exceed satisfaction targets

Regional Planning

What we do and why

This activity sets strategic direction on Otago's natural resources through a resource planning framework and programme that guides how people interact with the environment. In this framework the Regional Policy Statement (RPS) sits over the various regional plans including water, land, air, and the coast. They set out objectives, policies and rules for sustainably using natural and physical resources in Otago.

Other strategies and plans are also needed to support regulation, on-ground action, and community capacity building. Strategic direction and collaboration on important regional issues, such as climate change and community wellbeing, help support better outcomes for Otago communities.

Another important component of this activity is working with Otago's city and district councils on resource management and urban development. An integrative approach is sought via liaison with other ORC functions, such as engineering, hazards management, and transport planning.

The key programmes that make up this activity are:

- Regional Planning Programme [including the RPS]
- Urban Development
- Response to Policy Issues
- Strategy [non Resource Management Act]

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Implement Regional Planning Programme
	Work with Otago's other councils to implement the RPS
	Respond to national legislative processes to advocate for Otago
	Development, monitoring and review of the Regional Climate Change Strategy
	Regional Greenhouse Gas Inventory (biannually); Report on Wellbeing Indicators (annually); Report on regional climate change collaboration (annually)
New or revised work [change]	Reviewing Air Plan to notify proposed Plan by 30 June 2025 [additional FTE]
	Jointly delivering National Policy Statement (NPS) Urban Development statutory requirements with Tier 2 district councils – via Future Development Strategies. Additional LTP funding.
	Review of the Otago Climate Change Risk Assessment and dissemination of information (FYE27)
	Lead the implementation of initiatives identified in the Climate Change Strategy
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Support Otago's councils and communities to manage environmentally sustainable urban growth

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Support integrated and well managed urban growth across Otago	To check	Joint Queenstown Future Development Strategy completed by 30 June 2025	No target	Review of joint Dunedin Future Development Strategy completed by 30 June 2027. Review of joint Queenstown Future Development Strategy completed by 30 June 2027.	No target
Support integrated and well managed urban growth across Otago	to check:	Consultation on maps of highly productive land completed by 31 December 2024.	RPS Change to insert maps of highly productive land ready for notification by 12 September 2025. Hearing Panel for RPS Change appointed by 30 June 2026.	No target	No target

LoS: Lead a regional approach to biodiversity management in collaboration with mana whenua, local councils, and other stakeholders

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Develop a Regional Biodiversity Strategy and implement ORC actions	New measure	Draft Regional Biodiversity Strategy is made available for public consultation by 30 June 2025	Regional Biodiversity Strategy is adopted by 30 June 2026	ORC actions from the Regional Biodiversity Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually	ORC actions from the Regional Biodiversity Strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every 3 years

LoS: Lead a regional approach to climate change in collaboration with mana whenua, local councils, and other stakeholders

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Develop a Regional Climate Change Strategy and implement ORC actions	New measure	ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually	ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually	ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually	ORC actions from the Regional Climate Change Strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every 3 years

LoS: Lead a regional approach to air quality improvement in collaboration with mana whenua, local councils, and other stakeholders

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Develop a Regional Air Quality Strategy and implement ORC actions	New measure	Draft Regional Air Quality Strategy is made available for public consultation along with the revised Air Plan by 30 June 2025	Regional Air Quality Strategy is adopted by 30 June 2026	ORC actions from the Regional Air Quality Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually	ORC actions from the Regional Air Quality Strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every 3 years

Regulatory

What we do and why

The key programmes that make up this activity are:

- Consent Processing
- Compliance Monitoring
- Incident Response, Investigation and Enforcement
- Harbours and Waterway Management

These programmes ensure the ORC can fulfil its role as a regulatory authority supporting the sustainable management of water, land, air and the coast. We process resource consents, develop rules for how natural resources are used and managed, monitoring them and ensuring the rules are applied. We investigate activities that don't comply, providing services to ensure activities in Otago are consistent with both national and regional rules in the Resource Management Act.

As well as undertaking consent processing, ORC has an educational and awareness-raising role, collaborating with Otago communities on campaigns to increase knowledge and understanding of environmental matters.

We are also responsible for maritime activity and navigational safety on lakes, rivers and harbours and for the regulation of ports under the Maritime Transport Act. In Queenstown and Wānaka, navigational safety is delegated to the Queenstown Lakes District Council. This work has a mix of achieving environmental (e.g. oil spill response) and 'people safety' (e.g. navigation) outcomes.

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Consent processing [cost recoverable] - Processing consents under regional plans and national regulations is a mandatory activity with mandatory timeframes.
	Implementation of national regulations and regional plans - Implementation and providing regional context to national regulation and standards is a discretionary with discretionary timeframes
	Consent fund - Providing consent processing costs to community and catchment groups for environmental enhancement projects is a discretionary activity with discretionary levels of service and timeframes.
	Incident response - Maintaining a 24/7 pollution hotline response to environmental complaints Supporting behaviour change and compliance education activities
	Investigations and enforcement - Investigating environmental incidents ; Taking appropriate enforcement action and legal proceedings; Investigating dam construction breaches
	Compliance monitoring - Undertaking audits and compliance inspections for NES-CF forestry and dairy activities; undertaking appropriate follow-ups to ensure compliance with conditions
New or revised work [change]	<p>Reduce response times for following service supporting the above mandatory activities.</p> <ul style="list-style-type: none"> • Supporting regulatory implementation and understanding of the process, rules and promoting the best environmental outcomes

	<ul style="list-style-type: none"> • Business improvement and administrative initiatives • Responding to customer enquiries on phone, email, in person and attending site meetings
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide effective, efficient and customer centric consenting processes under the Resource Management Act (RMA) 1991 to enable the lawful use of natural and physical resources.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Percentage of resource consents application processed within Resource Management Act 1991 legislative timeframes	2022-2023: Achieved	≥ 98%	≥ 98%	≥ 98%	≥ 98%
Percentage of public inquiries for consent information responded to within 10 working days.	2022-2023: Achieved	Maintain or increase Note: Year 1 establishes a measurement baseline	Target to be determined	Target to be determined	Target to be determined

LoS: Provide effective and efficient compliance monitoring, investigations and enforcement services and take appropriate actions to ensure the lawful use of natural and physical resources.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets.	2022-2023: Achieved	≥90%	≥90%	≥90%	≥90%
Percentage of programmed inspection/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets.	2022-2023: Achieved	≥90%	≥90%	≥90%	≥90%
Percentage of significant non-compliance incidents identified where action is taken in accordance with Compliance policy	2022-2023: Achieved	100%	100%	100%	100%

LoS: Provide effective and efficient environmental response services to pollution incidents or notifications of non-compliant activities

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Maintain 24-hour/7 day a week response for environmental incidents.	2022-2023: Achieved	Pollution hotline staff available/ on call 24/7	Pollution hotline staff available/ on call 24/7	Pollution hotline staff available/ on call 24/7	Pollution hotline staff available/ on call 24/7
Maintain 20 appropriately trained responders for maritime oil pollution incidents.	2022-2023: Achieved	20 responders attend 3 exercises per year	20 responders attend 3 exercises per year	20 responders attend 3 exercises per year	20 responders attend 3 exercises per year

LoS: Develop and maintain robust regulations and procedures to enable safe use and navigation of our region's ports, harbours, coastal areas and inland waterways.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Maintain compliance with Port and Harbour Marine Safety Code.	2022-2023: Achieved	External review is completed and deemed to be code consistent	Annual self review is completed by ORC and POL and signed off by the Chief Executives	Annual self review is completed by ORC and POL and signed off by the Chief Executives	Annual self review is completed by ORC and POL and signed off by the Chief Executives

LoS: Promote and encourage safe use of ports, harbours, coastal areas and inland waterways and take appropriate action in response to non-compliance and incidents

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
The safety campaign for recreational 'boaters' is delivered	2022-2023: Achieved	80% achieved Note: [80-100% = fully achieved] [70-79% - partially achieved] [< 70% = not achieved]	80% achieved Note: [80-100% = fully achieved] [70-79% - partially achieved] [< 70% = not achieved]	80% achieved Note: [80-100% = fully achieved] [70-79% - partially achieved] [< 70% = not achieved]	80% achieved Note: [80-100% = fully achieved] [70-79% - partially achieved] [< 70% = not achieved]

Funding Impact Statement - Regional Leadership Group

Annual
Plan

2023/24 \$000s 2024/25 2025/26 2026/27 2027/28 2028/29 2029/30 2030/31 2031/32 2032/33 2033/34

Sources of Operating Funding

20,064	General rates, uniform annual general charge, rates penalties	23,710	26,107	26,355	27,299	27,896	28,694	28,807	29,607	30,476	30,609
210	Targeted rates	1,075	1,199	1,236	1,435	1,461	1,545	1,576	1,608	1,647	1,675
225	Subsidies and grants for operating purposes	225	75	75	75	75	75	75	75	75	75
4,971	Fees and charges	3,942	4,314	4,503	4,654	4,801	4,963	5,109	5,263	5,423	5,590
0	Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
260	Local authorities fuel tax, fines, infringement fees and other receipts	260	260	260	260	260	260	260	260	260	260
25,731	Total Sources of Operating Funding (A)	29,212	31,956	32,428	33,722	34,492	35,537	35,828	36,813	37,881	38,209

Applications of Operating Funding

17,839	Payments to staff and suppliers	22,318	24,000	23,529	24,540	25,735	25,986	26,151	27,576	27,861	27,980
0	Finance costs	0	0	0	0	0	0	0	0	0	0
7,908	Internal charges and overheads applied	6,631	8,135	8,577	8,915	9,051	9,279	9,387	9,540	9,713	9,922
5	Other operating funding applications	5	5	5	5	5	6	6	6	6	6
25,752	Total Applications of Operating Funding (B)	28,953	32,140	32,111	33,460	34,791	35,271	35,544	37,122	37,580	37,908

Surplus (deficit) of operating funding (A - B)

(21)		259	(185)	317	262	(299)	267	284	(309)	302	301
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Sources of Capital Funding

0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0	Total Sources of Capital Funding (C)	0	0	0	0	0	0	0	0	0	0

Applications of Capital Funding

0	Capital Expenditure - To meet additional demand	0	0	0	0	0	0	0	0	0	0
0	Capital Expenditure - To improve level of service	347	54	32	26	26	27	27	28	28	29

Capital Expenditure - 10											
21 replace existing assets	38	29	30	30	31	32	32	33	34	34	
Increase / (Decrease) in											
(42) reserves	(127)	(268)	255	206	(356)	208	225	(370)	259	238	Part 3 - What We Will Deliver
Increase / (Decrease) in											
0 investments	0	0	0	0	0	0	0	0	0	0	
Total Applications of											
(21) Capital Funding (D)	259	(185)	317	262	(299)	267	284	(309)	302	301	
Surplus / (Deficit) of											
21 Capital Funding (C - D)	(259)	185	(317)	(262)	299	(267)	(284)	309	(302)	(301)	
Funding Balance ((A - B)											
0 + (C - D))	0	0	0	0	0	0	0	0	0	0	

ENVIRONMENT

McLean Falls, Catlins

The activity under 'Environment' is diverse but shares the common theme of seeking to either improve or preserve Otago's natural resources. It encompasses both the completion and implementation of plans relating to Otago's natural environment [e.g. Land and Water Regional Plan, Regional Pest Plan, Biodiversity Strategy].

In the LTP 2021-31 the scale of expenditure and work for the implementation component increased materially. The LTP 2024-34 reflected on ORC's rapidly growing understanding of implementation including; partnering and collaboration, community aspirations, and approaches to achieve desired results. The following three activities underpin 'Environment':

Land and Water

This activity provides the Land and Water Regional Plan (LWRP) and a range of implementation work to conserve soils, improve the quality and/or use (i.e. underground, rivers, lakes). The Council leads the communities and land owners on 'water body' remediation projects, advisory and engagement support across catchments, and funding support to catchment groups. Extensive science and monitoring work is completed to support the above work. Understanding Otago's natural water resource to inform both planning and implementation work is critical.

Biodiversity and Biosecurity

This activity delivers two different but related workstreams where Biodiversity focuses on preserving ecosystems that support indigenous flora and fauna, while Biosecurity seeks to eliminate or manage plant and animal pests.

It provides both planning [i.e. Biodiversity Action Plan: Te Mahi hei Tiaki i te Koiora (2019-2024; Otago Otago Regional Pest Management Plan and Operational Plan) and implementation work (e.g. Biosecurity work programme; support and funding to partnering groups/organisations for work to maintain and enhance Otago biodiversity).

The Biodiversity worksteam also includes a science based monitoring programme and a catchment planning and advisory work programme. The later takes an 'ecosystem' perspective and integrates across all 'Environment' activity.

Air

This activity provides the Air Regional Plan (ARP) a science-based monitoring programme.

Strategic Directions and Aspirations

This activity is influenced by the focus areas defined by our Strategic Directions 2024-2034, in particular the 'Environment' focus area.



Environment

Otago has a healthy environment ki uta ki tai (from mountains to the sea), including thriving ecosystems and communities, as well as flourishing biodiversity.

Otago's environment is facing challenges around water quality and availability, soil and air quality, soil erosion and run-off, biodiversity loss, biosecurity threats and impacts on the coastal environment. We recognise the need to protect our diverse environments and that the wellbeing of our communities - including mana whenua - is dependent on strong connections with the natural environment. A healthy environment is also important for our economy. We need to protect, manage and use our natural resources in a planned and considered way with future generations always in mind.

Our Role as a Regional Council includes:

- leading environmental management across the region to ensure we are passing on a healthy environment to future generations.
- Developing and implementing policies and legislation that focus on managing the effects of using freshwater, land, air and coastal water.
- Providing regulatory activities that protect Otago's environment and communities.
- Collecting, analysing and reporting on a range of environmental data, and making that data publicly accessible.
- Enabling healthy biodiversity through collaboration with landowners, communities and industry.
- Assisting our region's district councils and City Council to achieve well-functioning urban environments.
- Providing advocacy, education and collaboration to support improved environmental management.

Group Revenue and Expenditure (10 yrs) - Environmental

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24	\$000s										
20,293	Land & Water	20,951	22,776	23,751	24,330	24,917	25,088	25,295	25,700	26,168	26,781
10,531	Biodiversity & Biosecurity	9,278	11,143	12,115	12,613	14,273	13,082	13,366	13,653	13,948	14,244
968	Air	1,545	1,969	1,994	2,052	2,112	2,181	2,245	2,311	2,396	2,451
	31,791 Expenditure	31,774	35,888	37,860	38,995	41,302	40,351	40,906	41,664	42,512	43,476
19,455	General Rates	17,302	18,713	20,067	20,637	21,297	21,849	22,324	22,719	23,191	23,781
6,320	Targeted Rates	10,717	13,281	14,338	14,827	16,397	14,816	14,822	15,110	15,409	15,708
0	Fees & Charges	0	0	0	0	0	0	0	0	0	0
3,841	Grants	2,889	2,836	2,376	2,428	2,481	2,534	2,586	2,637	2,690	2,741
(749)	Other Income	(780)	(955)	(974)	(996)	(1,018)	(1,039)	(1,061)	(1,082)	(1,104)	(1,125)
2,176	Reserves	865	1,058	1,079	1,103	1,127	1,151	1,175	1,198	1,222	1,245
	31,042 Revenue	30,994	34,932	36,886	37,999	40,284	39,312	39,846	40,582	41,409	42,352

Land and Water

What we do

Our role involves working with Otago communities to manage activities that have an impact on health and well-being of water bodies and freshwater ecosystems. To do this well, we need robust, integrated and consistent regional plans and strategies. We have drafted a new Land and Water Plan (LWRP), with mana whenua Kāi Tahu. The Plan will give comprehensive direction for managing land and water resources in the region. The Plan replaces an outdated Otago Regional Council planning framework that is no longer fit for purpose. We are on track for the draft LWRP to be publicly notified by 30 June 2024, followed by a public submission and hearings process.

We also assess water quality and quantity through our network of monitoring sites across the region, and this data informs planning and future decision making. Our water monitoring and science programmes have expanded to include monitoring estuaries, the coast, groundwater, biomonitoring, land-use and soil monitoring.

We collaborate with communities to protect Otago's water and land resources through education, engagement and action. Our implementation programme includes education and support for landowners and catchment groups, as well as involvement in community-led projects and remediation works.

The key programmes which make up this activity are:

- Land and Water Planning
- Land and Water Implementation
- Land and Water Science and Monitoring

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Land and Water Regional Plan – At the point of preparing the draft LTP the work programme reflected the agreement under the previous government being; a hearing on proposed Land and Water Regional Plan in 2024/25 and 2025/26; Responding to any appeals on Land and Water Regional Plan in 2026/27; Plan Changes notified by June 2028.
	Review of Coast Plan - Reviewing Coast Plan to notify proposed Plan by 30 June 2028
New or revised work [change]	Freshwater Implementation - Priority project delivery; identification and support for communities to improve water quality; support for best practice land use and regulatory change [increased funding]
	Science and monitoring: Land and Water - Annual and SoE Land and Water monitoring and reporting (Annual and ongoing); Bespoke studies (ongoing); Water Quality Monitoring Network Review (Y1); Water Allocation Reviews;

Why we do it

Protecting our high quality freshwater and improving degraded freshwater is a key community concern in the region. Although some parts of the region, such as the lakes, river and stream reaches located at high elevations, typically have good or excellent water quality, other parts, such as urban or more intensively farmed catchments, often have poorer water quality. Specific catchments or Freshwater Management Units will have distinctive characteristics that create unique challenges that require different solutions to improve water quality that is degraded. Additionally there is pressure on water allocation in some drier inland parts of the region.

ORC has a key role to play to ensure Otago's land, water and coast support healthy ecosystems, and a community well-being:

- ORC has powers to control the use of water, land and the coast under the Resource Management Act 1991.
- ORC must engage with the region's communities to define visions and objectives for the region's freshwater bodies, and develop regulatory methods and non-regulatory responses to achieve these visions and objectives (National Policy Statement for Freshwater 2020)
- It has the technical expertise and knowledge to advise on the region's environmental health, issues and risks, and to monitor water resources.

Importantly, water also plays a significant role in Kāi Tahu spiritual beliefs and cultural traditions. When the natural environment is strong and healthy, the people are strong and healthy and so too is their mana.

	Highly Allocated Catchment Assessments; Threatened species mapping (Y1 onwards); Scroll Plain Management Plan Development (Y1); Wetland Delineation and Mapping (ongoing); Scientific Advice and Support for Catchment Management Planning and environmental projects (ongoing); Hazardous Activities and Industries List (HAIL) Mapping and Analysis (Y3 onwards).
	Science and monitoring: Enhanced Science Programme Transparency - Publish science programme framework (Y2); Review and Enhance Science Programme; Citizen Science Strategy (Y2) and implementation (Y3); Science Communication Work Plan (Y1)
Key Projects [one off]	Science and monitoring: Biodiversity - Develop an implement a regional indigenous biodiversity ecosystem monitoring programme consistent with the NPS-IB (underway and ongoing)
	Science and monitoring: Ambient Air Quality – installation of monitoring sites/assets

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Implement environmental monitoring programmes, across the region which provide accurate, relevant and timely information to decision makers and the Otago public.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Report the results of environmental monitoring for freshwater water, land use, estuarine, and regional coastal environments	2022-2023: Achieved	Annual report for each of the 4 environments to Council prior to 30 June 2025 [4 reports = fully achieved] [3 reports -partially achieved] [< 3 = not achieved]	Annual report for each of the 4 environments to Council prior to 30 June 2026 [4 reports = fully achieved] [3 reports -partially achieved] [< 3 = not achieved]	Annual report for each of the 4 environments to Council prior to 30 June 2027 [4 reports = fully achieved] [3 reports -partially achieved] [< 3 = not achieved]	Annual report for each of the 4 environments to Council prior to 30 June 2028 [4 reports = fully achieved] [3 reports -partially achieved] [< 3 = not achieved]

Los: Provide a robust and integrated environmental planning framework for Otago's land, water and coast resources.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Complete the Land and Water Regional Plan (LWRP)	to check	Freshwater Hearing Panel nominations and required documents submitted to Chief Freshwater Commissioner by 31 December 2024. Assumption: notification 2024 FY	No target Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2025	Proposed LWRP ready for council decisions by 30 June 2026	No target

Complete a review of the Regional Plan Coast	to check	No target	Issues and options papers developed and reported to Council by 30 June 2026	No target	Council approves Coast Plan for notification by 30 June 2028
Initiate Plan Changes to the Land and Water Regional Plan	New measure	No target	No target	New target TBC <i>Assumption: notification 2024 FY</i>	New target TBC

LoS: Promote and enable best practice land management for soil conservation, water quality preservation and the efficient use of water.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
ORC led and community/landowner supported workshops and events are delivered which promote best practice land management for soil conservation, water quality and/or the efficient use of water.	2022-2023: Achieved	At least 12 ORC led workshops or events are delivered annually	At least 12 ORC led workshops or events are delivered annually	At least 12 ORC led workshops or events are delivered annually	At least 12 ORC led workshops or events are delivered annually

LoS: Partner with iwi and collaborate with communities and landowners to develop and implement projects which enhance water quality and indigenous biodiversity in selected degraded waterbodies.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Site specific projects are developed for selected degraded waterbodies.	2022-2023: Achieved	New projects and associated milestones are developed and reported to Council	New projects and associated milestones are developed and reported to Council	New projects and associated milestones are developed and reported to Council	New projects and associated milestones are developed and reported to Council
Site specific projects are developed for selected degraded waterbodies.	2022-2023: Achieved	Project actions have been progressed as scheduled <i>Note: [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]</i>	Project actions have been progressed as scheduled <i>Note: [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]</i>	Project actions have been progressed as scheduled <i>Note: [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]</i>	Project actions have been progressed as scheduled <i>Note: [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]</i>

LoS: Develop and maintain an integrated catchment management programme that aligns with national directions and enables sustainable environmental management.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Catchment Action Plans (CAPs) give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community.	to check	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2025	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2026	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2027	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2028

Biodiversity and biosecurity

What we do

Biodiversity

The ORC's Biodiversity Action Plan: Te Mahi hei Tiaki i te Koiora (2019-2024) sets out a framework and work programme to maintain and enhance biodiversity in Otago. This programme centres on five components:

- Increase active management for the protection and improvement of indigenous biodiversity
- Engage in regional and national collaborations
- Better information and sharing for improved biodiversity management
- Provide advice and support for good management practices for indigenous biodiversity
- Strengthen biodiversity outcomes through regulatory plans

Our biodiversity work programme supports these components via:

- Contestable funding from council to community groups for actions they determine and lead
- Collaboration and partnership
 - Support to community groups and partners for joint projects
 - Project delivery - support and advice to joint projects with partners and community
 - Administration and support associated with grant funding
 - QE II covenant incentive and partnership funding
 - OSPRI transition initiatives
- Technical advice and management
 - management plans for high biodiversity sites
 - Education material
 - Catchment and operational planning (to implement strategy)
- Science based monitoring

Biosecurity

Our Regional Pest Management Plan 2019-2029 (RPMP) sets out the framework for how pest plants and animals will be managed in Otago. It is supported by our Biosecurity Strategy 2019 that looks at how we will work with organisations and communities to achieve the goals set out in the RPMP.

Our biosecurity work supports the control of prolific pests, such as feral rabbits. We do this by educating our communities, facilitating compliance and through funding projects. Council also plays a lead role in facilitating government funding and overseeing projects such as wilding conifer removal and wallaby eradication.

The key programmes which make up this activity are:

- Biodiversity Implementation
- Biodiversity Monitoring
- Catchment Planning and Advice
- Biosecurity (Pest Management)

Why we do it

At a national level, the 2020 Te mana o te Taiaeo, National Indigenous Biodiversity strategy, articulated the urgency of addressing biodiversity decline in New Zealand and the National Policy Statement on Indigenous Biodiversity 2023 identified a key role for regional government in leading collaboration and coordinating efforts.

Under the Biosecurity Act 1993, Otago's Regional Pest Management Plan (RPMP) identifies 51 species to be managed by land occupiers, with oversight from us.

There are many agencies and stakeholders across different land tenures involved in and/or with an interest in biodiversity in Otago. ORC is the only agency with a remit across all of Otago to promote biodiversity protection and enhancement. It has a key role in facilitating regional collaboration, including both developing a monitoring approach and seeking to partner in projects and initiatives.

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Biosecurity – Delivery of the Regional Pest Management Plan (RPMP); review of the RPMP; surveillance of biosecurity issues and threats; development and implementation of Marine Biosecurity programme; community programmes support and delivery. National programme delivery.
	Biodiversity – EcoFund Applications and administration; Partnership/Incentive Funding QEII; OSPRI transition; Education materials; High biodiversity site Management plans; mana whenua engagement.
New or revised work [change]	Biosecurity programme – modest additional funding and FTE in Yr2
	Science and monitoring: Biodiversity - Publish regional threat status reports (2-4 reports per annum); Advise review of Biodiversity Strategy consistent with the NPS-IB (Y1); Advise and support plan review consistent with the NPS-IB (Y2 onwards).
	Scaled Environmental Funding Support – Key Consultation Proposal
Key Projects [one off]	Joint stakeholder and partner project delivery
	Biodiversity Strategy (Year 2)

Consultation Proposal : Environmental funding

We are consulting on a proposal to provide community groups and other organisations with funding to deliver large scale environmental projects. This will help us support protecting and restoring the environment for the benefit of current and future generations by enabling community led environmental work. Large scale environmental projects include projects that deliver environmental benefits across multiple environmental domains, and protect and restore threatened ecosystems, catchments and landscapes. Funding large scale environmental projects will raise awareness, encourage and empower the community to participate in environmental initiatives across the region. Funding is also required to maintain the gains made through projects previously funded by ORC or central government.

The Council's preferred option is to establish a dedicated fund to support large-scale environmental projects, with a minimum of \$500,000 in funding to be available in 2025-26. This will provide additional funding to increase the types of projects Otago Regional Council supports, sustain and extend the environmental and community benefits that have been achieved with Investment to date.

The Council's preferred options is for this to be funded by a new targeted district rate. This would enable funding to be allocated to districts from which it was collected. It also enables a greater level of funding for those districts who indicate a willingness to invest more through their targeted rate.

We also seek feedback on the best mechanism to fund community groups and other organisations to deliver large scale environmental projects. For instance, whether we should use the existing ECO Fund or create a new contestable fund. A new fund may also present the opportunity for other groups, such as community groups, businesses and philanthropists, to make contributions into the fund in order to accelerate environmental projects.

We considered:

- Different funding levels, including no additional funding, \$500,000 per annum, \$1 million, and \$2 million per annum.

- Whether increased investment should commence in Year 1, 2 or 3 of the LTP. We propose commencing increased investment in Year 2 because it will take some time to develop the funding process.
- Whether new environmental funding should be funded through general rates or a targeted district rate. We propose a targeted rate whereby funding is allocated back to the district where it was collected as outlined above.

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Implement an indigenous biodiversity monitoring programme across the region which provides accurate, relevant and timely information to decision makers and the Otago public.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Report the results of environmental monitoring for regional indigenous biodiversity ecosystems	2022-2023: Achieved	Annual report completed prior to 30 June 2025 <i>Note: at the time of Council reporting underlying data capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	Annual report on monitoring programme completed and reported to Council <i>Note: at the time of Council reporting underlying data capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	Annual report on monitoring programme completed and reported to Council <i>Note: at the time of Council reporting underlying data capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	Annual report on monitoring programme completed and reported to Council <i>Note: at the time of Council reporting underlying data capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>

Los: Collaborate with iwi, DOC and other key organisations through leading the Otago Biodiversity Forum and develop, coordinate and deliver a programme of actions to enhance indigenous biodiversity

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Biodiversity Forum based joint projects to enhance indigenous biodiversity are developed.	New measure	New projects and associated milestones are developed and reported to Council and forum partners	New projects and associated milestones are developed and reported to Council and forum partners	New projects and associated milestones are developed and reported to Council and forum partners	New projects and associated milestones are developed and reported to Council and forum partners
Joint projects are implemented against milestones	New measure	Project actions have been progressed as scheduled [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Project actions have been progressed as scheduled [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Project actions have been progressed as scheduled [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Project actions have been progressed as scheduled [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]

LoS: Provide support and funding to selected initiatives and organisations across the region which deliver environmental outcomes that align with our strategic objectives.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
A report to Council shows the alignment between the organisations, initiatives and their deliverables, and, Councils strategic biodiversity strategic objectives.	New measure	Where endorsed by Council funding is provided to initiatives and organisations [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Where endorsed by Council funding is provided to initiatives and organisations [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Where endorsed by Council funding is provided to initiatives and organisations [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]	Where endorsed by Council funding is provided to initiatives and organisations [80-100% = achieved] [70-79% - partially achieved] [< 70% = not achieved]

LoS: Develop and deliver practices and programmes that give effect to the Regional Pest Management Plan.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Actions within the Biosecurity Operational Plan (BOP) are progressed.	to check	90% of actions progressed within time frames specified 100% of targets for priority pests are delivered	90% of actions progressed within time frames specified 100% of targets for priority pests are delivered	90% of actions progressed within time frames specified 100% of targets for priority pests are delivered	90% of actions progressed within time frames specified 100% of targets for priority pests are delivered

LoS: Ensure that where ORC receives external funding for Biosecurity programmes (such as Wilding Conifers, Wallabies and Check, Clean Dry) are delivered as per the agreement.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Externally funded biosecurity projects/programmes are implemented as per their agreements.	2022-2023: Achieved	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.

LoS: Ensure that where ORC receives external funding for Freshwater programmes (such as Essential Freshwater Hill Country Erosion Funding) are delivered as per the agreement.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Externally funded freshwater projects/programmes are delivered as per their agreements	2022-2023: Achieved	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.	90% of deliverables in the agreements with Central Government are progressing as scheduled.

Air

What we do and why

Good air quality is necessary for health and well-being. We are responsible for making sure our region complies with the government's National Environmental Standard for Air Quality 2004 and, under the Resource Management Act 1991, for controlling the discharge of contaminants into the air.

Meeting air quality standards is especially challenging in areas with extremely cold winter weather and temperature inversions. Otago's air quality often degrades during winter when domestic heating emissions increase with cold and calm weather and inversion layers occur.

We monitor air quality at sites across Otago, including Milton, Mosgiel, Dunedin, Alexandra, Clyde, Cromwell and Arrowtown. These sites measure the concentration of particles in the air and capture a mixture of pollutants.

The key programme which makes up this activity is:

- Regional Plan: Air
- Air Monitoring

Key works from year 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	See Regional Planning Activity – development a Regional Plan Air; Air Quality Strategy [yr2] Science and monitoring: Ambient Air Quality - Annual and SoE air quality monitoring and reporting (Annual and ongoing); Bespoke studies (ongoing); Advise Air Plan Review and Implementation (ongoing). Additional funding and FTE.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Monitor Otago's air quality and make accurate, relevant and timely information publicly available.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Implement regional air monitoring programme.	2022-2023: Achieved	Annual report on monitoring programme completed and reported to Council	Annual report on monitoring programme completed and reported to Council	Annual report on monitoring programme completed and reported to Council	Annual report on monitoring programme completed and reported to Council
Report the results of environmental monitoring for Air	New measure	Annual report for Air monitoring for previous financial year reported to Council by 30 Sept 2024 <i>Note: at the time of Council reporting underlying data</i>	Annual report for Air monitoring for previous financial year reported to Council by 30 Sept 2025 <i>Note: at the time of Council reporting underlying data</i>	Annual report for Air monitoring for previous financial year reported to Council by 30 Sept 2026 <i>Note: at the time of Council reporting underlying data</i>	Annual report for Air monitoring for previous financial year reported to Council by 30 Sept 2027 <i>Note: at the time of Council reporting underlying data</i>

	<i>capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	<i>capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	<i>capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>	<i>capture; 95-100% = fully achieved; 85 - 95% =partial ; <85 = not achieved]</i>
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Los: Provide a robust and integrated environmental planning framework for Otago’s air resource.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Complete the review of the Regional Plan - Air	to check	Council approves Regional Plan Air for notification by 30 June 2025.	Hearing Panel for Regional Plans Air appointed by 31 December 2026.	Proposed Regional Plan Air ready for Council decisions by 30 June 2027.	No target

Funding Impact Statement - Environmental Group

Annual Plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24 \$000s										
Sources of Operating Funding										
19,455 General rates, uniform annual general charge, rates penalties	17,302	18,713	20,067	20,637	21,297	21,849	22,324	22,719	23,191	23,781
6,320 Targeted rates	10,717	13,281	14,338	14,827	16,397	14,816	14,822	15,110	15,409	15,708
3,841 Subsidies and grants for operating purposes	2,889	2,836	2,376	2,428	2,481	2,534	2,586	2,637	2,690	2,741
0 Fees and charges	0	0	0	0	0	0	0	0	0	0
0 Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
29,616 Total Sources of Operating Funding (A)	30,909	34,830	36,781	37,892	40,175	39,200	39,731	40,466	41,290	42,231
Applications of Operating Funding										
23,496 Payments to staff and suppliers	25,270	27,979	29,483	30,374	32,444	31,421	31,776	32,305	32,963	33,602
0 Finance costs	0	0	0	0	0	0	0	0	0	0
7,107 Internal charges and overheads applied	5,332	6,503	6,879	7,069	7,220	7,190	7,282	7,405	7,543	7,706
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
30,602 Total Applications of Operating Funding (B)	30,602	34,481	36,362	37,443	39,664	38,611	39,058	39,710	40,506	41,308
(986) Surplus (deficit) of operating funding (A - B)	306	348	419	448	511	589	674	756	784	923
Sources of Capital Funding										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0 Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0 Total Sources of Capital Funding (C)	0	0	0	0	0	0	0	0	0	0
Applications of Capital Funding										
0 Capital Expenditure - To meet additional demand	0	0	0	0	0	0	0	0	0	0
325 Capital Expenditure - To improve level of service	355	519	529	541	553	564	576	588	599	611

Capital Expenditure - To											
424 replace existing assets	425	436	445	455	465	475	485	494	504	514	
Increase / (Decrease) in											
Part 3 - What We Will Deliver (1,735) reserves	(474)	(607)	(555)	(547)	(507)	(450)	(387)	(326)	(319)	(202)	
Increase / (Decrease) in											
0 investments	0	0	0	0	0	0	0	0	0	0	
Total Applications of											
(986) Capital Funding (D)	306	348	419	448	511	589	674	756	784	923	
Surplus / (Deficit) of											
986 Capital Funding (C - D)	(306)	(348)	(419)	(448)	(511)	(589)	(674)	(756)	(784)	(923)	
Funding Balance ((A - B)											
0 + (C - D))	0	0	0	0	0	0	0	0	0	0	

RESILIENCE AND CLIMATE CHANGE

Bushy Beach, Ōamaru

The activity under 'Resilience and Climate Change' shares the common theme of managing serious risk to people and property. Integration of work within the activity is clear and present including:

- Our science and knowledge based work advising and supporting our 'on the ground' management of risk
- Our ownership, planning and management of infrastructure based flood protection services
- Our work to understand the implications of climate change and the implication for our Infrastructure Strategy [IS]. Climate Change has implications beyond our IS for the Otago and Council is working to better understand the broader issues, risks and challenges. This informs adaptation planning.
- Our preparedness for, in particular, natural risk events that embodies our understanding of the events, their potential severity, the nature impact and response.

The following activities underpin 'Resilience and Climate Change':

Natural Hazards and Climate Change Adaptation

This activity sets direction on the management of natural hazard risks in Otago. We support decision making to mitigate, or reduce the effects of natural hazards, climate change, and other risks.

Flood Protection, Drainage and River Management

This activity owns, operates and maintains flood protection and drainage schemes throughout Otago. It also provides river management including; the control of channel erosion, willow maintenance, vegetation control, removing obstructions, and repairing critical erosion works.

Emergency Management

This activity co-ordinates emergency events focusing on hazard reduction, readiness, response and recovery for emergency events. It works in partnership with council, emergency response organisations and other stakeholders of the Otago region.

Strategic Directions and Aspirations

Our Resilience and Climate Change work is influenced by the focus areas defined by our Strategic Directions 2024-2034, in particular the 'Resilience' and 'Climate Change' focus areas.



Resilience

Otago builds resilience in a way that contributes to community and environmental wellbeing through planned and well-managed responses to shocks and stresses, including natural hazards.



Climate

Otago is a climate-resilient region that plans for and invests in initiatives that reduce emissions and help us adapt to our changing climate.

Otago continues to be at risk from a broad range of natural hazards. These include geological, hydrological, meteorological and biological hazards. Of these, Otago is most likely to be affected by storms, floods, drought, wildfires, landslides, river erosion, coastal erosion (including effects of sea level rise), pandemic, earthquakes, and tsunamis. Resilience is defined as the capacity and ability to withstand or recover quickly from difficult conditions. In our context, resilience also includes planning for unexpected events and supporting the wellbeing of our communities in adverse times.

Group Revenue and Expenditure (10 yrs) - Resilience and Climate Change

Annual Plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
2023/24 \$000s											
Natural Hazards & Climate Change	3,607	3,740	3,630	4,722	4,645	4,590	4,555	3,820	4,012	4,079	4,168
Flood Protection, Drainage & River Management	13,108	22,438	26,490	25,580	24,057	24,703	23,588	23,004	24,380	23,219	23,750
Emergency Management	3,497	3,774	4,081	4,140	4,193	4,157	4,243	4,322	4,404	4,462	4,576
20,212 Expenditure	29,952	34,201	34,443	32,895	33,450	32,386	31,145	32,796	31,760	32,494	
General Rates	4,354	4,641	5,075	5,315	5,396	5,943	5,486	5,457	6,349	6,035	6,353
Targeted Rates	10,577	11,063	11,859	12,734	14,031	15,486	17,376	19,660	22,402	25,774	30,005
Fees & Charges	580	327	341	350	358	365	373	381	388	396	404
Grants	582	35	36	498	509	520	531	39	40	41	41
Other Income	(1,618)	(6,734)	(9,326)	(8,392)	(7,158)	(7,130)	(6,168)	(5,333)	(5,445)	(4,372)	(4,218)
Reserves	3,016	11,820	14,820	13,431	10,499	8,994	6,437	3,388	1,357	(2,786)	(6,647)
17,489 Revenue	21,152	22,805	23,937	23,635	24,179	24,036	23,591	25,091	25,088	25,937	

Natural Hazards and Climate Change

What we do and why

The key programmes within this activity are:

- Natural hazards
- Climate change adaptation
- Flood planning and forecasting

These work programmes combine to both set direction on the management of natural hazard risks in Otago and advice on managing related risk.

- We monitor and investigate natural hazards to inform our understanding of risk and opportunity relevant to community resilience.
- We communicate our understanding of risk and where appropriate options for managing it. This is to both, internally to Council and externally to a wide range of organisations, groups and affected communities.
- We are developing a comprehensive spatial approach to natural hazards to inform future priorities, at the same time as undertaking projects for the risks we already know about.
- We lead and collaborate on key projects to prepare and adapt to climate change.
- We support other activity, particularly Emergency Management and ORC Engineering Team, in understanding impacts and probability of flood events. This is provided in a planned way [e.g. potential scenarios] and in 'real time' via assessing actual events prior to and as they occur.

While there is legislation that directs ORC to address natural hazards risk and climate change as part of regional scale planning- our experience, knowledge and community tell us that we need to be active regarding the wide variety of substantive natural hazards present in the Otago Region. They impact on people, property, infrastructure and the wider environment so we should at least be aware. and ideally manage risk where practicable.

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	See Regional Planning Activity – Climate Change planning and leadership work
	Otago Natural Hazards Risk Assessment
	Flood Hazard Assessments (including Lindsay Creek, Alexandra, Middlemarch)
	Topographical data capture (LiDAR) [funding increase yr3 and yr6]
	Otago Natural Hazards Database
	Assist territorial authorities with natural hazards and risk information (e.g. District Plan reviews, plan changes)
	Natural Hazards Adaptation – Clutha Delta, Head of Lake Whakatipu, South Dunedin
	Roxburgh Natural Hazards management investigations
New or revised work [change]	See Regional Planning Activity – Climate Change work
	Natural hazards management and adaptation programmes based on Otago Natural Hazard Risk Assessment – Scoping Yrs 1-2 and programme start Yr3 with phased delivery over time.
	Harbourside Natural Hazards Management - Confirmed approach in year 1
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide information on natural hazards and risks, including the effects of climate change, so that communities and stakeholders can make informed decisions.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Natural hazards information is available via the web-based Otago Natural Hazards Database	2022-2023: Achieved	Database is accessible and up-to-date 100% of the time Partially achieved (80-100%) Not achieved (<80%)	Database is accessible and up-to-date 100% of the time Partially achieved (80-100%) Not achieved (<80%)	Database is accessible and up-to-date 100% of the time Partially achieved (80-100%) Not achieved (<80%)	Database is accessible and up-to-date 100% of the time Partially achieved (80-100%) Not achieved (<80%)
Percentage of flood warning that are issued in accordance with the flood warning manual.	2022-2023: Achieved	100% Partially achieved (80-100%) Not achieved (<80%)	100% Partially achieved (80-100%) Not achieved (<80%)	100% Partially achieved (80-100%) Not achieved (<80%)	100% Partially achieved (80-100%) Not achieved (<80%)

LoS: Collaborate with communities and stakeholders to develop and deliver natural hazards adaptation strategies

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Implement the findings of the regional natural hazards risk assessment and inform adaptation planning and implementation.	to check	Implementation and additional assessments of natural hazards and risks based on the findings of the Otago Natural Hazards Risk Assessment. Phased delivery Yr 1 to 10	Implementation and additional assessments of natural hazards and risks based on the findings of the Otago Natural Hazards Risk Assessment.	Implementation and additional assessments of natural hazards and risks based on the findings of the Otago Natural Hazards Risk Assessment.	Implementation and additional assessments of natural hazards and risks based on the findings of the Otago Natural Hazards Risk Assessment.
Implement prioritised* natural hazard risks adaptation works	to check	The first Head of Lake Wakatipu natural hazards adaptation strategy completed by 31 December 2024; Actions developed, implemented and reviewed, as per Head of Lake Wakatipu natural hazard adaptation strategy	Actions developed, implemented and reviewed, as per Head of Lake Wakatipu natural hazard adaptation strategy	Actions developed, implemented and reviewed, as per Head of Lake Wakatipu natural hazard adaptation strategy	Actions developed, implemented and reviewed, as per Head of Lake Wakatipu natural hazard adaptation strategy
Implement prioritised* natural hazard risks adaptation works	to check	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan
Implement prioritised* natural hazard risks adaptation works	to check	No target	The first Clutha Delta natural hazards adaptation strategy completed by 30 June 2026; Actions developed, implemented and reviewed, as per Head of Lake Wakatipu natural hazard adaptation strategy	Actions developed, implemented and reviewed, as per Clutha Delta natural hazards adaptation strategy	Actions developed, implemented and reviewed, as per Clutha Delta natural hazards adaptation strategy

Flood Protection, Drainage and River Management

What we do and why

The Council has a range of flood Protection and Drainage Schemes and River Schemes which make up this activity. They are:

Flood Protection and drainage	River Management
Alexandra flood protection	Designations and bylaws
Leith flood protection	Dunedin rivers and waterways
Lower Clutha flood and drainage	Clutha rivers and waterways
West Taieri drainage	Central Otago rivers and waterways
East Taieri drainage	Queenstown Lakes' rivers and waterways
Lower Taieri Flood Protection Scheme	Waitaki rivers and waterways
Tokomairiro drainage	Lower Waitaki river control scheme (Environment Canterbury)

The ORC owns and is responsible for operating and maintaining the above Otago schemes. The only exception is the Lower Waitaki River Control Scheme that we own but commission external management for parts of. So around 43,000ha of rural and urban land is serviced by infrastructure associated with these schemes. The schemes, associated infrastructure assets and more specific detail such as why we provide the service, the issues, service standards and work programmes are provided in our Infrastructure Strategy (IS).

Core functions include:

- Maintenance, renewal and development of infrastructure
- Investigation, development and renewal of amenity projects
- Operation of flood protection and drainage schemes during floods
- Bylaw processing and monitoring of technical compliance with bylaws
- River management including the control of channel erosion, willow maintenance, vegetation control, removing obstruction, and repairing critical erosion works
- Input to consent applications for gravel extraction with a focus on flood protection, river health

Key work for years 1 to 3

The work programme for this Activity is identified in the ORC Infrastructure Strategy (IS). during this LTP cycle, the detailed work programme is reviewed during the Annual Plan processes and the full IS work programme updated and reported.

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Protect communities, their livelihoods and infrastructure from the impacts of flood events

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Percentage of scheme maintenance programme: Major flood protection drainage and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents	2022-2023: Achieved	≥ 85% of planned maintenance programme completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of planned maintenance programme completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of planned maintenance programme completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of planned maintenance programme completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>
Percentage of scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	2022-2023: Achieved	≥ 85% of renewal programmes completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of renewal programmes completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of renewal programmes completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>	≥ 85% of renewal programmes completed <i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i>

LoS: Respond efficiently and effectively to community issues relating to rivers, schemes and flood events

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Respond within defined timelines for reported issues and to flood events in a timely manner	to check	Flood repair programme: Damage identified, prioritised and a repair programme is made available to affected communities within 3 months of the event/100% Reported issues that have been investigated and appropriate action determined and communicated to affected	Flood repair programme: Damage identified, prioritised and a repair programme is made available to affected communities within 3 months of the event/100% Reported issues that have been investigated and appropriate action determined and communicated to affected	Flood repair programme: Damage identified, prioritised and a repair programme is made available to affected communities within 3 months of the event/100% Reported issues that have been investigated and appropriate action determined and communicated to affected	Flood repair programme: Damage identified, prioritised and a repair programme is made available to affected communities within 3 months of the event/100% Reported issues that have been investigated and appropriate action determined and communicated to affected

	landholders within 20 working days	landholders within 20 working days	landholders within 20 working days	landholders within 20 working days
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LoS: Maintain channel capacity and stability, while balancing environmental outcomes and recognising mana whenua values in rivers.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Percentage of planned maintenance programme: Channel works are maintained, repaired, and renewed to the key standards defined in relevant planning documents	to check	<p>≥ 85% of planned maintenance programme completed</p> <p><i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i></p>	<p>≥ 85% of planned maintenance programme completed</p> <p><i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i></p>	<p>≥ 85% of planned maintenance programme completed</p> <p><i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i></p>	<p>≥ 85% of planned maintenance programme completed</p> <p><i>Note: < 80% not achieved; 80% - 85% partially achieved; ≥ 85% achieved</i></p>

Emergency Management

What we do and why

This activity is responsible for the co-ordination of hazard reduction, readiness, response and recovery for emergency events. It is provided in partnership with councils, emergency response organisations and other stakeholders of the Otago region.

The work of the Otago CDEM Group is administered and coordinated by the Otago Regional Council, while governance and operations are overseen by the Coordinating Executive Group (CEG) and the Otago CDEM Joint Committee.

This Committee has the statutory responsibility for civil defence emergency management in Otago. It is a statutory committee of Council under the Civil Defence Emergency Management Act 2002 (the Act) and the Local Government Act. Ultimately it is responsible for:

- Integrating and coordinating civil defence emergency management planning and activities
- Ensuring the response to and management of the adverse effects of emergencies within Otago
- Overseeing the coordination of the response and recovery activities across a range of agencies

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Lifelines- defines regional critical infrastructure risk and identifies priorities for resilient infrastructure investment
	Community Resilience - Clued Up Kids programme
	ORC ECC Training and Capability - ORC Staff are trained and capable
New or revised work [change]	Group Plan - Delivered, operable Group Plan (Year 1)
	Warning System - integrated within the ORC (CDEM / Flood Team) for critical messaging with stakeholders and the community (Year 1)
	Mana Whenua EM Facilitator - Marae and Mana Whenua networks that are resilient in the face of emergencies
Key Projects [one off]	Integrative projects with Hazards Activity - Flood Modelling, Tsunami modelling

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Support the Otago CDEM Group in improving the resilience of Otago to Civil Defence emergencies

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Support is provided to Emergency Management Otago to fulfil Otago CDEM Group requirements as defined in the CDEM Act and CDEM	2022-2023: Achieved	Fulfil all requirements as the administering	Fulfil all requirements as the administering authority and the	Fulfil all requirements as the administering authority and the Otago CDEM	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement

authority and the Otago CDEM Partnership Agreement

Otago CDEM Partnership Agreement

Partnership Agreement

LoS: Provide resources to coordinate a region-wide response to a Civil Defence emergency

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Provide a Regional Coordination Facility (ECC) capable of coordinating a region wide emergency.	2022-2023: Achieved	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.
		Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response.
Emergency Management Otago staff are available to respond 24/7 to a Civil Defence emergency.	2022-2023: Achieved	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to Civil Defence emergencies.

Funding Impact Statement - Resilience and Climate Change

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24	\$000s										
	Sources of Operating Funding										
4,354	General rates, uniform annual general charge, rates penalties	4,641	5,075	5,315	5,396	5,943	5,486	5,457	6,349	6,035	6,353
10,577	Targeted rates	11,063	11,859	12,734	14,031	15,486	17,376	19,660	22,402	25,774	30,005
582	Subsidies and grants for operating purposes	35	36	498	509	520	531	39	40	41	41
580	Fees and charges	327	341	350	358	365	373	381	388	396	404
0	Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
257	Local authorities fuel tax, fines, infringement fees and other receipts	256	256	256	256	256	256	256	256	256	256
16,349	Total Sources of Operating Funding (A)	16,322	17,567	19,153	20,549	22,570	24,022	25,792	29,435	32,501	37,058
	Applications of Operating Funding										
12,707	Payments to staff and suppliers	17,251	18,168	19,088	18,679	19,060	18,740	18,140	19,409	19,263	19,912
0	Finance costs	0	0	0	0	0	0	0	0	0	0
3,781	Internal charges and overheads applied	2,985	3,593	3,760	3,794	3,836	3,919	3,970	4,038	4,114	4,203
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
16,488	Total Applications of Operating Funding (B)	20,236	21,761	22,847	22,472	22,896	22,658	22,110	23,447	23,377	24,116
(139)	Surplus (deficit) of operating funding (A - B)	(3,914)	(4,194)	(3,694)	(1,923)	(326)	1,364	3,682	5,988	9,124	12,943
	Sources of Capital Funding										
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0	Total Sources of Capital Funding (C)	0	0	0	0	0	0	0	0	0	0
	Applications of Capital Funding										
0	Capital Expenditure - To meet additional demand	0	0	0	0	0	0	0	0	0	0
100	Capital Expenditure - To improve level of service	1,290	411	445	80	383	614	684	524	1,187	1,270
1,776	Capital Expenditure - To replace existing assets	5,700	9,171	8,202	7,334	7,002	5,809	4,904	5,177	3,441	3,204

	Increase / (Decrease) in (2,015) reserves	(10,904)	(13,776)	(12,342)	(9,337)	(7,711)	(5,060)	(1,907)	287	4,496	8,469
Part 3 - What We Will Deliver	Increase / (Decrease) in Investments	0	0	0	0	0	0	0	0	0	0
	Total Applications of (139) Capital Funding (D)	(3,914)	(4,194)	(3,694)	(1,923)	(326)	1,364	3,682	5,988	9,124	12,943
	Surplus / (Deficit) of Capital 139 Funding (C - D)	3,914	4,194	3,694	1,923	326	(1,364)	(3,682)	(5,988)	(9,124)	(12,943)
	Funding Balance ((A - B) + 0 (C - D))	0	0	0	0	0	0	0	0	0	0

TRANSPORT



The Council is responsible for Otago's Regional Land Transport Plan) and, Regional Passenger Transport Plan (RPTP) The Land Transport Plan outlines proposed transport network improvement for the next six years, and forms the basis of funding applications to the National Land Transport Fund on a three-yearly cycle. It is developed under a legislative process with the lead government agency Waka Kotahi. We collaborate with the Southland Regional Council on this process. Under these plans, there are specific projects and services that the Council co-funds and facilitates.

Under the RPTP, the Council has a role to deliver Public Passenger Transport in the region. We provide public bus services in Dunedin and Queenstown through contracting to private operators. We also provide the government funded region-wide 'Total Mobility Service' to assist eligible people who are unable to use public transport. Council also services and maintains three of Otago's nine stock truck effluent disposals (STEDs) under arrangement with Local District Councils.

The transport activity is made-up of four key work programmes.

Regional Land Transport Plan	This programme delivers our two foundational Transport Plans.
Public Transport Dunedin	This programme delivers public passenger transport services within Dunedin
Public Transport Queenstown	This programme delivers public passenger transport services within the Queenstown Lakes District
Regional Total Mobility Services	This programme provides the government funded region-wide 'Total Mobility Service' to assist eligible people who are unable to use public transport.

Strategic Directions and Aspirations

This activity is influenced by the focus areas defined by our Strategic Directions 2024 - 2034, in particular the ‘Transport’ focus area.



Transport

Otago has an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations.

We anticipate that modes of transport need to change (e.g. shift to public transport, cycling and walking) for environmental and wellbeing reasons. Most of the region, however, does not have public transport services and uptake of active modes of transport is variable. Disparities between our rural and urban environments, coupled with our geographical spread, present challenges; regional connectivity remains a priority for our community and our economy. There is an opportunity to lead a shift in across our transport system to deliver a service our community is proud of and that supports our transition to low-emissions transport.

Group Revenue and Expenditure (10 yrs) - Transport

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24	\$000s										
36,118	Transport	42,033	45,947	54,377	53,607	55,099	56,986	58,384	59,893	61,690	63,200
36,118	Expenditure	42,033	45,947	54,377	53,607	55,099	56,986	58,384	59,893	61,690	63,200
767	General Rates	3,819	4,371	5,216	5,017	5,087	5,392	5,457	5,526	5,767	5,843
10,408	Targeted Rates	13,345	14,489	16,754	16,827	17,205	15,227	15,611	15,996	16,351	16,786
400	Fees & Charges	129	130	80	0	0	0	0	0	0	0
15,849	Grants	18,888	20,832	24,244	23,799	24,290	24,939	25,430	25,926	26,570	27,125
7,200	Other Income	7,472	8,147	10,210	10,091	10,649	11,306	11,764	12,322	12,880	13,338
1,494	Reserves	(1,619)	(2,022)	(2,127)	(2,127)	(2,131)	122	122	122	122	108
36,118	Revenue	42,033	45,947	54,377	53,607	55,099	56,986	58,384	59,893	61,690	63,200

Regional Land Transport Plan (work programme)

What we do and why

The LTP provides for a Regional Land Transport Programme that co-ordinates transport planning across the region. It enables a resilient, multi modal transport system for the safe efficient and effective movement of people and goods around the region. The Otago and Southland Regional councils share this planning function through the support of a Regional Transport Committee.

A new Regional Land Transport Plan must be developed every 6 years and the plan reviewed after 3 years of operation- with 2024 being a review completion year. The plan was reviewed for the period 2021-2031 and outlines proposed transport network improvements over six years. This informs the detailed funding applications from the National Land Transport Fund over the first three years. The RLTP influences decisions taken throughout the LTP cycle and potentially beyond.

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Transport Planning - Support the Regional Transport Committee; Regional Transport Plans.
	Transport Planning - Prepare bid, submit, and report Council's transport budget in Transport Investment On-Line (TIO)
New or revised work [change]	Transport Planning - Regional Public and Active Transport Connectivity Strategy. A staged approach to the development of regional public and active transport connectivity.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Advocate for Otago's regional transport planning priorities and aspirations at a national level

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
The Regional Land Transport Plan (RLTP) is reviewed and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency (NZTA)	to check	No target	No target	RLTP review completed and adopted by Council by 30 June 2027	No target

Public Transport Dunedin and Queenstown (programmes)

What we do and why

The ORC contracts private operators to provide bus services in Dunedin, bus and water ferry services in Queenstown, and to provide the 'Total Mobility Scheme' across the region.

Importantly this LTP includes work and funding to continue the improvement of Otago's public passenger transport services. This includes planning, working with partners on the long-term vision for public transport across the region that includes the delivery of infrastructure that supports public transport services in Dunedin and Queenstown, and renewing contracts (with service improvements) for Dunedin and Queenstown public transport services as required.

This programme faces challenges including:

- Financial sustainability - delivering a service that attracts desired levels of patronage whilst remaining financially sustainable for our customers, ratepayers and our funding partners is an important issue. Expenditure on public transport needs to be at a level our communities can afford. To date both services have been operating with a funding shortfall, even with the NZTA 51% contribution. This LTP seeks to address the funding deficit.
- Uptake of public transport because many people still want to use private motor vehicles.
- Use of local roading infrastructure - there are policy and investment challenges for both central government and local authorities around the provision and operation of infrastructure that serves multiple needs (e.g. private motor vehicles, public transport, and active operations such as cycling).

Key work for years 1 to 3

The table below outlines key aspects of Council's planned work programme over 3 years from 1 July 2024.

PLANNED WORK	
Existing work [no change]	Dunedin Public Transport Network Operations - maintain delivery of existing public transport operations across serving Dunedin/ Mosgiel/ Palmerston
	Whakatipu Public Transport Network Operations - maintain delivery of existing public transport, bus and ferry, operations serving the Whakatipu Basin
	Regional Total Mobility Service
New or revised work [change]	Dunedin Fares & Frequencies Business Case - Increased service spans and frequencies and attractiveness of fares to support move to 8% of trips to work and education by PT.
	Queenstown Public Transport Services Business Case - Minimal transfer rides, higher capacity vehicles and increased service frequencies to support 40% of all trip by PT walking and cycling
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

The service statements (LoS), measures and targets for this activity are defined in the table(s) below.

LoS: Provide efficient, reliable and accessible public transport services that meet community needs.

PERFORMANCE MEASURES	BASELINE RESULTS	2024/2025 TARGET	2025/2026 TARGET	2026/2027 TARGET	2027-34 TARGET
Annual public transport boardings in Queenstown	2022-2023: Achieved	increase	increase	increase	increase
Annual public transport boardings in Dunedin	2022-2023: Achieved	increase	increase	increase	increase
Overall passenger satisfaction with Wakatipu Public Transport system at annual survey.	to check	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%
Overall passenger satisfaction with Dunedin Public Transport system at annual survey.	to check	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%
Percentage of scheduled services delivered (reliability)	2022-2023: Achieved	95%	95%	95%	95%
Percentage of scheduled services on-time (punctuality – to five minutes*)	to check	95%	95%	95%	95%
Percentage of users who are satisfied with the provision of timetable and services information	to check	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%
Percentage of users who are satisfied with the overall service of the Total Mobility scheme	2022-2023: Achieved	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%

Funding Impact Statement - Transport Group

000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Sources of Operating Funding									
General rates, uniform annual general charge, rates penalties	3,819	4,371	5,216	5,017	5,087	5,392	5,457	5,526	5,700
Targeted rates	13,345	14,489	16,754	16,827	17,205	15,227	15,611	15,996	16,300
Subsidies and grants for operating purposes	18,888	20,832	24,244	23,799	24,290	24,939	25,430	25,926	26,500
Fees and charges	7,098	7,702	9,720	9,993	10,551	11,208	11,666	12,224	12,700
Interest and dividends from investments	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	502	576	571	98	98	98	98	98	98
Total Sources of Operating Funding (A)	43,652	47,969	56,503	55,734	57,231	56,864	58,262	59,771	61,500
Applications of Operating Funding									
Payments to staff and suppliers	40,401	44,487	52,960	52,246	53,724	55,534	56,916	58,404	60,100
Finance costs	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	959	1,191	1,252	1,204	1,223	1,320	1,335	1,357	1,300
Other operating funding applications	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	41,360	45,678	54,213	53,450	54,947	56,854	58,252	59,760	61,500
Surplus (deficit) of operating funding (A - B)	2,292	2,292	2,291	2,284	2,284	10	10	10	0
Sources of Capital Funding									
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	0	0	0	0	0	0	0	0	0
Applications of Capital Funding									
Capital Expenditure - To meet additional demand	0	0	0	0	0	0	0	0	0
Capital Expenditure - To improve level of service	0	0	0	0	0	0	0	0	0
Capital Expenditure - To replace existing assets	0	0	0	0	0	0	0	0	0
Increase / (Decrease) in reserves	2,292	2,292	2,291	2,284	2,284	10	10	10	0
Increase / (Decrease) in investments	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	2,292	2,292	2,291	2,284	2,284	10	10	10	0
Surplus / (Deficit) of Capital Funding (C - D)	(2,292)	(2,292)	(2,291)	(2,284)	(2,284)	(10)	(10)	(10)	(0)
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0

COUNCIL ORGANISATION



'Council Organisation' discloses a balance of activity that is not included in the other four Activity groups reported above in Part three of this document. When read in conjunction with the financial information of the other four groups, it provides a consolidated view.

The following activities are included in 'Council Organisation':

Internal Services

This activity includes programmes of work that provide business support to all other activities of Council- enabling them to deliver their work more efficiently and effectively. The business support work relates to: Information services and Records Management; Financial management and reporting; operational buildings and accommodation; Human Resources and Health and Safety ; and the vehicle fleet.

Port Otago

This activity relates to specific financial management matters between Council and Port Otago - matters that ensure the investment returns or dividends received, and the transactions associated with the Council debt facility are accounted for appropriately.

Strategic Directions and Community Outcomes

Our 'Council Organisation' activity contributes to the achievement of desired results across all the strategic focus areas defined by our Strategic Directions 2024-2034.

Financial Information

Including Planning Assumptions

Smails Beach, Ōtepoti/Dunedin

Planning Assumptions

Significant forecasting assumptions

Otago's Long Term Plan (LTP) is required by Schedule 10 of the Local Government Act 2002 to contain information about significant forecasting assumptions and risks. Realistic, evidence-based assumptions are crucial to ensure the LTP is as accurate as possible.

This section sets out changes and issues that might impact Council and the Otago community in the medium to long term, including population growth, the economic and financial environment, climate change and Government legislation.

Where there is a high level of uncertainty, Council is required to state the reason for the uncertainty and provide an estimate of the potential effects.

Non-financial assumptions

People and Government

Population growth and demographic change

An increasing and aging population, with different rates of population increase in different parts of the region.

Assumption	In the next 10 years (2023-2033), the region's population will increase by a projected 6% (16,100 people) each year to reach 264,700 (Source: Statistics New Zealand subnational population estimates). Population within the Queenstown Lakes and Central Otago districts is forecast to grow significantly over the next 10 years, with much smaller increases in Clutha, Waitaki and Dunedin. Otago's median age is forecast to increase, with fewer in the under 15 age group and more in the over 65 age group than the New Zealand average.
Risk	There is a risk that population growth forecasts are incorrect. Changes in population may impact the level of certain activities carried out by Council, such as transport, demand on resource use, environmental incidents, civil defence and emergency management. and natural hazards. Council's work programmes have considered the projected growth in the region, with new initiatives and resources being provided to address the impacts of population growth.
Uncertainty	High. Population growth might be lower than the projections if there is a lack of international migration. Population growth might be higher than the projections if there is stronger migration driven by larger numbers of returning New Zealanders, Otago's relative affordability in an international context, and a diverse range of well serviced and connected urban, semi-urban and rural living choices at an overall lower density than the rest of New Zealand.
Impact	Accommodating increasing numbers of people will require greater use of and investment in infrastructure, public transport, housing, and waste disposal services (to name but a few); and place greater demands on ecological services to meet those needs. An aging population may see the demands on health care and social assistance increase, and the labour supply proportionately decrease.

Role of Local Government

New legislation, changing regulation and policy reform provide a dynamic context for local government in New Zealand.

Assumption	Changes in Government policy will directly impact the roles and responsibilities of Council. This plan assumes that there will be changes in the legislation that will impact on Council's work programmes over the next 10 years. Implementing new legislative requirements has been considered in the development of our work programme. It is assumed that any further legislative changes will include a transition period to understand and implement these changes. Council is anticipating reform and policy change in the areas of: resource management (at system level), water services, freshwater and land management (including the National Planning Framework), climate change, public transport and more.
Risk	Further significant local government reform occurs in the next three years. New requirements are greater than expected.
Uncertainty	Medium to high.
Impact	The National Planning Framework and its components will require significant implementation efforts from regional councils. Changes to the resource management system will also be significant, however, it is not likely that Otago's transition to the new system will occur in the short-medium term.

Te Tiriti o Waitangi and Iwi partnerships

There is a strong expectation that local government will work in genuine partnership with mana whenua.

Assumption	Council will provide for increasing Kāi Tahu participation in decision-making, especially around natural resource use and protection, and to protect Treaty rights. National directions are also increasingly requiring consideration of Mātauranga Māori in decision-making and monitoring/reporting.
Risk	Council and mana whenua do not partner with each other as anticipated.
Uncertainty	Low.
Impact	The whole of the organisation is responsible for ensuring adequate level of mana whenua involvement and integrating Mātauranga Kāi Tahu in monitoring, reporting and decision-making processes.

Collaboration

Through effective collaboration, organisations can identify shared goals, pool resources, and reduce duplication.

Assumption	Third parties are willing to work in collaboration with Council and can contribute to key projects in the timeframes underpinning this Long-Term Plan. Local authorities in Otago, the lower South Island and nationally will work together to establish and maintain collaborative relationships and mechanisms where appropriate.
Risk	That collaborative relationships are not fit for purpose, limiting effective collaboration.
Uncertainty	Medium.
Impact	Collaboration with third parties is a key factor in the successful delivery of environmental projects and other services. There is scope to strengthen collaborative links with other agencies, including in such areas as air quality, biodiversity, and environmental science.

Economy and technology

Economic Growth

A diverse regional economy, facing national and global economic uncertainty.

Assumption	<p>In 2022, Otago's regional GDP was value at NZ \$15,901 million. This reflects an annual increase of 6.3%, which was higher than the national average of 5.3%). The top three industries in terms of GDP were Construction; Professional, Scientific and Technical Services; and Agriculture, Forestry and Fishing. Available economic modelling suggests that Otago's GDP growth in the 10 years from 2020 - 2030 will be around 14% in total, which is lower than in the prior 10 years (30%). This may constrain resources and funding.</p> <p>Otago districts have different economic structures. Clutha and Waitaki's economies are focused heavily on the primary sector and have a bigger manufacturing sector than other districts; Dunedin's economy is relatively concentrated on tertiary sectors (e.g., food and accommodation, retail and health and social services); Central Otago's economy relies more on both the primary and the tertiary sector; and Queenstown-Lake's economy has the highest tertiary sector concentration in the region.</p>
Risk	Economic growth is lower than predicted. Tourism, primary production, and education may be impacted more than expected by global trends, such as a decline in visitors and environmental pressures.
Uncertainty	Medium.
Impact	A substantive downturn in Otago's economy would impact on all aspects of Council's operations, industry in the region and, in the longer term, protection of natural resources.

Employment

Economic forecasts signal lower employment growth overall, with significant variation across the region.

Assumption	The region's employment growth in the 10 years to 2030 is estimated to be 13% (or 1,700 people per year on average), which is lower than the previous 10 years (22%). The construction; health care and social assistance; and accommodation and food services sectors are estimated to be the top three sectors in the region by employment by 2030. The prominence of these sectors varies significantly across the region.
Risk	Employment growth is lower than predicted, impacting on businesses' ability to deliver services, such as housing and health care, and employers' ability to attract and secure talent.
Uncertainty	Medium.
Impact	Otago's employment rate is an important indicator of wellbeing in the region, as well as impacting on Council's ability to operate.

Inflation and cost of living

A period of high inflation is impacting on households, industry, businesses and organisations.

Assumption	Inflation rates will remain high for several years, which will increase costs and wages. This will result in reduced consumer purchasing power and increase financial pressure on households as prices rise. High inflation rates will impact on the cost of delivering Council services.
Risk	Inflation remains persistently high for longer than expected. Businesses, communities, and households throughout Otago will be affected, especially those on lower incomes who are less able to accommodate increased costs.
Uncertainty	Medium. The Reserve Bank is increasing interest rates to reduce inflation.
Impact	As stated, high inflation rates will impact on the cost of delivering Council services and increase financial pressure on households, industry, and businesses alike.

Technology

Increasing innovation that may facilitate more efficient and sustainable uses of natural resources and public transport systems.

Assumption	Technology advances will have to have a profound impact on environmental management (for both Council and primary producers), consumer expectations, and transport systems. Technological innovation will continue to transform the economy and the way people live and work in Otago. Demands will increase for new public transport models to reduce emissions and meet communities' needs.
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Risk Technology replaces more jobs than it creates. Adoption of new technology is uneven, resulting in digital inequality. Technology jobs have higher skill requirements for employment and increase barriers to employment for disadvantaged groups.

Uncertainty High.

Impact Council can expect to see increasing demand for reliable, accessible and up-to-date environmental information. The public transport offer may need to be reshaped as needs and expectations change.

Environment and Climate

Environment

Parts of the region are facing pressures through changing land use and its environmental impacts.

Assumption That environmental loss and pressure on natural resources will increase over the planning period. Otago faces environmental challenges associated with land use, affecting air and soil quality, ocean and coastal areas. Climate change and biodiversity loss both exacerbate these concerns. Food production may be an area of significant change over the next three years

Risk Greater than expected environmental loss and/or pressure on natural resources in the next three years. Large-scale land use change and/or drastic change in direction for current land use trends in the next three years.

Uncertainty Low.

Impact Council can expect greater involvement in the planning and management of urban growth, land use intensification and land use change.

Climate Change

Increasing exposure to climate change effects, including those from natural hazards.

Assumption Climate change projections for the Otago region include warmer temperatures, with more hot days and fewer frosts. Winter and spring are expected to be wetter, but with significant decreases in seasonal snow likely. More severe extreme rainfall events are anticipated, as is the severity and frequency of windy days. Even with intervention, sea level rise is expected for the next 100 years and more. Hazards associated with these changes in climate are likely to include increased flooding and landslides, drought, coastal inundation and erosion, and increased instances of wildfire.

Climate change will increase the severity and frequency of the natural hazards that we experience in New Zealand, including flooding, heatwaves, drought and wildfire. Otago will experience adverse events. For the purpose of this LTP, it is assumed that:

- There will be one significant flood event impacting on ORC's flood and drainage infrastructure every year.
 - There will not be any significant droughts/low flows event – should one happen, it will likely lead to a reprioritisation of work and resources.
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Risk The severity of natural hazard events may be greater or happen sooner than anticipated. Some groups and communities may be disproportionately affected by financial impacts or the lack of the resources to adapt.

Uncertainty Medium. Though the overall impact of climate change on the region's climate are well known, there is uncertainty over specific impacts at a local/catchment level.

Impact Impacts of climate change include risk to terrestrial and wetland ecosystems, water quantity and quality, coastal communities, and infrastructure such as flood management schemes. Climate change will also impact Otago's economy (via the primary sector and tourism especially), community cohesion, public health, and cultural identity. Adverse events can have large impacts on community wellbeing and may result in loss of lives, injuries, and property damage.

Financial Assumptions

Sources of Funds for Future Replacement of Significant Assets

Assumption Sources of funds for the future replacement of significant assets are in accordance with Council's Revenue and Financing Policy. For infrastructure assets, these are funded through scheme reserves and / or borrowing (either internal or external). Reserves are then repaid through depreciation, targeted rates from the defined scheme areas and grants where possible. Council's non-infrastructure assets are funded from the asset replacement reserve and where necessary, general reserves and / or borrowings.

Risk Low. There is a risk that Council won't be able access the funding required to replace significant assets. Council has the ability to borrow the forecast levels of expenditure over the 10 years of this plan and will remain compliant with Council's and the Local Government Funding Agency's borrowing limits.

Uncertainty Medium. The level of infrastructure expenditure included in this is a significant increase from current levels and previous Long-Term Plans.

Waka Kotahi NZ Transport Agency Subsidy Rates

Assumption The following subsidy rates are as currently advised by Waka Kotahi NZ Transport Agency:

- Transport planning and public passenger transport to receive 51% subsidy;
- Total Mobility to receive 60% subsidy;
- Total Mobility flat rate payments to receive 100% subsidy.

Risk Medium to High. Waka Kotahi funds a significant amount of Council's transport program and should this funding be withdrawn or reduced significantly this would require a corresponding significant reduction in service and / or increase in rates.

Uncertainty	Low. Waka Kotahi NZ Transport Agency has given no indication that the rates may change during the LTP period. If the subsidy for total mobility was to decrease, the impact would be directly on general rates. Any changes in subsidy for public passenger transport would impact directly on targeted rates, fares and/or the scope of services.
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Useful Lives of Significant Assets

Assumption	The useful lives of significant assets are as recorded in asset management plans or based upon current financial standards. Depreciation has been calculated in accordance with current accounting policy.
Risk	Low.
Uncertainty	Low.

Revaluation of Non-Current Assets

Assumption	The non-current assets that are revalued annually are Council's investment properties and its shareholding in Port Otago Limited. For the purposes of this plan, an assumption has been made that the value of Council's investment in Port Otago will grow in value by 4% every year of the plan. Investment properties are assumed to increase in value by 1% every year of the plan.
Risk	Low. The revaluation of non-current assets does not directly impact rates.
Uncertainty	High. Actual revaluations may differ significantly from the assumptions in the plan. The valuation of Port Otago Limited is based on a number of factors including current and forecast operating performance, asset revaluations and the cost of capital. Any or all of these factors can vary making revaluation forecasting inherently uncertain.

Forecast Return on Investments

Assumption	Excel table to be added
Risk	Medium. The cash and managed fund returns are based on underlying interest rate forecasts. Port Otago dividends are reliant on the underlying performance of the Port and its ability to pay those dividends. With respect to earning rates, the Statement of Investment Policy and Objectives for Council's managed fund estimates Council's rate of return at between 2.3% - 3.1% plus inflation. As investment income is used to reduce general rates, any change in return on investments will impact directly on the level of general rates.
Uncertainty	Low to medium. Port Otago Limited has a stable trade base. Port operating and property performance over past years have been consistent, as are predictions for future trade which should allow for stable dividend payments over the life of this plan. Investment returns are subject to movements in the underlying financial markets and could differ significantly from the rates assumed in the estimates.

Forecast Borrowing Rates

Assumption	Excel table to be added
Risk	Medium. The interest rates are based on underlying interest rate forecasts which are subject to market forces and fluctuations. Council's Treasury Management Policy includes parameters to manage interest rate risk.
Uncertainty	Medium. Interest rates are subject to movements in the underlying financial markets and could differ significantly from the rates assumed in the estimates.

Capital Expenditure

Assumption	Various projects require spending of a capital nature. The estimates are prepared using actual costs, adjusted for inflation where known, or "Rough Order of Costs". These have been determined using methods such as current known costs.
Risk	Medium. There is risk that actual costs will differ from the estimates and that this difference may be significant. Capital purchases in respect of flood and drainage schemes are funded by those schemes and any variation in costs will impact on their depreciation and reserves. Variations in other capital expenditure will impact on Council's Asset Replacement Reserve.
Uncertainty	Medium. The risk is market dependent and outside of Council's direct control, such as the cost of construction materials and freight.

Investment Properties

Assumption	This plan assumes that Council will not sell any of its investment properties over the next 10 years.
Risk	Low.
Uncertainty	

Financial Statements

Statement of Comprehensive Revenue and Expense

Annual Plan 2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	REVENUE FROM NON-EXCHANGE TRANSACTIONS										
55,778	Rates revenue	66,142	73,564	80,484	83,936	89,240	88,855	92,183	97,787	103,120	109,229
20,497	Grant revenue	22,037	23,779	27,192	26,812	27,366	28,079	28,130	28,679	29,376	29,983
15,202	Other revenue	14,084	11,842	14,132	13,948	14,667	15,400	15,949	16,647	17,352	17,963
	REVENUE FROM EXCHANGE TRANSACTIONS										
15,000	Dividends	18,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
10,250	Interest & Investments	9,785	7,631	6,474	5,972	6,016	6,010	6,039	6,089	6,139	6,199
4,317	Other revenue	3,670	3,947	4,070	4,202	4,331	4,472	4,602	4,737	4,879	5,025
121,043	TOTAL REVENUE	133,718	140,763	152,352	154,870	161,620	162,817	166,902	173,938	180,865	188,400
	EXPENDITURE										
35,823	Employee Benefits	40,009	41,331	42,740	44,500	45,604	46,346	47,319	48,266	49,231	50,167
4,211	Depreciation	3,302	3,440	3,548	3,606	3,825	3,974	4,058	4,357	4,542	4,974
9,500	Finance Costs	9,424	7,513	6,693	6,497	6,872	7,172	7,397	7,584	7,659	7,659
71,789	Operating Expenses	81,950	92,995	103,629	103,156	107,662	108,110	108,918	113,147	115,225	117,650
121,323	TOTAL EXPENDITURE	134,685	145,279	156,610	157,759	163,963	165,602	167,692	173,354	176,658	180,450
1,265	Other Gains/Losses	1,493	1,274	1,176	1,179	1,274	1,375	1,481	1,593	1,710	1,834
984	SURPLUS/(DEFICIT)	526	(3,241)	(3,081)	(1,711)	(1,068)	(1,410)	692	2,177	5,918	9,783
	OTHER COMPREHENSIVE REVENUE AND EXPENDITURE										
28,193	Revaluation Gain/(Loss)	28,156	29,283	30,410	31,581	32,797	34,060	35,372	36,735	38,150	39,619
29,177	TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENDITURE	28,682	26,042	27,328	29,870	31,729	32,651	36,064	38,912	44,067	49,402

Depreciation by Activity

Annual Plan											
2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
182	Regional Leadership	130	164	137	70	73	75	81	87	98	98
440	Environmental	391	451	524	556	620	701	788	872	903	1,044
	Resilience & Climate										
971	Change - Flood	877	1,008	1,054	1,137	1,260	1,354	1,460	1,621	1,729	1,805
	Resilience & Climate										
30	Change - Hazards	39	36	35	25	23	23	20	22	(18)	16
724	Transport	673	269	164	157	152	132	132	132	132	118
1,863	Corporate	1,191	1,512	1,634	1,661	1,696	1,688	1,576	1,622	1,698	1,894
4,211	TOTAL	3,302	3,440	3,548	3,606	3,825	3,974	4,058	4,357	4,542	4,974

Statement of Financial Position

Annual Plan	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24											
CURRENT ASSETS:											
15,303	Cash and cash equivalents	2,861	1,425	1,543	3,489	6,160	4,433	5,552	5,667	5,594	9,784
27,107	Other financial assets	29,181	31,034	32,787	34,541	36,389	38,336	40,387	42,547	44,824	47,222
18,185	Trade and other receivables	18,180	18,175	18,170	18,164	18,159	18,153	18,148	18,142	18,136	18,130
0	Inventories	0	0	0	0	0	0	0	0	0	0
0	Property intended for sale	0	0	0	0	0	0	0	0	0	0
1,433	Other current assets	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433
62,027	TOTAL CURRENT ASSETS	51,655	52,067	53,933	57,627	62,141	62,355	65,520	67,789	69,987	76,569
NON-CURRENT ASSETS:											
95,891	Property, plant and equipment	110,372	121,622	131,934	139,286	146,459	152,493	157,400	162,126	165,662	168,678
16,965	Investment property	17,134	17,306	17,479	17,653	17,830	18,008	18,188	18,370	18,554	18,739
752,083	Shares in Port Otago Ltd	780,239	809,522	839,931	871,512	904,310	938,370	973,742	1,010,477	1,048,627	1,088,246
778	Intangible assets	2,025	1,951	1,519	1,087	655	319	259	259	259	259
150,088	Related Party Receivables	150,088	150,088	150,088	150,088	150,088	150,088	150,088	150,088	150,088	150,088
500	Borrower Notes	500	500	500	500	500	500	500	500	500	500
0	Deferred tax asset	0	0	0	0	0	0	0	0	0	0
1,016,304	TOTAL NON-CURRENT ASSETS	1,060,358	1,100,988	1,141,451	1,180,127	1,219,842	1,259,778	1,300,178	1,341,821	1,383,690	1,426,510
1,078,331	TOTAL ASSETS	1,112,013	1,153,055	1,195,383	1,237,754	1,281,983	1,322,134	1,365,698	1,409,610	1,453,677	1,503,079
CURRENT LIABILITIES:											
22,594	Accounts payable	22,594	22,594	22,594	22,594	22,594	22,594	22,594	22,594	22,594	22,594
2,716	Employee entitlements	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716
25,310	TOTAL CURRENT LIABILITIES	25,310	25,310	25,310	25,310	25,310	25,310	25,310	25,310	25,310	25,310
NON-CURRENT LIABILITIES:											
106,438	Borrowings (secured)	110,438	122,438	134,438	144,438	154,438	160,438	166,438	170,438	170,438	170,438
68,878	Other financial instruments	69,878	72,878	75,878	78,378	80,878	82,378	83,878	84,878	84,878	84,878
175,316	TOTAL NON-CURRENT LIABILITIES	180,316	195,316	210,316	222,816	235,316	242,816	250,316	255,316	255,316	255,316
200,626	TOTAL LIABILITIES	205,626	220,626	235,626	248,126	260,626	268,126	275,626	280,626	280,626	280,626

877,705	NET ASSETS	906,387	932,429	959,757	989,628	1,021,357	1,054,008	1,090,072	1,128,984	1,173,051	1,222,453
	EQUITY:										
105,882	Public equity	121,674	121,190	120,531	119,624	119,372	118,832	120,520	123,656	130,533	141,038
732,083	Available for sale reserve	760,239	789,522	819,931	851,512	884,310	918,370	953,742	990,477	1,028,627	1,068,246
4,170	Asset replacement reserve	(1,859)	(4,484)	(6,809)	(7,507)	(8,200)	(8,928)	(9,763)	(10,542)	(11,300)	(11,801)
8,609	Building reserve	0	0	0	0	0	0	0	0	0	0
13	Environmental enhancement reserve	0	0	0	0	0	0	0	0	0	0
4,750	Emergency response reserve	4,869	4,991	5,115	5,243	5,374	5,509	5,646	5,788	5,932	6,081
479	Water management reserve	0	0	0	0	0	0	0	0	0	0
6,820	Kuriwao endowment reserve	6,396	5,970	5,574	5,167	4,736	4,282	3,803	3,299	2,770	2,215
14,900	Asset revaluation reserve	15,069	15,241	15,414	15,588	15,765	15,943	16,123	16,305	16,489	16,674
877,705	TOTAL EQUITY	906,387	932,429	959,757	989,628	1,021,357	1,054,008	1,090,072	1,128,984	1,173,051	1,222,453

Statement of Changes in Net Assets/Equity

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24	\$000s										
848,528	Balance at 1 July	877,705	906,387	932,429	959,757	989,628	1,021,357	1,054,008	1,090,072	1,128,984	1,173,051
	Net Comprehensive										
29,177	Income	28,682	26,042	27,328	29,870	31,729	32,651	36,064	38,912	44,067	49,402
877,705	BALANCE AT 30 JUNE	906,387	932,429	959,757	989,628	1,021,357	1,054,008	1,090,072	1,128,984	1,173,051	1,222,453
	NET MOVEMENTS										
	Net surplus transferred										
(280)	to Public Equity	(967)	(4,516)	(4,258)	(2,889)	(2,343)	(2,785)	(789)	584	4,208	7,949
5,628	Public Equity	16,760	4,032	3,599	1,982	2,090	2,245	2,477	2,551	2,670	2,556
	Available for Sale										
28,193	Revaluation Reserve	28,156	29,283	30,410	31,581	32,797	34,060	35,372	36,735	38,150	39,619
	Asset Replacement										
1,271	Reserve	(6,029)	(2,625)	(2,325)	(699)	(693)	(728)	(835)	(778)	(759)	(501)
	Emergency Response										
70	Reserve	119	122	125	128	131	134	138	141	145	148
(408)	Kuriwao Reserve	(424)	(426)	(395)	(407)	(431)	(454)	(479)	(504)	(529)	(555)
	Asset Revaluation										
170	Reserve	170	171	173	175	177	178	180	182	184	186
	Water Management										
7	Reserve	(479)	0	0	0	0	0	0	0	0	0
(5,473)	Building Reserve	(8,609)	0	0	0	0	0	0	0	0	0
	Environmental										
0	Enhancement Reserve	(13)	0	0	0	0	0	0	0	0	0
	Net Comprehensive										
29,177	Income	28,682	26,042	27,328	29,870	31,729	32,651	36,064	38,912	44,067	49,402
877,705	BALANCE AT 30 JUNE	906,387	932,429	959,757	989,628	1,021,357	1,054,008	1,090,072	1,128,984	1,173,051	1,222,453

Statement of Reserves

RESERVE	Opening Balance 1 July 2024 \$000s	Transfers in \$000s	Transfers Out \$000s	Closing Balance 30 June 2024 \$000s
Public Equity	64,150	346,139	(309,591)	100,698
Available for Sale Revaluation Reserve	732,083	336,163	0	1,068,246
Asset Replacement Reserve	4,170	26,316	(42,287)	(11,801)
Emergency Response Reserve	4,750	1,330	0	6,081
Kuriwao Reserve	6,820	1,578	(6,183)	2,215
Asset Revaluation Reserve	14,900	1,775	0	16,674
Water Management Reserve	479	0	(479)	0
Building Reserve	8,609	0	(8,609)	0
Environmental Enhancement Reserve	13	(13)	0	0
River & Waterway Management Dunedin	639	13,289	(22,481)	(8,554)
River & Waterway Management Clutha	(451)	11,795	(11,917)	(573)
River & Waterway Management Central Otago	269	9,149	(9,668)	(251)
River & Waterway Management Wakatipu	(118)	8,176	(8,434)	(376)
River & Waterway Management Wanaka	(467)	6,969	(7,093)	(591)
River & Waterway Management Waitaki	1,012	7,952	(9,022)	(59)
Emergency Management	(51)	42,358	(42,259)	48
Alexandra Flood Protection	61	3,888	(3,871)	78
Leith Flood Protection	(12,635)	15,705	(12,253)	(9,184)
Lower Clutha Flood Protection & Drainage	(682)	28,261	(43,710)	(16,131)
Lower Taieri Flood Protection	2,934	22,205	(46,983)	(21,844)
West Taieri Drainage	(2,634)	15,303	(18,700)	(6,031)
East Taieri Drainage	(451)	12,435	(17,205)	(5,221)
Tokomairiro	43	3,936	(5,918)	(1,938)
Lower Waitaki Flood Protection & River Control	(48)	2,546	(2,560)	(61)
Public Transport Dunedin	(9,049)	322,527	(314,164)	(686)
Public Transport Wakatipu	(2,317)	195,748	(193,605)	(175)
Dairy Compliance	(79)	210	(288)	(157)
Lake Hayes Remediation	0	564	(553)	11
Biosecurity	(1,494)	80,956	(81,368)	(1,907)
Wilding Pines	(514)	2,764	(2,908)	(657)
Rural Water Quality	219	19,755	(18,887)	1,087
Infrastructure Assets	67,547	58,096	(12,133)	113,510
TOTAL	877,705	1,597,875	(1,253,127)	1,222,453

Statement of Cashflows

Annual Plan 2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts from non-exchange transactions											
55,778	Rates Receipts	66,142	73,564	80,484	83,936	89,240	88,855	92,183	97,787	103,120	109,229
20,497	Grant income and subsidies	22,037	23,779	27,192	26,812	27,366	28,079	28,130	28,679	29,376	29,983
15,202	Other receipts	14,084	11,842	14,132	13,948	14,667	15,400	15,949	16,647	17,352	17,963
Receipts from exchange transactions											
10,250	Interest and investment income	9,785	7,631	6,474	5,972	6,016	6,010	6,039	6,089	6,139	6,199
15,000	Dividends	18,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
4,324	Other receipts	3,675	3,952	4,075	4,207	4,336	4,478	4,607	4,743	4,885	5,031
(107,611)	Payments to suppliers and employees	(121,959)	(134,326)	(146,369)	(147,656)	(153,266)	(154,456)	(156,237)	(161,413)	(164,456)	(167,816)
(9,500)	Interest and other costs of finance paid	(9,424)	(7,513)	(6,693)	(6,497)	(6,872)	(7,172)	(7,397)	(7,584)	(7,659)	(7,659)
3,938	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	2,340	(1,070)	(704)	722	1,488	1,194	3,274	4,947	8,755	12,930
CASH FLOWS FROM INVESTING ACTIVITIES											
4,000	Proceeds from the sale of Property, Plant and Equipment	2,500	513	524	535	547	559	570	582	593	605
3,350	Property Held for Sale	0	0	0	0	0	0	0	0	0	0
(750)	Managed Fund	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)
(9,666)	Purchase of Property, Plant and Equipment	(20,181)	(14,831)	(13,952)	(11,062)	(11,114)	(10,230)	(9,475)	(9,665)	(8,671)	(8,594)
(400)	Purchase of intangible assets	(1,350)	(298)	0	0	0	0	0	0	0	0
(3,466)	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	(19,781)	(15,366)	(14,178)	(11,276)	(11,316)	(10,421)	(9,655)	(9,833)	(8,828)	(8,740)
CASH FLOWS FROM FINANCING ACTIVITIES											
25,000	Proceeds from borrowings	5,000	15,000	15,000	12,500	12,500	7,500	7,500	5,000	0	0
(25,000)	Repayment of borrowings	0	0	0	0	0	0	0	0	0	0
0	NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	5,000	15,000	15,000	12,500	12,500	7,500	7,500	5,000	0	0
473	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,441)	(1,436)	118	1,946	2,671	(1,727)	1,119	114	(73)	4,190

CASH AND CASH EQUIVALENTS AS AT 1											
14,830 JULY	15,303	2,861	1,425	1,543	3,489	6,160	4,433	5,552	5,667	5,594	
CASH AND CASH EQUIVALENTS AS AT 30											
15,303 JUNE	2,861	1,425	1,543	3,489	6,160	4,433	5,552	5,667	5,594	9,784	

Reconciliation of Net Surplus to Net Cash from Operating Activities

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
2023/24	\$000s											
	NET SURPLUS(DEFICIT) FROM ACTIVITIES	984	526	(3,241)	(3,081)	(1,711)	(1,068)	(1,410)	692	2,177	5,918	9,783
	ADD(DEDUCT) NON CASH ITEMS:											
4,211	Depreciation	3,302	3,440	3,548	3,606	3,825	3,974	4,058	4,357	4,542	4,974	
(1,265)	Other (gains)/losses	(1,493)	(1,274)	(1,176)	(1,179)	(1,274)	(1,375)	(1,481)	(1,593)	(1,710)	(1,834)	
7	Bad Debts	5	5	5	5	5	6	6	6	6	6	
	NET CASH FROM OPERATING ACTIVITIES	3,938	2,340	(1,070)	(704)	722	1,488	1,194	3,274	4,947	8,755	12,930

Schedule of Capital Expenditure

Annual Plan

2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
ENVIRONMENTAL											
74	Air Monitoring	150	154	157	161	164	168	171	175	178	181
0	Public Awareness	35	0	0	0	0	0	0	0	0	0
530	Water Monitoring Sites	530	544	555	567	580	592	605	617	629	641
21	Harbour Mgt	21	22	22	22	23	23	24	24	25	25
95	Biodiversity	100	257	262	268	274	279	285	291	297	302
52	Hazards	0	0	0	0	0	0	0	0	0	0
0	Compliance	330	62	40	34	34	35	36	36	37	38
TRANSPORT											
0	Transport	0	0	0	0	0	0	0	0	0	0
FLOOD PROTECTION & CONTROL WORKS											
20	Alexandra Flood Protection	0	0	0	0	0	0	0	0	0	0
100	Leith Flood Protection	350	359	262	642	1,368	1,117	570	0	0	0
325	Lower Clutha Flood & Drainage	825	1,720	2,121	1,686	1,477	2,067	1,939	1,629	1,721	1,451
850	Lower Taieri Flood Protection	1,850	2,978	2,933	3,372	3,228	2,402	2,167	2,152	1,246	1,270
283	West Taieri Drainage	1,600	2,208	367	696	164	168	171	175	178	181
125	East Taieri Drainage	550	1,232	1,152	161	164	168	171	1,338	178	181
20	Tokomairiro	300	308	314	268	219	112	114	116	119	121
0	Dunedin River Mgmt	1,495	755	1,446	535	766	391	399	291	1,187	1,209
0	Clutha River Mgmt	20	21	0	0	0	0	0	0	0	0
100	Wanaka River Mgmt	0	0	52	54	0	0	57	0	0	60
COUNCIL											
6,100	Property	9,650	2,182	2,200	535	547	559	570	582	593	605
750	Vehicles	800	822	838	856	875	894	912	931	949	967
500	Computers & Software	2,625	1,196	917	883	903	922	941	960	979	998
20	Plant	250	257	262	268	274	279	285	291	297	302
50	Sundry	50	51	52	54	55	56	57	58	59	60
10,016	TOTAL	21,531	15,129	13,952	11,062	11,114	10,230	9,475	9,665	8,671	8,594

Overview

Reporting Entity

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

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

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the Group as public benefit entities for financial reporting purposes. The prospective financial information contained in this Long-term Plan relates to the Council only as the group parent. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users.

The main purpose of prospective financial statements in the Long-term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service.

The level of rate funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from those subsidiaries. Distributions from the Council's subsidiary Port Otago Limited are included in the prospective financial statements of the Council. The Prospective Financial Statements of Council are to be adopted by Council 26 June 2024.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue from non-exchange Transactions	
TYPE	RECOGNITION AND MEASUREMENT
Rates revenue	Rates revenue is recognised as income when levied. Council levies general rates for those functions that are assessed as providing benefits to all ratepayers within each of the constituent districts and city, and levies targeted rates where functions benefit a defined group of ratepayers.
Grants and subsidies	Grants and subsidies are recognised upon entitlement, as conditions pertaining to expenditure have been fulfilled.

Statement of Compliance

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

The actual results achieved for any given financial year are likely to vary from the information presented and may vary materially depending upon the circumstances that arise during the period. The prospective financial information is prepared in accordance with Section 93 of the Local Government Act 2002. The information may not be suitable for use in any other capacity. No actual results have been incorporated in these prospective financial statements.

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

Basis of Accounting

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

Standards and interpretations issues but not yet adopted

PBE Standard and interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the Long Term Plan 2023-34 are outlined below:

- Amendments to PBE IPSAS 1 – Disclosure of Fee for Audit Firms' Services; effective for periods commencing 30 June 2024

Council expects to adopt the above standard in the period in which it becomes mandatory. Council anticipates that the above standard is not expected to have a material impact on the financial statements in the period of initial application; however, a detailed assessment has yet to be performed

Other fee income	Other fee income from non-exchange transactions is recognised when the supplies and services have been rendered.
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Revenue from exchange Transactions

TYPE	RECOGNITION AND MEASUREMENT
Dividend income	Dividend income is recognised on the date of the dividend declaration.
Interest revenue	Interest revenue is recognised on a time proportionate basis using the effective interest method
Revenue from port services	Revenue from port services is recognised in the accounting period in which the actual service is provided.
Revenue from the rendering of services	Revenue from the rendering of services, including relating to contracts and consent application that are in progress at balance date, is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.
Rental income from operating leases	Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.
Fees and charges	Fees and charges are recognised as income when supplies and services have been rendered. Fees received from the following activities are recognised as revenue from exchange transactions: resource consent processing, pest animal and plant contract work, grazing leases and licenses and enforcement work.

Other Gains and Losses

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

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

Trade and Other Receivables

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

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for doubtful debts is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is expensed in the surplus/(deficit).

Intangible Assets

Computer Software

Computer software assets are stated at cost, less accumulated amortisation and impairment. The amortisation periods range from 1 to 5 years.

Impairment

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

Property, Plant and Equipment

Property, plant and equipment consist of the following.

Operational Assets

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

Infrastructural Assets

Infrastructural assets deliver benefits direct to the community and are mostly associated with major flood protection and land drainage schemes. Infrastructural assets include floodbanks, protection works, structures, drains, bridges, culverts, bus hubs and shelters.

Transport infrastructure assets and hardware deliver benefits to the transport bus network in Whakatipu and Dunedin.

Restricted Assets

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

(A) Cost

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

Other property, plant and equipment is recorded at cost less accumulated depreciation and any accumulated impairment losses. Cost includes

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

(B) Depreciation

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

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

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

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

Operational Assets	Life
Buildings- Council	10- 50 years
Plant and vehicles- Council	3 -20 years
Buildings and improvements- Port	10- 50 years
Whaves- Port	15- 70 years
Vessels and floating plant- Port	5 -30 years
Plant, equipment and vehicles- Port	3 - 30 years
Infrastructural Assets	Life
Floodbanks	Unlimited
Protection works	Unlimited
Drains	Unlimited
Culverts	Unlimited
Structures	8- 100 years
Bridges	33- 100 years
Transport infrastrucutre and hardware	5 -15 years

(C) Disposal

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

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

Critical Judgements and Assumptions

The Council owns a number of properties that are held for service delivery objectives as part of the Council's various flood protection schemes. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are accounted for as property, plant and equipment.

Investment Property

Investment property is property held to earn rentals and/or for capital appreciation. Investment property is measured initially at cost and subsequently at fair value. Gains or losses arising from changes in the fair value of investment property are reported in the surplus/(deficit) in the period in which they arise.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The fair value of investment property reflects the Director's assessment of the highest and best use of each property and, amongst other things, rental income, from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects the cash outflows that could be expected in respect of the property.

No depreciation or amortisation is provided for on investment properties. However, for tax purposes, depreciation is claimed on building fit-out and a deferred tax liability is recognised where the building component of the registered building exceeds the tax book value of the building. The deferred tax liability is capped at the amount of depreciation that has been claimed on each building. Gains or losses on the disposal of investment properties are recognised in the surplus/(deficit) in the period in which the risks and rewards of the investment property have been fully transferred to the purchaser.

Borrowing costs are capitalised if they are directly attributable to the acquisition or construction of a qualifying property. Capitalisation of borrowing costs will continue until the asset is substantially ready for its intended use. The rate at which borrowing costs are capitalised is determined by reference to the weighted average borrowing costs and the average level of borrowings.

Fair value of Property Portfolio Assets (includes investment property, property held for sale and property in development)

The fair value was determined using valuation techniques via a combination of the following approaches:

- **Direct Capitalisation:** The subject property rental is divided by a market derived capitalisation rate to assess the market value of the asset. Further adjustments are then made to the market value to reflect under or over renting, additional revenue and required capital expenditure.
- **Discounted Cash Flow:** Discounted cash flow projections for the subject property are based on estimates of future cash flows, supported by the terms of any existing lease and by external evidence such as market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.
- **Sales Comparison:** The subject property is related at a rate per square metre as a means of comparing evidence. In applying this approach a number of factors are taken into account, such as but not limited to, size, location, zoning, contour, access, development potential / end use, availability of services, profile and exposure, current use of surrounding properties, geotechnical and topographical constraints.

Financial Instruments

Financial Risk Management Objectives

The Council has established a Treasury Management Policy, which combines the Local Government Act 2002 requirement for local authorities to adopt a Liability Management Policy and an Investment Policy. These provide a framework for prudent debt management and the management of financial resources in an efficient and effective way. The Council does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Significant Accounting Policies for Financial Instruments

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

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

Financial Assets are classified into the following specified categories: financial assets 'at fair value through other comprehensive revenue and expenses', and 'amortised cost'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Impairment of Financial Assets

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

Derivative Financial Instruments

The Council enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Council designates hedges of highly probable forecast transactions as cash flow hedges. Changes in the fair value of derivatives qualifying as cash flow hedges are recognised in other comprehensive revenue and expense and transferred to the cash flow hedge reserve in equity. The ineffective component of the fair value changes on the hedging instrument is recorded directly in the surplus/(deficit).

When a hedging instrument expires or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the surplus/(deficit). When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred

to the surplus or deficit. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the surplus/(deficit)

For qualifying hedge relationships, the Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items

The net differential paid or received on interest rate swaps is recognised as a component of interest expense over the period of the swap agreement.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Employee Entitlements

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

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

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

Equity

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

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

Restricted and Council Created Reserves

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

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

Other Disclosures

Balancing of Budget

Balancing of Budget Council has resolved, under section 100(2) of the Local Government Act 2002, that it is financially prudent to not balance its operating budget in years 2 to 6. The primary reason is to allow Council to use reserves to fund certain one-off operating expenditure.

Rating base information

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

FINANCIAL YEAR	PROJECTED RATING UNITS
2023/24	124,394
2024/25	126,260
2025/26	128,154
2026/27	130,076
2027/28	132,027
2028/29	134,008
2029/30	136,018
2030/31	138,058
2031/32	140,129
2032/33	142,231
2033/34	144,364

Prudence Disclosures

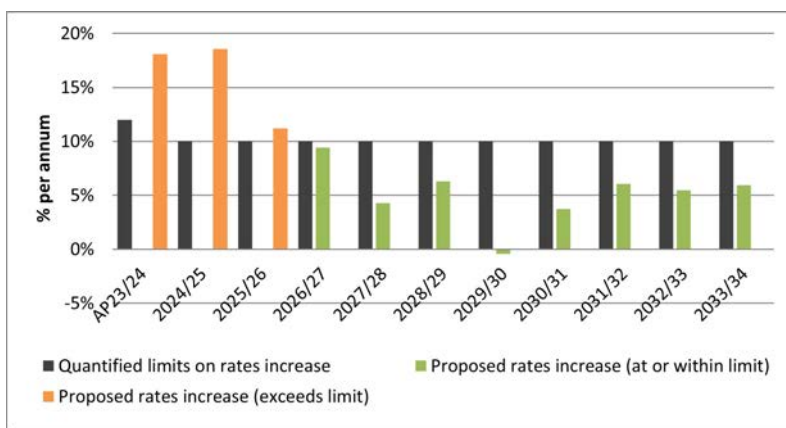
The purpose of this statement is to disclose Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

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

Rates (Increases) Affordability

The following graph compares Council’s planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this Long-term Plan.

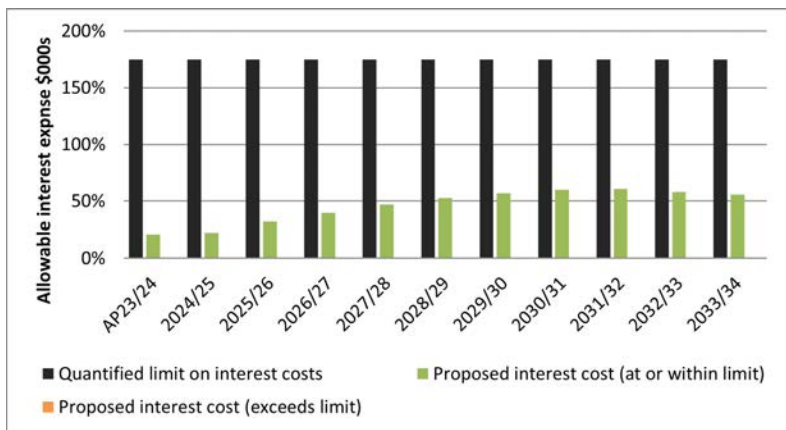
The quantified limit is 18.6% for 2024/25, 11.2% for 2025/26, 9.4% for 2026/27 and subsequently 10% in 2027/28 to 2033/34.



Debt Affordability

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing

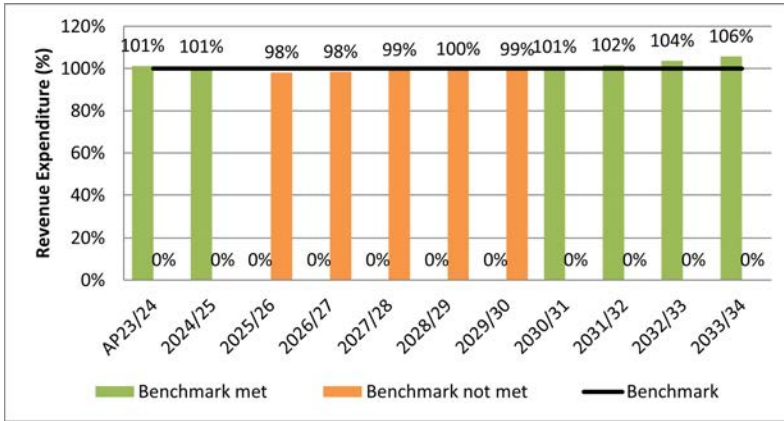
The following graph compares Council’s planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long-term Plan. The quantified limit is that debt cannot exceed 175% of the total revenue.



Balanced Budget Benchmark

The following graph displays Council’s planned revenue (excluding financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluation of property, plant, or equipment).

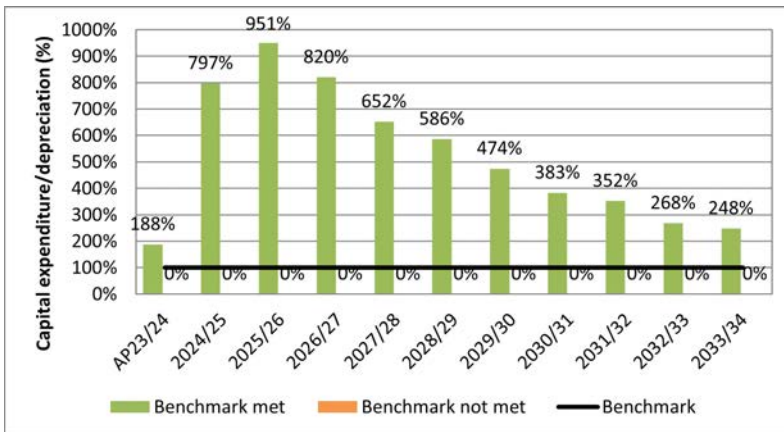
Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential Services Benchmark

The following graph displays Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. Council’s network services comprise flood protection and control works.

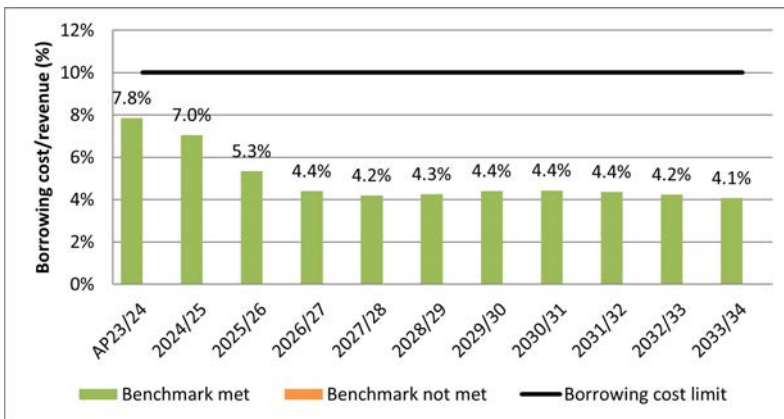
Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt Services Benchmark

The following graph displays Council’s planned borrowing costs as a proportion of planned revenue (excluding financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Because Statistics New Zealand projects Otago’s population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs are equal to or less than 10% of its planned revenue.



Funding Impact Statement

Annual Plan		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2023/24	\$000s										
SOURCES OF OPERATING FUNDING											
28,263	General rates, UAGC, and rates penalties	29,942	32,736	35,422	36,818	38,691	39,891	40,514	42,670	43,938	45,056
27,515	Targeted rates	36,200	40,828	45,062	47,119	50,549	48,965	51,668	55,116	59,181	64,174
20,497	Subsidies and grants for operating purposes	22,037	23,779	27,192	26,812	27,366	28,079	28,130	28,679	29,376	29,983
5,951	Fees and charges	4,398	4,786	4,933	5,011	5,166	5,336	5,490	5,651	5,819	5,993
25,250	Interest and dividends from investments	27,785	27,631	26,474	25,972	26,016	26,010	26,039	26,089	26,139	26,199
13,568	Local authorities fuel tax, fines, infringement fees, and other receipts	13,356	11,003	13,269	13,139	13,831	14,536	15,061	15,733	16,411	16,995
121,043	Total operating funding (A)	133,718	140,763	152,352	154,870	161,620	162,817	166,902	173,938	180,865	188,400
APPLICATIONS OF OPERATING FUNDING											
107,334	Payments to staff and suppliers	121,734	134,095	146,133	147,415	153,020	154,205	155,980	161,151	164,189	167,544
9,700	Finance costs	9,574	7,667	6,850	6,658	7,036	7,340	7,568	7,759	7,837	7,841
77	Other operating funding applications	75	77	79	80	82	84	86	87	89	91
117,111	Total applications of operating funding (B)	131,383	141,839	153,062	154,153	160,138	161,628	163,634	168,997	172,116	175,476
3,931	Surplus (deficit) of operating funding (A – B)	2,335	(1,075)	(709)	717	1,482	1,189	3,268	4,941	8,749	12,924
SOURCES OF CAPITAL FUNDING											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0
4,000	Gross proceeds from sale of assets	2,500	513	524	535	547	559	570	582	593	605
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
4,000	Total sources of capital funding (C)	2,500	513	524	535	547	559	570	582	593	605
APPLICATION OF CAPITAL FUNDING											
0	Capital expenditure										
0	• to meet additional demand	0	0	0	0	0	0	0	0	0	0

• to improve the level of 875 service	2,822	1,785	1,797	1,348	1,678	1,937	2,035	1,901	2,591	2,701
9,191 • to replace existing assets	18,708	13,344	12,155	9,714	9,435	8,293	7,441	7,764	6,080	5,893
Increase (decrease) in (2,134) reserves	(16,696)	(15,691)	(14,138)	(9,810)	(9,084)	(8,482)	(5,636)	(4,142)	672	4,934
Increase (decrease) of 0 investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital 7,931 funding (D)	4,835	(562)	(186)	1,252	2,029	1,747	3,839	5,523	9,343	13,528
Surplus (deficit) of capital (3,931) funding (C - D)	(2,335)	1,075	709	(717)	(1,482)	(1,189)	(3,268)	(4,941)	(8,749)	(12,924)
Funding balance ((A - B) + (0) (C - D))	0	(0)	0	0	(0)	0	0	0	0	(0)

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

Annual Plan 2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Surplus/(Deficit) of operating funding per funding impact statement											
3,931		2,335	(1,075)	(709)	717	1,482	1,189	3,268	4,941	8,749	12,924
ADD/(DEDUCT)											
(4,211)	Depreciation	(3,302)	(3,440)	(3,548)	(3,606)	(3,825)	(3,974)	(4,058)	(4,357)	(4,542)	(4,974)
1,265	Other Gains/(Losses)	1,493	1,274	1,176	1,179	1,274	1,375	1,481	1,593	1,710	1,834
0	Other	0	0	0	0	0	0	0	0	0	0
Surplus/(Deficit) from activities per Statement of Comprehensive Revenue and Expense											
984		526	(3,241)	(3,081)	(1,711)	(1,068)	(1,410)	692	2,177	5,918	9,783

Funding Impact Statement – Calculation of Rates for the 2024/2025 Year

Effect of Rating

Annual Plan 2023/24	\$000s	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
28,263	General Rates	29,942	32,736	35,422	36,818	38,691	39,891	40,514	42,670	43,938	45,056
Targeted Rates											
1,752	Rural Water Quality rate	0	0	0	0	0	0	0	0	0	0
0	Catchment Management Rate	5,952	7,788	8,526	8,733	8,806	8,583	8,468	8,633	8,803	8,974
210	Dairy Inspection/Farm Plan rate	229	296	307	488	497	507	516	526	537	547
3,336	Emergency Management rate	3,774	4,081	4,140	4,193	4,157	4,243	4,322	4,404	4,462	4,576
200	Wilding Pines rate	0	0	0	0	0	0	0	0	0	0
3,978	Biosecurity	4,765	5,493	5,813	6,094	7,591	6,233	6,354	6,477	6,605	6,735
0	Harbour Management	846	902	928	947	964	1,038	1,060	1,082	1,111	1,127
0	STEDS	49	105	195	0	0	0	0	0	0	0
Targeted River Management rates											
360	Central Otago	505	535	607	715	841	994	1,187	1,409	1,677	2,003
420	Clutha	444	496	583	719	886	1,092	1,346	1,660	2,046	2,523
350	Dunedin	231	278	363	511	718	1,010	1,420	1,997	2,809	3,950
415	Wakatipu	256	292	352	448	571	727	927	1,181	1,505	1,918
315	Wanaka	254	285	336	417	517	641	795	986	1,222	1,516
400	Waitaki	630	675	738	827	929	1,045	1,178	1,300	1,474	1,673

180	Lower Waitaki river control	0	0	0	0	0	0	0	0	0	0
Targeted Transport rates											
8,350	Dunedin Public Transport	9,565	10,737	10,914	11,295	11,458	9,806	10,006	10,200	10,400	10,592
2,058	Wakatipu Public Transport	3,731	3,647	5,644	5,532	5,748	5,421	5,605	5,796	5,951	6,194
Targeted Catchment rates											
1,461	Leith Flood Protection	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256
1,050	Lower Clutha Flood Protection & Drainage	1,040	1,117	1,241	1,425	1,637	1,880	2,158	2,478	2,846	3,268
1,050	Lower Taieri Flood Protection	1,050	1,117	1,225	1,383	1,561	1,762	1,989	2,246	2,535	2,862
820	West Taieri Drainage	832	879	954	1,062	1,182	1,315	1,464	1,630	1,814	2,020
640	East Taieri Drainage	649	693	762	864	979	1,109	1,257	1,425	1,615	1,830
170	Tokomairiro Drainage	141	155	177	211	252	301	359	429	512	611

Scale of Charges

The following scale of charges is to be applied where indicated to activities included in this Schedule of Fees and Charges.

Charge	From 1 July 2023	From 1 July 2024
Staff time per hour:		
• Management	\$215	\$215
• Team Leader/Principal	\$195	\$195
• Senior Technical	\$175	\$175
• Technical	\$150	\$150
• Field Staff	\$150	\$150
• Administration	\$115	\$115
• Specialist Expert Services. For example: Science, Hazards or Engineering time.	\$175	\$175
Disbursements	Actual	Actual
Additional Site Notice	Actual	Actual
Advertisements	Actual	Actual
Vehicle use per kilometre	As per IRD Published Rates	As per IRD Published Rates
Harbourmaster vessel per hour	\$395	\$395
Travel and accommodation	Actual	Actual
Testing charges	Actual	Actual
Consultants	Actual	Actual
Commissioners	Actual	Actual
Councillor Hearing fees per hour:		
• Chairperson	\$100	\$100
• Members	\$80	\$80
• Expenses	Actual	Actual

Resource Management Act – Section 36 Charges

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

Resource Consent Application Fees

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

Pre-application Work

We offer a pre-application service to help customers. The first 30 minutes of pre-application advice or review of application documents is free of charge. We will always advise before we start charging for application advice. For larger pre-application projects we may invoice before, during, and after the process is complete. Fees payable for pre-application work carried out before a consent application is lodged with Council will be incurred at the rates shown in the scale of charges.

Deposits	From 1 July 2023	From 1 July 2024
Publicly Notified Deposits:	\$15,000	\$25,000

Non-Notified and Limited Notification Deposits:			
	First consent	\$1,750	\$3,000
	Subsequent consents	NEW	\$100
Other Application Types			
	Variation to Conditions – s127	\$1,750	\$3,000
Fixed Fees			
	Single Bore	\$1,365	\$1,365
	Exemption under regulation 7A of the Water Metering Regulations	\$150	\$250
	Exemption under regulations 9 or 10 of the Water Metering Regulations	\$450	\$600
	Intensive Winter Grazing Consent	\$1,600	\$1,600
	Transfer consent holder and certificate	Scale of Charges	\$200
Hearings			
	Hearings	Per Note 2 below	Per Note 2 below
	Payment for Commissioner request – s100A	Per Note 4 below	Per Note 4 below
Objections			
	Payment for Commissioner request – s357AB	Per Note 4 below	Per Note 4 below
Transfer of Consent Holder and Certificates Deposits:			
	Priority Table	\$200	\$200
	Certificate of Compliance	\$1,750	\$2,000
	All Other Costs	As per Scale of Charges	As per Scale of Charges

Notes:

- For additional permits in respect of the same site, activity, applicant, time of application, and closely related effect as the first application.
- The deposit payable shall be 90% of the cost of a hearing as calculated by Council in accordance with information contained in the application file and using the scale of charges. The amount payable will be due at least 10 working days before the commencement of the hearing. If the amount is not paid by the due date, then the Council reserves the right under S36(7) of the Resource Management Act to stop processing the application. This may include cancellation of the hearing.
 - Should a hearing be cancelled or postponed due to the non-payment of the charge, the applicant will be invoiced for any costs that arise from that cancellation or postponement
 - Following completion of the hearing process, any shortfall in the recovery of hearing costs will be invoiced, or any over-recovery will be refunded to the applicant
- Where actual and reasonable costs are less than the deposit paid, a refund will be given.
- Where an applicant requests under s100A (for a consent hearing) or under s357AB (for the hearing of an objection) an independent commissioner(s); the applicant will be required to pay any increase in cost of having the commissioner(s).

Use of Consultants for Resource Consents

If ORC uses an external consultant for the processing of a consent, or to provide technical input into the application, then the full actual and reasonable costs of the consultant are charged to the applicant. This may include instances where the applicant makes a request for urgency, the application involves complex and/or technical matters or a peer review is necessary. ORC will also charge the applicant for time spent managing the consultant. ORC will advise the applicant before engaging a consultant.

If ORC uses a consultant to commission a report under section 92(2) of the RMA, the full cost of the consultant is charged to the applicant.

Review of Consent Conditions

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

Compliance Monitoring

Performance Monitoring

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

Resource Consent Monitoring and Annual Administration Charges	From 1 July 2023	From 1 July 2024
One-off compliance administration fee to be charged on all new applications. Covers the cost of compliance monitoring systems.	\$150	\$180
One off compliance set up fee to be charged on all new applications (subsequent consents) covers the cost of compliance monitoring systems.	New	\$100
Ongoing compliance administration fee to be charged on consents with Performance Monitoring requirements.	\$50	\$60
Late performance monitoring fee to be charged as required.	\$150	\$180
Annual Consent Compliance Monitoring Charges		
Compliance monitoring charge for each other item due during the financial year (unless covered by one of the fees below). Examples include management plans, provision of photos, bore logs, notifications, record of complaints, annual reports.	\$70	\$85
Annual charge for the receipt and processing of telemetered water take data/information (including verifications returns).	\$175	\$220
Each additional telemetered water measuring device.	\$50	\$60
Annual charge for the receipt and processing of manual and data logger water take data/information (including verification returns), excludes those who hold a WEX for the installation of telemetry.	\$225	\$280
Each additional non telemetered water measuring device	\$100	\$120
Annual charge for the receipt and processing of all returns relating to small/simple discharge consents.	\$75	\$100
Annual charge for the receipt and processing of all returns relating to medium/moderately complex discharge consents.	\$300	\$375
Annual charge for the receipt and processing of all returns relating to large/complex discharge consents.	\$900	\$1,100

Annual charge for the receipt and processing of all returns relating to simple/small earthworks consents.	\$300	\$325
Annual charge for the receipt and processing of all returns relating to standard/medium earthworks consents.	\$1,000	\$1,050
Annual charge for the receipt and processing of all returns relating to complex/large earthworks consents. Very large developments may be set up as major clients.	\$2,500	\$2,200
Inspection reports for small dams	\$145	\$175
Inspection reports for large dams	\$280	\$340
Structural integrity report	\$100	\$120
CMA Structure Permit (Annual Charge)	New	\$30
Low Flow Monitoring Charges		
Kakanui at McCones	\$350	\$400

Fees for Specific Consent Holders

Performance monitoring will be charged as 100% of actual costs where applying the fixed charges listed above do not represent a fair and reasonable charge.

This includes major consent holders who hold a large number of individual consents and/or consents which contain complex monitoring requirements. It also includes consents where data or information is consistently submitted in a way which generates significant extra costs for Council.

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

Resource Consent Monitoring

Resource Consent Audits

Audits and site inspections for monitoring consents will be as follows:

Resource Consent Monitoring audit fee	Current	Proposed
Coastal permit – structure	Scale of charges	\$250
Coastal permit – mooring	Scale of charges	\$200
Bore inspection	Scale of charges	\$350
Small/simple on-site waste water discharge consent	Scale of charges	\$350

All other audits of resource consents will be charged at the actual and reasonable cost incurred using the Scale of Charges. This includes, but is not limited to:

- Staff time to carry out an inspection (including travel), assess any information provided by consent holders, report back to consent holders and follow up any non-compliance (if required).
Any disbursements related to the monitoring, including sampling and testing costs and any specialist or technical advice needed.

Resource Consent Non-compliance

Where non-compliance with resource consent conditions is identified, all follow-up work and enforcement action related to the consent non-compliance will be charged at the Scale of Charges. For clarification, these costs are additional to the 'resource consent audit' costs above.

This includes, but is not limited to:

- Staff time to consider the non-compliance, prepare reports and correspondence, and any disbursements (eg sampling services, technical advice) related to consent non-compliance.
- Costs for generating and issuing enforcement notices

- Inspections to determine compliance with an enforcement order or abatement notice to confirm that the required action has been taken and full compliance with the notice is achieved
- Reactive site visits as a result of an incident notification (e.g. a complaint about water pollution or odour discharge), the consent holder is only charged if the consent is breached and non-compliance is observed
- Costs for external consultants/contractors (actual charges)

Other Compliance Activities

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

- Performance and compliance monitoring of permitted activities under a National Environmental Standard, including but not limited to Freshwater, Plantation Forestry and Storing Tyres Outdoors
- Monitoring compliance of farm operators with freshwater farm plan regulations and receiving notifications and audit reports of freshwater farm plans
- Monitoring Compliance Certificates

Non-Compliance, Incidents and Complaints

Pollution Incidents and Non-compliance with Permitted Activity Rules

Where non-compliance with the RMA or permitted activity rules in Regional Plans or National Environment Standards is identified, the actual and reasonable costs and expenses incurred may be charged at the Scale of Charges. This includes, but is not limited to:

- Dealing with initial response to the pollution incident such as initial enquiries and site visit
- Enforcement work including staff time for investigating, monitoring and reporting and any disbursements (e.g. sampling services and technical advice) related to the non-compliance
- Costs of any actions required to avoid, remedy, or mitigate the adverse environmental effect, including the remediation and clean-up

Gravel Inspection and Management

Gravel extraction fee — \$0.66 per cubic metre (incl. GST).

Resource Monitoring

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

Private Plan Changes

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

Building Act 2004 — Section 243 Charges

Dam Safety and Building Control

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

Activity	Description	Deposit	2024/25 Fees
Issue of Certification of Acceptance (CoA)	Receive, process and grant or refuse applications for CoA	\$2,000	Scale of Charges plus MBIE/BRANZ levies where applicable*
Project Information Memorandum (PIM) for a Dam	Receive, process and issue PIM applications	-	Scale of Charges
Dam Safety	Dangerous dams, earthquake-prone dams, and flood-prone dams – inspections and enforcement	-	Scale of Charges
	Consider and approve (or refuse) dam classifications	-	Fixed Fee - \$115
	Approve or refuse dam safety assurance programmes	-	Fixed Fee - \$285

	Receive annual dam safety assurance programme compliance certificates	-	Fixed Fee - \$60
Notices to Fix (NTF)	Issue of NTF	-	Scale of Charges
	Inspection(s) of building work under NTF	-	Scale of Charges
Any other activity under the Building Act			Scale of Charges

*Ministry of Business, Innovation and Employment (MBIE) and Building Research Association of New Zealand (BRANZ) levies apply to CoA applications where the estimated value of building work is greater than \$20,000. The Otago Regional Council is required to collect these levies from the applicant on behalf of MBIE and BRANZ. The levies quoted are as required by regulation and may change in accordance with amendments made to regulations.

Biosecurity Act – Section 135 Charges

Pest Management Strategy Implementation

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

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

Local Government Act – Section 150 Charges

Transport Licensing Exempt Services

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

Bylaw Application Processing

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

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

Information Requests

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

Local Government (Rating) Act 2002 – Section 88 Charges

Postponement

A postponement fee to cover administration and financial costs may be charged on postponed rates — scale of charges.

Policies and Strategy

Trotters Gorge



Lake Hayes, Central Otago