


12 Month Review to 30 June 2017

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Key

	Target has been achieved, either to June, or in total.
	Target is in progress, or partially achieved.
	Target has not been achieved.
	Target start time deferred to a later date.

EXECUTIVE SUMMARY

Introduction

This document provides a summary of progress made on the achievement of our activities to the end of June 2017, along with details of how those activities tracked against budgets.

Activity Achievement - Environment

Water

Significant work was undertaken in our water activity during the year, with 11 targets being achieved. Five targets are in progress and they relate to minimum flow work which spans more than one financial year. The water quality monitoring programme continued throughout the year. Of the 71 river sites monitored, 62 sites maintained the same level of water quality, six sites improved one grade, and three sites degraded one grade.

A survey showed that 91% of people are aware of our rural water quality rules. Staff actively worked with key stakeholders, interest groups, irrigation and forestry companies and others, promoting key messages about water quality, and the need to comply with our rules by 2020.

An accelerated programme of work was undertaken to progress the establishment of minimum, groundwater and environmental flows, involving monitoring, science and policy work. The Lindis decision released in August was appealed, resulting in mediation proceedings.

A water forum was held during the year, to encourage the replacement of deemed permits. Around 35 meetings have also been held with groups of water users looking to replace their permits.

Unbudgeted work undertaken during the year involved undertaking research on Lake Snow, and on increasing our trophic lake monitoring for Lakes Wanaka, Wakatipu and Hawea.

Environment - Air

Two targets were achieved, and two are in progress. Air quality monitoring was undertaken as scheduled. With the exception of Dunedin, all sites monitored over the 2016 winter months, did not comply with the NES air quality standards.

Work progressed on the development of a draft Air Strategy, which will be presented to Council in September 2017.

Environment - Land

Two targets were achieved, and one is in progress. Work undertaken included monitoring compliance with the Pest Management Plan provisions for pest plants and animals, and responding to pest complaints. Where non-compliance was found, follow up action was undertaken and enforcement initiated where necessary. Of the 212 complaints received and responded to, 180 related to pest plants.

A Biodiversity Strategy Options report was commissioned and received from Wildlands, which will assist the development of the strategy in the 2017/18 year.

Unbudgeted work undertaken during the year involved administering funding from MPI for wilding tree work, undertaking wallaby control and responding to the velvet leaf incursion.

Environment – River Management

One target was achieved, and two targets are still in progress. All scheduled rivers were inspected, and works undertaken as required. River Morphology and Riparian Management Plans for the Cardrona, Wainakarua and Shag rivers are in progress.

Environment – Environmental Incident Response

All targets were achieved in this area. 1,119 incidents were received and responded to during the year, within the required time frames. Work on contaminated sites was undertaken as programmed, and work continued with the Otago territorial authorities on the database.

Activity Achievement - Community

In this activity four targets were achieved and one is in progress. All of council's statutory planning and reporting meet required time frames, and agendas for council and committee meetings were made available to the public within statutory time frames. Council continued its liaison with iwi representatives throughout the year.

The triennial elections were held in October 2016, and a by election was held for the Dunstan constituency in June 2017.

The development of a Regional Economic Development Strategy is in progress, and work with the Otago Mayoral forum continues on this.

Activity Achievement - Regulatory

Eleven targets were met, and one is in progress. The Regional Policy Statement has not yet been made operative due to appeals received, and a court assisted mediation taking place.

Our consent processing activity continued throughout the year, with approximately 500 consent applications being received. Compliance monitoring for both performance monitoring returns and audits showed an 88% rate of compliance with consent conditions. Enforcement work was undertaken where necessary.

Significant work was undertaken in our harbour management activity. Recruitment of a harbour master was undertaken during the year, and a new harbourmaster will commence work in the 2017/18 year. In the meantime, harbourmaster services have been contracted out.

Activity Achievement – Flood Protection and Control Works

In this activity 17 targets have been achieved, 10 are still in progress, and two were not achieved.

In Alexandra, a check valve on one of the pumps was out for two months while it was being re-manufactured. This pump has now been completely overhauled.

Work progressed on the Leith scheme with a contract being awarded to undertake works between Union Street and Leith Street, including the Leith Street bridge and the ITS building/bend.

In Lower Clutha the Kaitangata duty pump capacity was being affected by an eel problem. Eel nets have now been placed upstream of the pump, which has solved the problem. Consultation on options for altering the drainage infrastructure of the Lake Tuakitoto / Robsons Lagoon to improve wetland ecosystems values has taken place, and detailed planning has been prepared.

Work on investigating technical proposals for a new upper / lower pond link spillway (or relocating floodbanks) in the Lower Taieri scheme is in progress, along with work on designing and consenting the re-profiling of the Taieri right and left bank crest between Outram and Otokia. Consultants are undertaking this work, and draft reports have been received.

In East Taieri work on technical proposals for drainage improvements of the upper pond is in progress. A consultant was appointed to undertake investigations, and a draft report has been received.

Activity Achievement – Safety and Hazards

Safety and Hazards – Emergency Management

All emergency management targets were met with the exception of developing the Group Risk Reduction Strategy, which is now scheduled to be completed in the 2017/18 year. The restructuring of CDEM Otago was a significant piece of work undertaken during the year, and was successfully completed.

Safety and Hazards – Natural Hazards

In this activity, one target was achieved, one is in progress, and two targets were not achieved. The natural hazards database was upgraded during the year, and is being kept up to date with new information. A full check of existing data is in progress, and updated information is still to be uploaded for some areas.

Work that could not be achieved this year involved information gathering, assessing describing known active geological faults in Otago, and landslide features in the region. These have been contracted out to GNS, but because of the Kaikoura earthquake, GNS has not been able to meet our timeframes. This work will be delivered during the 2017/18 year.

No large flood events occurred during the year, but our systems were fully operational and information was still disseminated through Water Info and the flow phone.

Activity Achievement – Transport

Of the seven targets in this area, three were fully achieved, three are in progress and one was not achieved.

Our survey of bus service reliability and public satisfaction met our performance targets, and fleet vehicle quality standards were all met.

We did not achieve the targeted patronage growth in Dunedin of 3%, but patronage did grow 0.5%.

Significant work has been undertaken on constructing the Dunedin bus hub, implementing a replacement ticketing system and procuring and implementing a real time tracking system, and these projects will continue into the 2017/18 year.

Financial Achievement

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

Estimated and Actual Cost

Activities	Actual to 30 June \$000s	Annual Plan Estimated to 30 June 2017 \$000s	Variance () = Over budget
Water	7,409	7,653	244
Air	436	451	15
Land	3,243	1,982	(1,261)
River management	1,543	1,822	279
Enviro. incident	1,270	1,263	(7)
Community	4,725	3,935	(790)
Regulatory	3,784	3,143	(641)
Flood protection	5,383	9,149	3,766
Safety & hazards	2,648	1,963	(685)
Transport	14,436	16,983	2,547
Total costs	44,877	48,344	3,467

Variances in actual versus estimated expenditure to June 2017 are discussed within each section of this report.

Estimated and Actual Revenue

Revenue	Actual to 30 June \$000s	Annual Plan Estimated to 30 June 2017 \$000s	Variance () = Over budget
Total project costs	44,877	48,344	3,467
Funded by:			
General rates*	17,643	15,714	(1,929)
Targeted rates	9,600	9,600	-
Fees and charges	2,358	3,417	1,059
Grants	7,295	9,575	2,280
Internal charges	220	348	128
Other income	4,715	636	(4,079)
Other dedicated reserves	594	1,010	416
General reserves	738	526	(212)
Scheme reserve	1,714	7,518	5,804
Total revenue	44,877	48,344	3,467

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

ENVIRONMENT

Water Quality

Level of service – Maintain or improve water quality		Achieved
Measure:	State of the Environment monitoring.	●
Performance target:	Assess that water quality that meets the limits set out in the Regional Plan: Water continues to be met, and that water quality previously not meeting limits is improving, and report results.	
Achievement to June:	Schedule 15 monitoring work was undertaken during the year to assess compliance with the Regional Plan: Water provisions. The results are shown in the graphs below.	

Water quality limits for surface and groundwater have been set in Schedule 15 of the Regional Plan: Water.

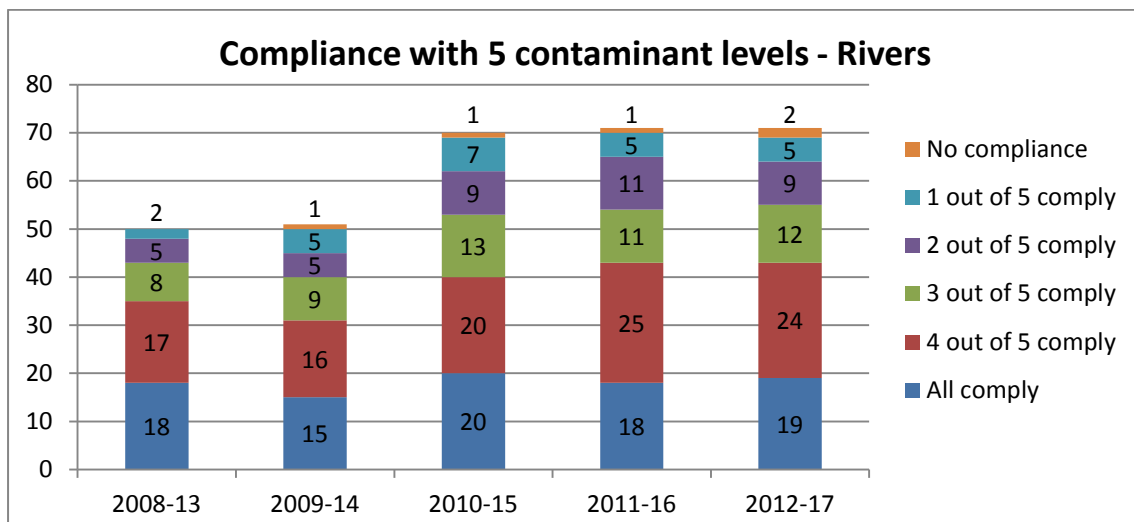
The contaminants measured for rivers are:

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

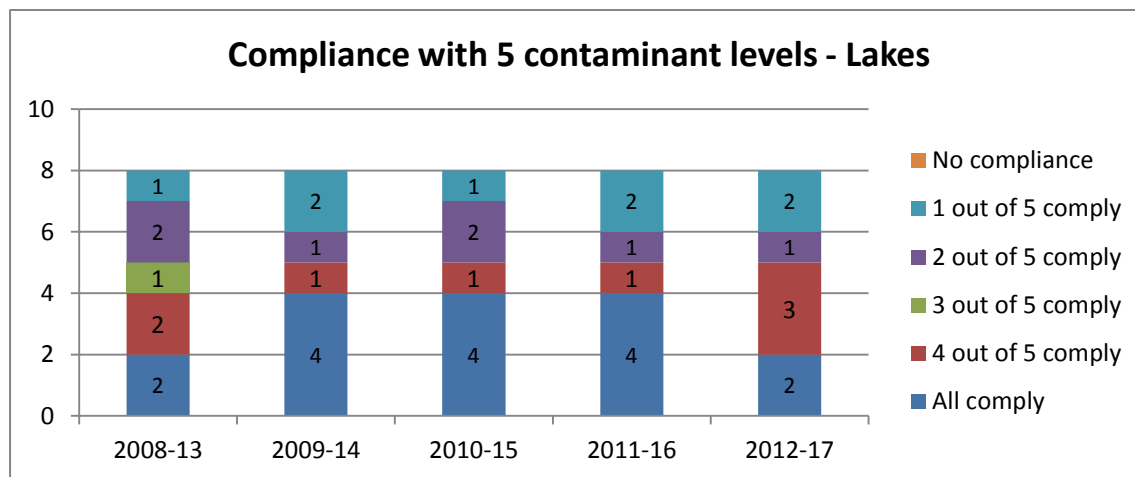
The contaminants measured for lakes are:

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

For rivers, water quality is measured as a five year 80th percentile (when flow is at median or below median flow), and lakes are measured as a five year 80th percentile, at State of Environment monitoring sites. The results from our monitoring for the last five reporting periods are shown below.



Of the 71 sites monitored, 62 sites maintained the same level of water quality grading as in the 2011-16 period, six sites improved one grade, and 3 sites degraded one grade. Because Otago experienced such a wet year this year, the number of samples taken that were available for analysis were limited, the bulk of samples having been taken when the flows were above median levels.



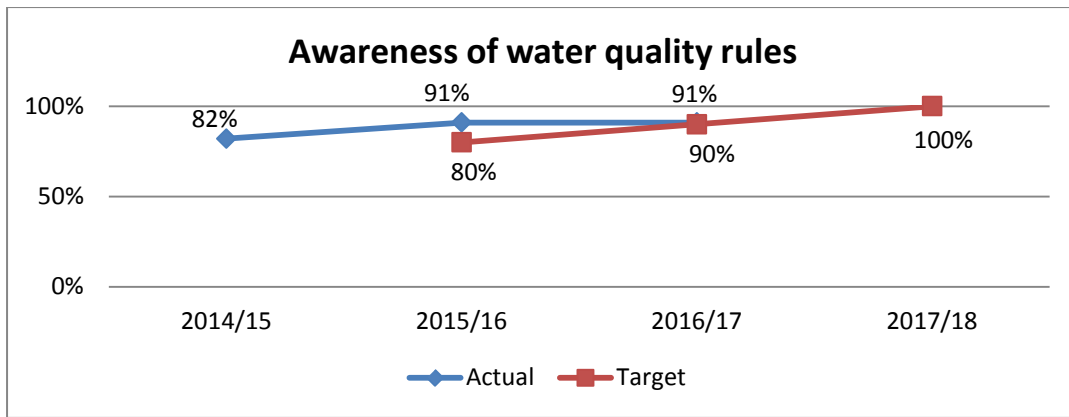
Of the eight lakes monitored, six lakes maintained their water quality grade, and two lakes degraded by one grade as follows:

- Lake Wanaka dropped a grade for Total Phosphorus. Last year the 80th percentile was 0.0048 mg/litre compared to 0.0056 mg/litre this year. 65% of samples taken during the year were below the detection limit of 0.004 mg/litre.
- Lake Hawea dropped a grade for Total Phosphorus. Last year the 80th percentile was 0.005 mg/litre compared to 0.0056 mg/litre this year. 56% of samples taken during the year were below the detection limit of 0.004 mg/litre.

The cut-off grade for excellence for Total Phosphorus is 0.005 mg/litre. It is noted that the level of uncertainty for Total Phosphorus analysis at low detection levels is extremely large, i.e. 0.002 mg/litre has a greater than 40% level of uncertainty.

Level of service – Maintain or improve water quality		Achieved
Measure:	Awareness survey.	●
Performance target:	Landholder awareness of Regional Plan Water rules at 90%. in 2016/17, increasing to 100% by 2017/18.	
Achievement to June:	The survey is complete and landholder awareness is at 91%.	

Awareness surveys were undertaken during the last three financial years, and results are shown below.

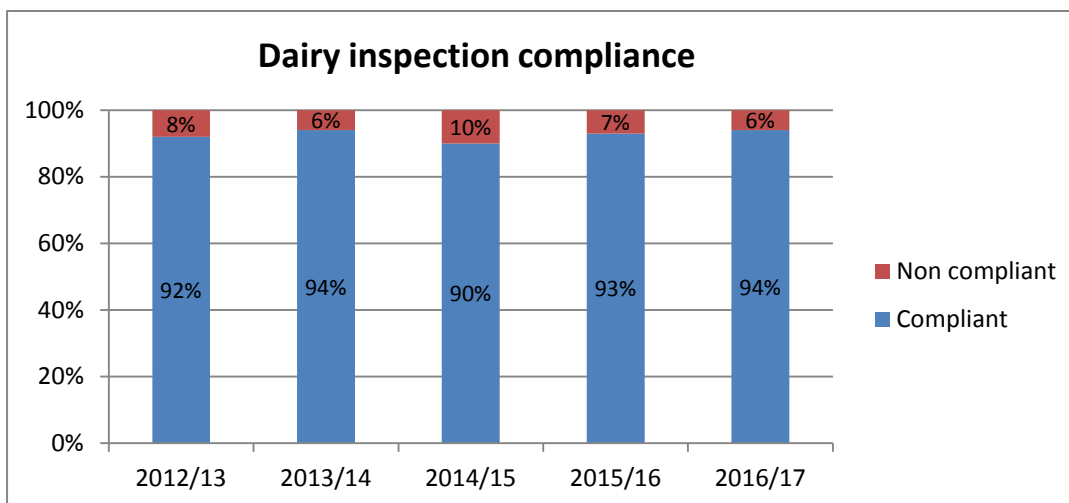


Activities undertaken during the period to promote awareness of the rules included:

- Production of On-Stream, our monthly e-newsletter
- Good Water in Otago, an ORC Facebook page
- Attending workshops and field days.
- Actively working with industry groups, including Dairy NZ, Beef & Lamb, Federated Farmers, Deer NZ, forestry industry and irrigation companies.
- Holding a forestry forum with contractors and industry representatives.


Level of service – Maintain or improve water quality		Achieved
Measure:	Dairy inspection and other farm monitoring.	●
Performance target:	Every dairy farm will be visited and assessed for compliance with prohibited activity rules in the Regional Plan: Water.	
Achievement to June:	All dairy farms (465) were inspected during the year, and assessed for compliance with the prohibited activity rules in the Regional Plan: Water. Compliance results are shown in the graph below.	

Compliance results compared to previous years are as follows:



Specific areas of work:



1. Commence plan changes to address urban discharges to water.


An audit of current water plan provisions for urban discharges to water, in relation to their effectiveness and efficiency, is being finalized.	
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Other initiatives undertaken to promote water quality include:

- Water quality data collection has been completed for the Waiwera catchment and has been reported on.
- Monitoring for the Manuherikia catchment is in progress.
- Audits of high risk activities were completed for the year, particularly within the forestry activity.
- The first draft of an updated guidebook for water quality rules has being developed.









Water Quantity

Level of service – Water is managed to meet the needs of the Otago community		Achieved
Measure:	Sustainable environmental flows and allocation limits set on rivers levels, streams, and groundwater resources.	 
Performance target:	Publish science work for setting minimum flows/ environmental levels for the Clutha and Manuherikia rivers.	
Achievement to June:	<p>Clutha science work (bioenergetics) was undertaken in March 2017 by Cawthron. This was originally planned for summer 2015-16, but work was delayed due to low flows. Hydraulic modeling field work has been completed by NIWA and results received. Cawthron is to deliver a bioenergetics report by late 2017.</p> <p>A science report for the Manuherikia River has been published and presented to a committee of council.</p>	


Measure:	Sustainable environmental flows and allocation limits set on rivers levels, streams, and groundwater resources.	
Performance target:	Monitor compliance with set minimum flows/environmental levels.	
Achievement to June:	Compliance of set minimum flows for SOE sites within the Kakanui, Waianakarua, Shag, Leith, Luggate, Lake Hayes, Manuherikia, Waitahuna and Lake Tuakitoto catchments was monitored during the year. Two minor breaches occurred at Taieri at Waipiata on 13 and 17 January 2017. All other sites were compliant.	

Specific areas of work:

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

<i>Lindis</i>	Council decision for a minimum flow on the Lindis was released on 13 August 2016. One appeal was received with 13 parties to the appeal. Mediation started in December. On request, further science work was undertaken and reported back to the Environment Court in April 2017. Court facilitated expert conferencing of the science witnesses took place in June 2017. Further mediation occurred 4 July.	
<i>Cardrona</i>	Project execution Plan, Terms of Reference, Gant Charts and Risk register have been prepared and provided to the Water Governance Group (WGG). Science work has commenced on this project.	
<i>Waikouaiti River</i>	An ecological assessment has been completed for the Waikouaiti Estuary study.	
<i>Ettrick</i>	Science work is in progress. A bore has been installed, and monitoring is underway. Survey elevations of sites have been completed.	
<i>Manuherikia</i>	First round of consultation with the community was undertaken in August, and a second round was completed during March. A science report for the Manuherikia River has been published and presented to a committee of council.	
<i>Clutha</i>	Instream values and habitat modelling has been completed. Bioenergetics study was undertaken. A report will be delivered in late 2017.	
<i>Arrow</i>	The first round of consultation was completed 26 and 27 June 2017.	
<i>Flow requirements on water takes</i>	The first stage of consultation was completed in February. Further consultation is programmed for 7 to 10 August 2017.	

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

Funding support was provided to the Manuherikia and Strath Taieri irrigation groups.	
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Other initiatives undertaken to manage water quantity include:

- Approximately 35 meetings have been held with groups of water users who are looking to replace their expiring mining privileges.
- Water Users Guide has been completed and is available to the public.
- Work is continuing on encouraging the replacement of deemed permits, which expire in 2021, into consents, and supporting group formations.
- Water forum was held on 29 March in Alexandra and 140 people attended.

Estimated and Actual Costs - Water

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Regional Plan: Water			
- Operating cost	668	734	66
Water quality & quantity (SOE)			
- Operating cost	2,268	1,941	(327)
- Capital cost	152	150	(2)
Total cost	2,420	2,091	(329)
Rural water quality (6A)			
- Operating cost	1,795	2,050	255
- Capital cost	16	105	89
Total cost	1,811	2,155	344
Water mgmt. groups (1C)			
- Operating cost	430	752	322
- Capital cost	-	10	10
Total cost	430	762	332
Coastal strategy			
- Operating cost	193	461	268
Minimum flows			
- Operating cost	1,823	1,205	(618)
- Capital cost	6	-	(6)
Total cost	1,829	1,205	(624)
Bulk rural water			
- Operating cost	58	245	187
Total costs	7,409	7,653	244

Estimated and Actual Revenue - Water

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	7,235	7,388	153
Funded by:			
General rates	5,989	5,892	(97)
Targeted rates	768	768	-
Internal charges	217	217	-
Other income	37	-	(37)
General reserves	166	266	100
Water management reserve	58	245	187
Total funding	7,235	7,388	153
Capital costs	174	265	91
Funded by:			
Asset replacement reserve	174	265	91
Total revenue	7,409	7,653	244

Comments:

The State of the Environment budget is over spent by approximately \$329,000. Unbudgeted work has been undertaken on Lake Snow and trophic lake monitoring for Lakes Wanaka and Wakatipu (three sites each) and one site in Lake Hawea, all sites being monitored monthly.

The Rural Water Quality project is under spent by approximately \$344,000, and is primarily in the science area. This is due to timing of works for the Ettrick and Shag River groundwater / surface water interaction work. River monitoring sites were installed in June, following identification of where groundwater is seeping into the river. Groundwater bores were drilled in July 2017, with monitoring commencing August 2017. The budget assumed an even spread of work throughout the 2016/17 year. The under spend is being carried forward into the 2017/18 year.

The water management groups project is underspent by approximately \$332,000. Ecological and flow information, historic water use etc., is being collated and made available through a database which is publicly available, reducing the time requirement for providing information. Additional strategic communications resource was added to this project during the year, being done for the deemed permit forum, so there is a timing issue in respect of the budget cashflow.

The coastal strategy is underspent by approximately \$268,000. An internal inventory of information on coastal resources and management has been completed however strategy development has been delayed as staff have been working on the Regional Policy Statement review.

The minimum flows project is over spent by approximately \$624,000, due to an accelerated programme of work being put in place, and due to appeals received on the Lindis, which has required additional science work and policy time.

Two requests were received during the year for funding assistance in the Bulk Rural Water project, for feasibility studies for the Manuherikia and Strath Taieri irrigation groups. Assistance given is funded from the Water Management Reserve.

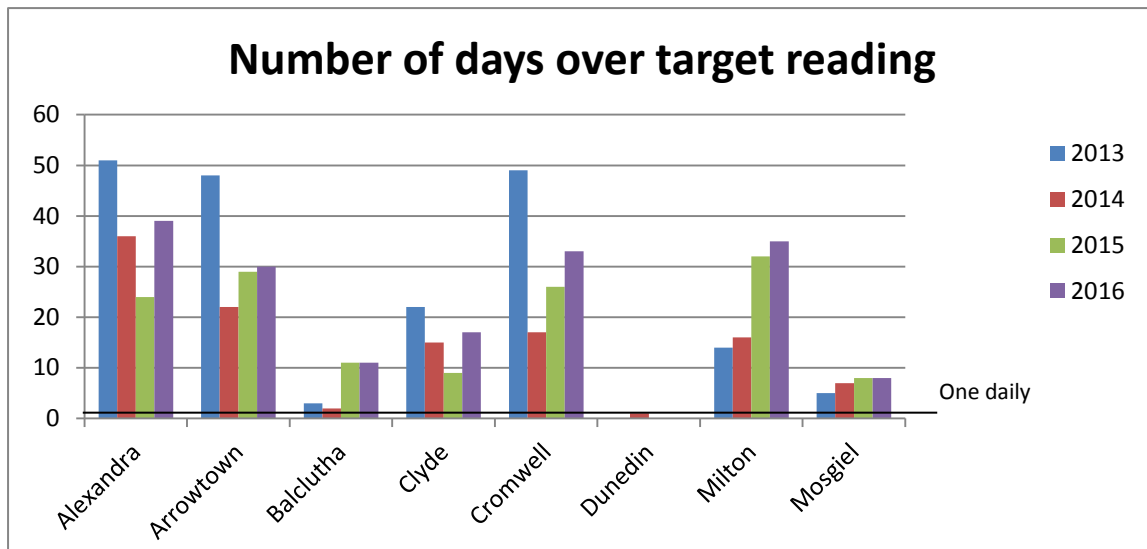
Air

Level of service – Improve air quality		Achieved
Measure:	Ambient (PM ₁₀) air quality in targeted towns.	●
Performance target:	Monitor air quality to assess compliance with NES requirement of no more than one daily average reading of PM ₁₀ per annum to be higher than 50 micrograms per cubic meter.	
Achievement to June:	Air quality is being monitored at eight sites in Otago. Four sites are monitored all year, and four over the winter months (Apr-Sept) only. Winter monitoring for 2017 is underway.	

Ambient air quality has been monitored for the winter of 2016 (April to September) in the following targeted towns:

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

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



Specific areas of work:

1. Complete the development of an Air Strategy for Otago.

A draft Air Strategy has been prepared and will be presented to committees in September 2017.	●
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2. Support through funding, the installation of clean heating appliances in targeted towns (Airzone 1 and Milton).

Support is provided as applications are received. 44 clean heating appliances were installed during the period.



3. Identify research needs and opportunities in relation to low emission solid fuel burners and promote that research.

The scope was extended to include air quality issues generally. A draft report has been prepared for review.



Estimated and Actual Costs - Air

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Air monitoring	213	204	(9)
Clean heat clean air	90	120	30
Air strategy	133	127	(6)
Total operating costs	436	451	15

This activity has no budgeted capital expenditure.

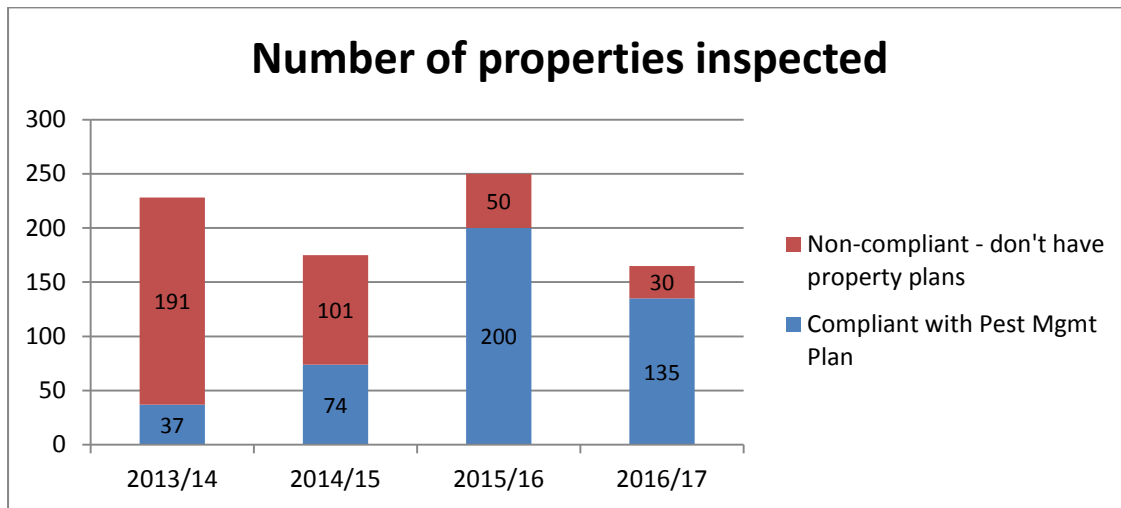
Estimated and Actual Revenue - Air

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	436	451	15
Funded by:			
General rates	346	331	(15)
General reserves	-	-	-
Scheme reserves	90	120	30
Total revenue	436	451	15

Land

Level of service – Require control of pest animals and pest plants		Achieved
Measure:	Level of rabbit populations in rabbit prone areas.	●
Performance target:	Non-compliance found of rabbit numbers over MAL3 will be followed up to ensure a property management plan is in place to reduce rabbit numbers.	
Achievement to June:	Follow up and requests for Rabbit Control Plans was ongoing as non-compliance was found.	

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



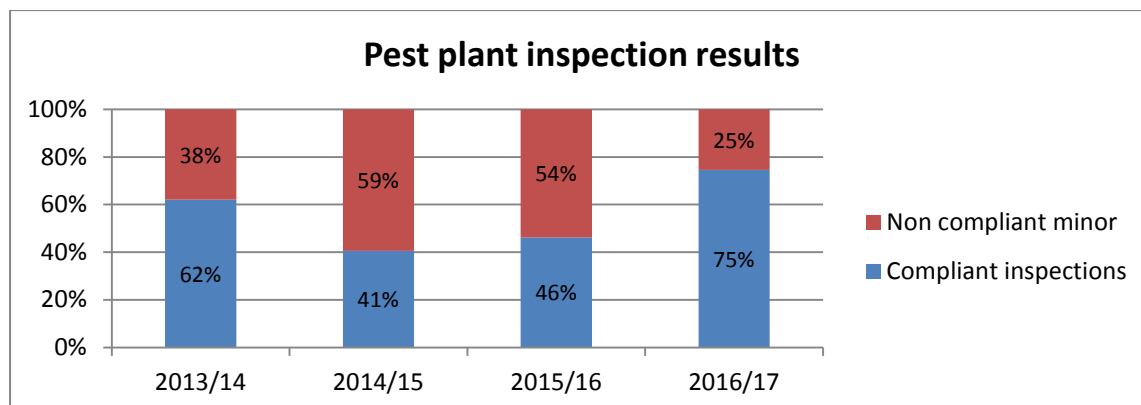
165 inspections covering approximately 26,500 ha were undertaken. Property management plans were requested, or amendments to existing property plans, from the 30 non-compliant inspections. Inspection numbers have decreased due to staff time being used to prepare for a release of the K5 virus.

Level of service – Require control of pest animals and pest plants		Achieved
Measure:	Level of pest plants found at known sites.	●
Performance target:	Non-compliance found for pest plants will be followed up to ensure control works to remove pest plants have been undertaken.	
Achievement to June:	Inspections were completed with follow-up inspections and enforcement action initiated where necessary.	

During the period plant inspections included the following:

	2016/17	2015/16	2014/15	2013/14
Bomarea	472	447	153	338
Old Man's Beard	3,390	1,140	499	125
Contorta	12	61	14	0
Total number of properties inspected	3,874	1,648	666	463

Results of these inspections are shown below.



80 notices of direction were issued in respect of old man's beard.


Other pest plant work undertaken included the following:

- 19,500 ha were inspected for Nassella Tussock, with 1,051 plants removed.
- 62 new sites of Cape Ivy were found and are now being controlled.
- 365 boneseed plants were removed from Anderson Bay in Dunedin.
- One new African Love Grass site was found and 38 plants were destroyed.
- 18 properties were inspected for gorse and broom, and 12 were found to be non-compliant.

Re-inspections on non-compliant properties were undertaken as required.

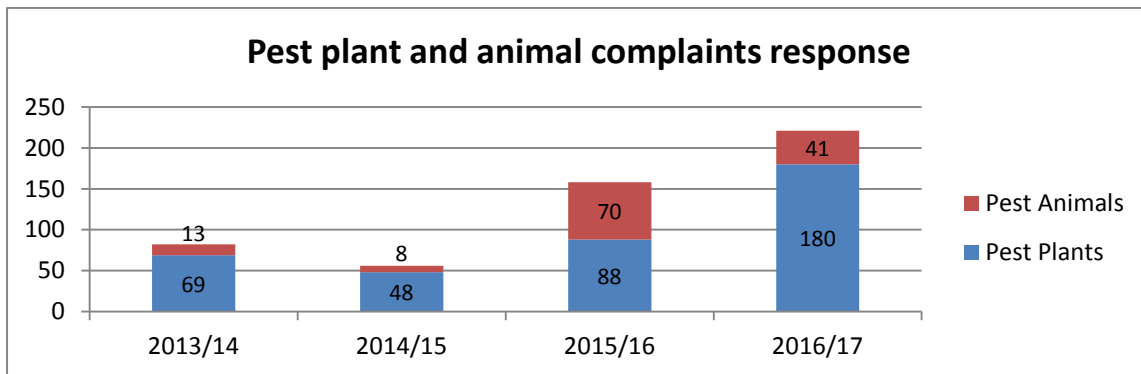
Specific areas of work:

1. Develop a Biodiversity Strategy for Otago.

A Biodiversity Strategy Options report has been received from Wildlands Consultants, but is yet to be considered by the Biodiversity Reference Group.	
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Other initiatives undertaken include:

- Staff responded to pest complaints as follows:



Complaints received related to the following:

	2016/17	2015/16	2014/15	2013/14
Pest plants	180	88	48	69
Rabbits	21	41	7	13
Wallabies	19	25	1	-
Rooks	1	2	-	-
Possums	-	2	-	-
Total	221	158	56	82

Pest plant complaints related predominantly to old man's beard. All complaints have been followed up where a breach of the Pest Management Plan has been identified.

Estimated and Actual Costs - Land

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Biodiversity	1,692	705	(987)
Pest mgmt. strategy implement.	1,233	825	(408)
Pest control	86	61	(25)
Contracting	232	391	159
Total operating costs	3,243	1,982	(1,261)

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue - Land

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	3,243	1,982	(1,261)
<i>Funded by:</i>			
General rates	1,034	1,161	127
Targeted rates	100	100	-
Fees & charges	287	520	233
Other income	1,319	-	(1,319)
General reserves	265	(49)	(314)
Other reserves	238	250	12
Total revenue	3,243	1,982	(1,261)

Comments:


The Biodiversity project is over spent by approximately \$987,000. This project includes administering the funding from MPI for wilding trees, and so unbudgeted expenditure of approximately \$1.1 million is included in this. This expenditure is completely offset by the unbudgeted other income received.

The development of the biodiversity strategy has been delayed due to unbudgeted work being undertaken on the Regional Policy Statement, resulting in an under spend of approximately \$113,000. A Biodiversity Strategy Options report was contracted out to Wildlands, and a draft report has been received.

The overspend in the Pest Management Strategy Implementation results primarily from around \$307,000 of unbudgeted work being undertaken on Wallabies, and this work is being funded from reserves. Unbudgeted Velvet leaf work of \$177,000 has also been offset by unbudgeted other income.


Less rabbit contracts were undertaken than budgeted for in the contracting project, and this accounts for the reduction in fees and charges. Note is made that a positive recovery was made on the contracts carried out.

Rivers & Waterway Management


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

Specific areas of work:

1. Develop River Morphology and Riparian Management Plans, for the Cardrona, Wainakarua and Shag rivers.

<p>Work is in progress on all three plans. Public values have been collected and field work completed. River corridor/fairway contract work has been received. Community meetings to present draft strategy and start the feedback process were held in April and planning meetings were held with major stakeholders. Work with KTKO started in July to present Maori values.</p> <p>Cardrona public consultation will be held alongside Policy consultation on minimum flows scheduled in the 2017/18 year.</p> <p>Shag and Waianakarua plans will be presented to the October Technical Committee.</p>	
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2. Implement the maintenance strategies for non-flood scheme assets.

Maintenance of non-flood scheme assets is being undertaken.	
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Other initiatives undertaken include:

- Reports on the trends and changes in river morphology for the following rivers have been completed:
 - the Clutha River between Clyde and the mouth
 - Cardrona River
 - Rees River at the Rees Bridge and at Glenorchy
- An independent economic assessment of the private versus public benefits of the Lower Waitaki River Scheme was completed, and as a result, the revenue policy for this scheme has been amended to recognise some public benefit.

Estimated and Actual Costs – River Management

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Central Otago	237	307	70
Clutha	278	297	19
Dunedin	282	302	20
Lower Waitaki	155	146	(9)
Waitaki	314	387	73
Wakatipu	153	177	24
Wanaka	124	206	82
Total for all projects	1,543	1,822	279

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – River Management

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	1,543	1,822	279
<i>Funded by:</i>			
Targeted rates	1,577	1,577	-
Scheme reserves	(34)	245	279
Total revenue	1,543	1,822	279

Comment:

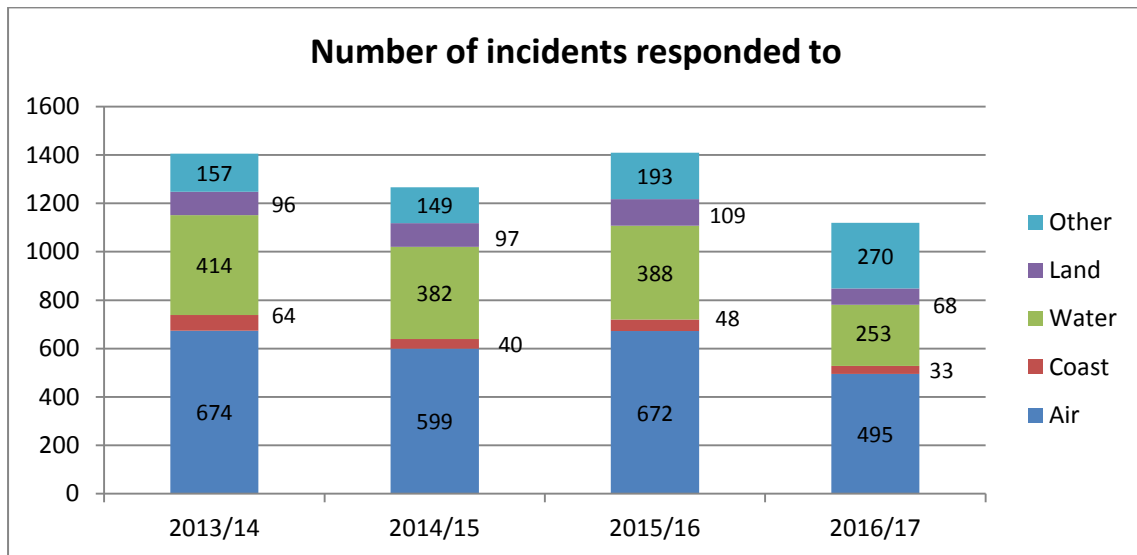
Cross section survey work budgeted to be undertaken in the Waitaki, Wanaka and Central Otago areas were not undertaken as planned.

The development of River Morphology and Riparian Management Plans for Cardrona, Waianakarua and Shag Rivers is underway, and the completion now scheduled for the 2017/18 year.

Environmental Incident Response

Level of service – Council will be ready and able to respond to all environmental incidents		Achieved
Measure:	Time taken to respond.	●
Performance target:	Acknowledge and assess the necessary actions of reported incidents within 0.5 hours of receipt.	
Achievement to June:	Council received 1,119 incidents during the year, and all were responded to within 0.5 hours.	

The incidents received during the period related to the following:



Specific areas of work:

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

A central contaminated sites database has been established. This database is accessible by all TLA's and provides summary information on over 1,000 sites in Otago. Work continues to align the database with information held by the territorial authorities.	●
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Estimated and Actual Costs – Environmental Incidents

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Incident response	721	660	(61)
Contaminated sites	97	112	15
Enforcement	452	491	39
Total operating costs	1,270	1,263	(7)

This activity has no budgeted capital expenditure.


Estimated and Actual Revenue – Environmental Incidents


Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	1,270	1,263	(7)
<i>Funded by:</i>			
General rates	940	800	(140)
Infringements/fines	330	413	83
Fees & charges	-	50	50
Total revenue	1,270	1,263	(7)

General rates were over budget due to the over spending in incident response, and a lower level of recoveries through our enforcement activity than was budgeted.

COMMUNITY


Democracy, public information and awareness

Level of service – Effective, open and transparent democratic council processes		Achieved
Measure:	Completion of statutory public accountability processes.	
Performance target:	Complete all planning and reporting within statutory timeframes and requirements.	
Achievement to June:	Annual report was completed and adopted by Council on 28 September 2016, within the statutory timeframe. Work on the 2017/18 draft annual plan was adopted on 29 June, within the statutory timeframe.	


Level of service – Provide information to enable the public to be informed of council and committee meetings.		Achieved
Measure:	Time for making meeting agendas available to the public.	
Performance target:	All meeting agendas to be available at least two working days prior to each meeting.	
Achievement to June:	38 committee and 11 Council meetings were held during the year. All meeting agendas were made available two days prior to each meeting.	

Specific areas of work:


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

Meetings held during the period included with the Te Kakano Aotearoa Trust, three Te Roopu Taiao meetings, a Mana to Mana meeting and attendance at the Waitangi Day celebrations.	
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2. Respond to issues, activities and queries on matters that require a regional perspective or impact on regional resource management functions.

Responses made included to the Department of Conservation re Proposed Marine Protected Areas, CODC consent re natural hazards risks, and QLDC consents re flooding risk and discharge of storm water, and special housing areas.	
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3. Develop a regional economic development strategy for the Otago region.

<p>Development of this strategy is in progress. Work is continuing on information gathering and undertaking a programme of interviews with key regional stakeholders. Key emerging themes were presented to the Otago Mayoral Forum in May 2017. Recommendations on regional opportunities, plan structure and potential governance for developing and implementing a strategy are to be presented to the Otago Mayoral Forum in August 2017.</p>	
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Other initiatives undertaken for our community include:

- Information has been made available to the public through issuing media releases, social media postings and keeping the ORC website updated.
- Responded to request for presentations to the Millars Flat Scout Group camp, Queens High School, and an Otago/Southland geography teachers meeting.
- Queenstown/Wanaka drop in sessions and business walk arounds were held.
- Financial contributions were made to the Otago Rescue Helicopter.

Estimated and Actual Costs - Community

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Democracy	1,755	1,548	(207)
Public information & awareness	2,070	1,865	(205)
Financial contributions	350	350	-
LAWA	425	15	(410)
Enviroschools	108	57	(51)
Regional economic development	17	100	83
Total for all projects	4,725	3,935	(790)

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue - Community

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	4,725	3,935	(790)
Funded by:			
General rates	4,186	3,674	(512)
Fees & charges	102	130	28
Other income	546	31	(515)
General reserves	17	100	83
Other reserves	(126)	-	126
Total revenue	4,725	3,935	(790)

Comments:

The democracy budget is overspent due to election expenses being greater than budgeted. The elections were over budget by approximately \$139,000 due to there being no DHB election in October, (normally the DHB would contribute to a share of the costs), and unbudgeted costs incurred for the by-election held in June 2017.

The public information and awareness project is over spent by approximately \$205,000 due in part to a change in the way staff are charging time, resulting in more time being charged to this project for annual and long term planning, and reporting than was budgeted for.

The LAWA project over spend is offset by other income received from participating regional councils.

Enviroschools is over budget as the new co-ordinator position is being funded differently from the assumptions made when the budgets were set.

The Regional Economic Development Strategy project is in progress. This work, which is being funded from reserves, will continue into the 2017/18 year.

REGULATORY

Policy Development

Specific areas of work:

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

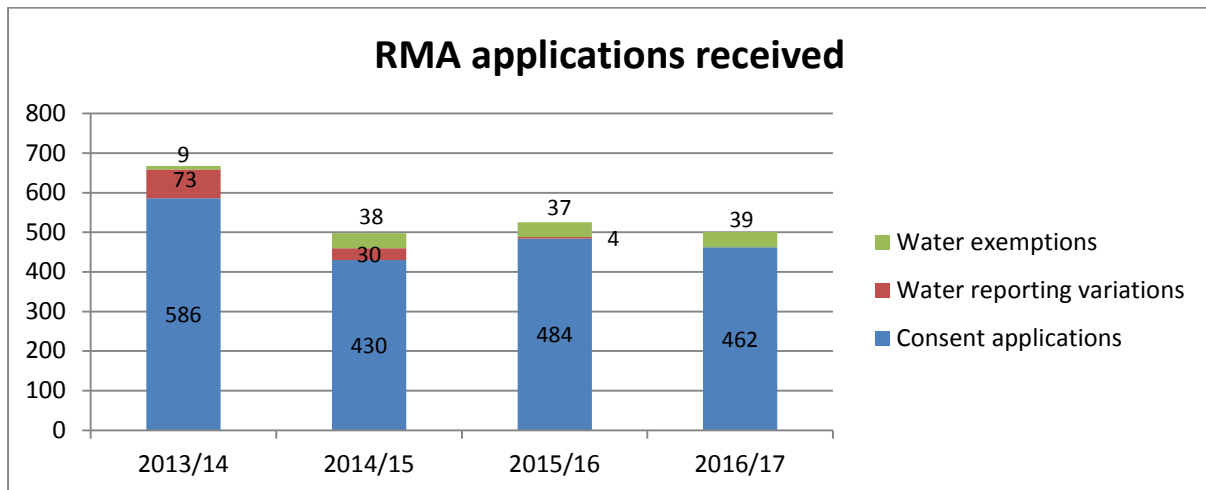
A third week of Court assisted mediation was undertaken 19-23 June. At the end of that week, most matters were either resolved in principle or close to resolution.



Consents & Compliance

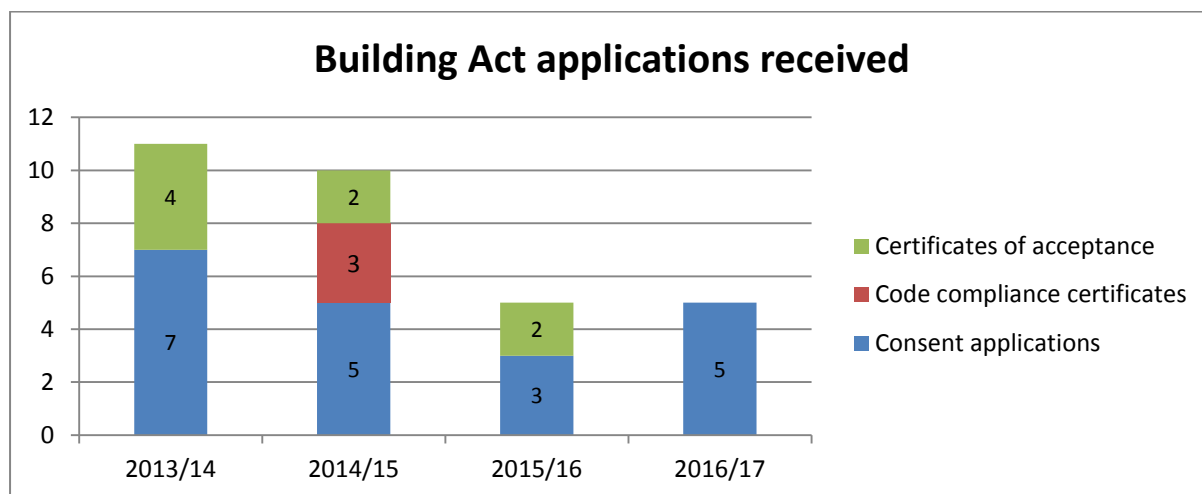
Level of service – Process resource consent applications in a timely manner.		Achieved
Measure:	RMA and Building Act statutory time frames.	
Performance target:	100% of consents are processed within the statutory timeframes.	
Achievement to June:	All consents processed within statutory timeframes	

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



In addition to the consent applications received, council received 263 consent transfer applications, and nine S417 certificate requests.

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

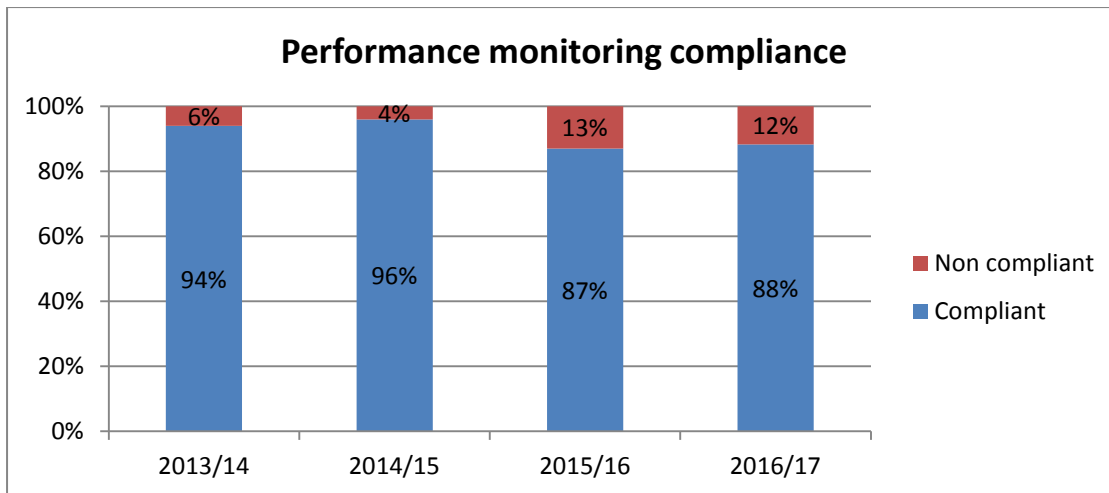


Measure:	Biannual customer satisfaction survey.	●
Performance target:	80% customer satisfaction with process.	
Achievement to June:	Target achieved with customer satisfaction at 81.4%.	

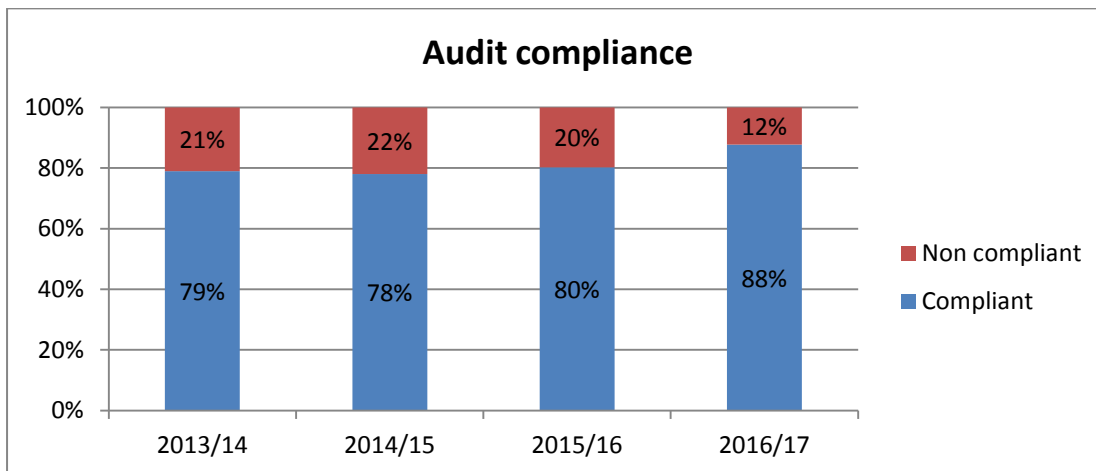
Level of service – Ensure consent conditions for the use of Otago’s air, water and coastal resources are complied with		Achieved
Measure :	Performance monitoring returns show compliance with consent conditions.	●
Performance target:	100% of performance monitoring data received will be assessed for compliance with consent conditions.	
Achievement to June:	All performance monitoring data received to date has been assessed for compliance with consent conditions.	

5,336 performance monitoring returns were assessed for compliance (2015/16: 4,086 returns; 2014/15: - 3,616 returns; 2013/14: - 4,146 returns).

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



744 audits have been undertaken (2015/16: - 1,099 audits; 2014/15: - 420 audits; 2013/14: - 344 audits). The graph below shows the level of compliance with consent conditions in respect of audits undertaken.



Measure:	Enforcement of non-compliance.	●
Performance target:	All non-compliance found (grade 4 and 5) will be followed up and enforced in accordance with Council procedures.	
Achievement to June:	<p>70 performance monitoring returns were graded significant non-compliance. After follow up, no enforcement action was necessary.</p> <p>33 audits and inspections were graded as significant non-compliance, of which 14 were dairy inspections and 19 were consent audits. Enforcement action was initiated on the dairy inspections. Formal warnings were issued on five of the RMA audits.</p>	

Specific areas of work

1. Review consents for a catchment, subcatchment or aquifer within two months of a minimum flow or water quality standard being operational to assess water allocation.

Target has been met for the Waiwera with consent reviews being completed. The Lindis will be the next operational minimum flow, but these permits will not be reviewed until 2021.



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

Investigations and enforcement action was undertaken on breaches of resource consent conditions and Regional Plan rules. Results are shown in the table below.



	2016/17	2015/16	2014/15	2013/14
Infringement notices	40	14	19	21
Prosecutions authorised	14	3	6	9
Abatement notices	3	-	2	8


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

Four Notices to Fix were issued during the year. One required a person to remove or repair a dam.




Harbour Management

Level of service – Safe recreational use and navigation for all users of the Otago harbour.		Achieved
Measure:	Number of harbour incidents.	
Performance target:	No major (collision) harbour incidents.	
Achievement to June:	A moderate incident occurred when a small fishing vessel ran aground at the entrance to Oamaru Harbour. Harbour masters investigated along with Maritime NZ. An oil spill response was initiated resulting in no noticeable environmental impacts.	


Level of service – Council will be ready to respond to oil spills and ensure restoration.	Achieved
Measure: Respond to oil spills in a timely manner.	
Performance target: Respond within 1.5 hours of notification.	
Achievement to June: A total of three marine oil spills were reported during the year. One oil spill resulted in a maritime response in Oamaru.	

Specific areas of work:

1. Complete Port Harbour safety review.

Navigational safety policy drafting has commenced.	
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2. Hold one desk top and one field exercise for marine oil incident response.

<p>A land based familiarisation field equipment exercise on Fryatt Street wharf was held on 2 December 2016. This involved all qualified staff and deployment of oil spill gear, booms, container systems, pump operations, and rope knot methods etc., on the wharf.</p> <p>On 31 May 2017 a full field exercise including deployment of equipment was held at the X/Y Wharf in the inner harbor. MNZ National On Scene commander was present and re-validated all staff.</p>	
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Other initiatives undertaken for our community include:

- Extra signage and reflective marking have been put in eastern channel in the Otago Harbour.

Estimated and Actual Costs – Regulatory

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Regional Policy Stmt	550	176	(374)
Consents	1,563	1,531	(32)
Compliance Monitoring	969	1,163	194
Harbour safety	702	273	(429)
Total for all projects	3,784	3,143	(641)

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – Regulatory

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	3,784	3,143	(641)
<i>Funded by:</i>			
General rates	2,130	918	(1,212)
Grants	113	55	(58)
Internal charges	3	131	128
Fees and charges	1,538	2,039	501
Total revenue	3,784	3,143	(641)

Comments:

Work on the Regional Policy Statement has exceeded the budget by \$374,000, with decisions on the policy statement being released in September 2016. Three weeks of mediation on 26 appeals was completed by the end of June. Work will continue in 2017/18 to complete the process.


Within the consents work, some costs were incurred in upgrading Accela (consenting database) for the management of Building Act code compliance certificates.


Compliance monitoring is under budget due to timing of audits. The lower level of work at this stage is reflected in the lower level of fees and charges received.


The Harbour safety project is over spent due to the contracting out of interim harbour master services, the costs of which have been greater than that provided for in the budget. A dedicated harbour master has been recruited and will commence work in 2017/18.

FLOOD PROTECTION & CONTROL WORKS

Alexandra flood protection

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.		Achieved
Measure:	Respond to flood events or damage.	
Performance target:	Flood damage identified, prioritised and repaired.	
Achievement to June:	No flood events occurred during the period.	


Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target:	Contain all floods up to 142.75m (above mean sea level) at Alexandra Bridge with 0.5m freeboard, corresponding with a flood flow of approximately 4,350 m ³ /s and being equivalent to the greatest recorded flood (in 1878) but with the Lake Hawea control gates closed.	
Achievement to June:	No flood events occurred during the period. The highest flow level reached was 133.48m on 23 January 2017.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target:	Pump capacity will be available 360 out of 365 days per annum (excluding times of planned maintenance*).	
Achievement to June:	Left bank pump #1 check valve was out being re-manufactured for 2 months from 12 May to 14 July 2017.	


*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.


Specific areas of work:

1. Overhaul the Left Bank pump.


The Left Bank pump overhaul has been completed.	
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Leith flood protection


Level of service – Reduce the flood risk to people and property by maintaining flood protection works to agreed standards.		Achieved
Measure:	By 2019/20, increase capacity to 171 m ³ /s (measured at St David Street footbridge). Represents 1 in 100 year flood with freeboard.	
Performance target:	Undertake works between Union Street and Leith Street (including Leith Street bridge and the ITS building/bend).	
Achievement to June:	Contract for works has been awarded to Downer Ltd. Calibre has been engaged to project manage this work. Delays in works were due to unexpected ground conditions and a number of weather events.	


Measure:	By 2019/20, increase capacity to 171 m ³ /s (measured at St David Street footbridge). Represents 1 in 100 year flood with freeboard.	
Performance target:	Complete investigations and design works at Dundas Street bridge.	
Achievement to June:	Hydraulic modelling and preliminary design for the Dundas Street Bridge is underway. A civil and structural design contract for the project has been awarded to Opus Consultants Ltd. Consultation with affected parties including adjacent property owners and DCC is continuing. New consents are being sought.	


Lower Clutha flood and drainage

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.		Achieved
Measure:	Respond to flood events or damage.	
Performance target:	Flood damage identified, prioritised and repaired.	
Achievement to June:	Flooding occurred in November 2016. Repair of a wash out on the true right of the Matau Branch of the Clutha River was made. The infill repair work is being monitored.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target:	No flooding of Barnego in all flows up to 2,850 m ³ /s, Kaitangata, Inch Clutha and Paretai up to 4,000 m ³ /s, and Balclutha up to 5,400 m ³ /s (all flows measured at Balclutha) based on past observed floods.	
Achievement to June:	The highest flow recorded was 1,339 cumecs on 24 Jan 2017.	

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	
Performance target:	Damage identified, prioritised and repaired.	
Achievement to June:	Inch Clutha Centre Road slips reported - none significant enough to warrant action before the planned cleanout.	


Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Provide drainage modulus of 7.5mm per day pumped drainage capacity for Matau District, 9mm per day for Inch Clutha, and 10mm per day for Paretai District.	
Achievement to June:	The drainage moduli were provided over the period. Daily rainfall, (all measured at Balclutha): <ul style="list-style-type: none"> • exceeded 7.5mm on 33 days for Matau District • exceeded 9 mm on 19 days for Inch Clutha District • exceeded 10mm on 15 days for Paretai District. 	

Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Pump capacity will be available at each station 363 out of 365 days per annum, excluding times of planned maintenance.*	
Achievement to June:	During the year, there were 20 days where pumps were not available as they have tripped for various reasons. Actions area being undertaken to address the issue.	


*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

Specific areas of work:


1. Complete altering the drainage infrastructure of Lake Tuakitoto/Robsons Lagoon to improve wetland ecosystem values.


Detailed plan has been prepared, and Consultants have been engaged. A meeting was held with landholders about options. The feasibility of an automatic weir option is being considered at the request of landowners.	
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2. Obtain landholder agreement and consenting (if required) of the improvements to the Koau right floodbank at Factory Road (Paratai).

A technical options report has been received from consultant. Geosolve has been engaged to support the landholder consultation process and complete the consent application for proposed works.	
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Lower Taieri flood protection


Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.	Achieved
Measure: Respond to flood events or damage.	
Performance target: Flood damage identified, prioritised and repaired.	
Achievement to June: Flooding occurred 13 January 2017. No flood damage was identified.	

Measure: Maintain and renew flood mitigation works to ensure design standards are met.	
Performance target: No flooding of the East Taieri upper ponding area from Taieri River flows up to 800 m ³ /s or Silver Stream flows up to 160 m ³ /s.* No flooding of the East Taieri lower ponding area from Taieri River flows up to 2,500 m ³ /s or Silver Stream flows up to 260 m ³ /s. No flooding of West Taieri from Taieri River flows up to 2,500 m ³ /s. No flooding of Mosgiel from Sliver Stream flows up to 260 m ³ /s.	
Achievement to June: No flooding occurred in any area arising from the Taieri River and Silver Stream flows. Peak flows at Outram reached 286 cumecs on 18 Nov 2016 and the Silverstream reached 34 cumecs on 14 April 2017.	


*Taieri River flows measured at Outram, Silver Stream flows measured at Gordon Road), being equivalent to the 1980 flood, nominally a 100 year event.

Specific areas of work:


1. Continue investigations and consult on technical proposals and funding of new upper/lower pond link spillways or the alternative option of relocating the floodbank(s) through the chute of the Taieri River.

Report completed by ORC engineering (hydraulic modeling and GeoSolve, and will now be peer reviewed.	
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2. Design and consenting (if required) of the re-profiling of the Taieri right and left bank crest between Outram and Otokia, of the improvement to the Lower Pond threshold of operation to ensure the spillway will operate as designed, and of the relocation of the Taieri right floodbank super design spillway (Outram).


A draft report has been completed, and will now be peer reviewed.	
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3. Construct a weighting blanket beside the Taieri River right floodbank at Otokia to reduce the likelihood of foundation piping and floodbank failure at that location.

GeoSolve have been commissioned to complete design and oversee implementation onsite of relief wells.	
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West Taieri drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	
Performance target:	Damage identified, prioritised and repaired.	
Achievement to June:	Flooding occurred 13 January 2017. No flood damage was identified.	


Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Provide drainage modulus of 10mm per day pumped drainage capacity.	
Achievement to June:	The drainage moduli were provided over the period. Daily rainfall exceeded 10mm on 22 days, measured at Riccarton Road.	


Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Pump capacity for Waipori will be available 360 out of 365 days per annum, excluding times of planned maintenance*.	
Achievement to June:	The Waipori pumps have been available for less than 320 days due to low line voltage causing the pumps to trip out. Investigations are underway to determine if a separate line of supply could be provided by Powernet.	


*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Pump capacity will be available at Ascog and Henley 355 out of 365 days per annum, excluding times of planned maintenance*.	
Achievement to June:	The Ascog pumps have been available for less than 355 days this year due to high line voltage blowing up soft starters and a pump terminal block failure. Delta has addressed high line voltage issues. Target met for Henley.	

East Taieri drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	
Performance target:	Damage identified, prioritised and repaired.	
Achievement to June:	Flooding occurred 13 January 2017. No flood damage was identified.	


Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Provide drainage modulus of 8mm per day pumped drainage capacity for East Taieri upper ponding area and 18mm per day for East Taieri lower ponding area.	
Achievement to June:	Drainage moduli has been provided for throughout the period. Daily rainfall exceeded 8mm on 30 days, measured at Riccarton Road. Daily rainfall exceeded 18 mm on 7 day, measured at Riccarton Road.	

Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Pump capacity will be available 355 days out of 365 days per annum, excluding times of planned maintenance.*	
Achievement to June:	Target achieved. No issues for the period.	


*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.


Specific areas of work:

1. Consult on technical proposals and funding of drainage improvements for the upper pond after inundation/flood, including options to improve the effectiveness of the Silver Stream pump station.


A draft report has been completed, and will now be peer reviewed.	
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Tokomairiro drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	
Performance target:	Damage identified, prioritised and repaired.	
Achievement to June:	No damage identified in the period.	

Measure:	Existing land drainage works perform to agreed standards, and drainage works are monitored and maintained to agreed standards.	
Performance target:	The drains and channel flow paths within the scheme are maintained to ensure hydraulic capacity.	
Achievement to June:	Drains are monitored and programmed for mechanical cleaning to ensure flow and channel capacity	

Shotover River Delta

Level of service –Ensure waters can flow without undue obstruction.		Achieved
Measure:	Difference between actual and target profiles for surface.	
Performance target:	Surface of Shotover river delta is consistent with the target profile.	
Achievement to June:	Last survey completed in September/October 2016. Consents are currently being processed to allow extraction on Shotover River Delta to maintain the target profiles.	

Estimated and Actual Costs – Flood protection & control works

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Alexandra flood protection			
- Operating cost	173	198	25
- Capital cost	87	25	(62)
Total cost	260	223	(37)
Leith flood protection			
- Operating cost	323	409	86
- Capital cost	2,296	4,611	2,315
Total cost	2,619	5,020	2,401
Lower Clutha flood & drainage			
- Operating cost	1,078	1,254	176
- Capital cost	5	464	459
Total cost	1,083	1,718	635
Lower Taieri flood			
- Operating cost	449	508	59
- Capital cost	-	126	126
Total cost	449	634	185
East Taieri drainage			
- Operating cost	329	497	168
- Capital cost	2	122	120
Total cost	331	619	288
West Taieri drainage			
- Operating cost	503	615	112
- Capital cost	2	166	164
Total cost	505	781	276
Tokomairiro drainage			
- Operating cost	73	72	(1)
- Capital cost	-	20	20
Total cost	73	92	19
Shotover river delta			
- Operating cost	44	29	(15)
Land drainage response			
- Operating cost	19	33	14
Total for all projects	5,383	9,149	3,766

Estimated and Actual Revenue – Flood protection & control works

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	2,991	3,615	624
<i>Funded by:</i>			
General rates	654	506	(148)
Targeted rates	2,040	2,103	63
Fees & charges	25	212	187
Other	272	345	73
Scheme reserve	-	449	449
Total operating funding	2,991	3,615	624
Capital costs	2,392	5,534	3,142
<i>Funded by:</i>			
Scheme reserve	511	3,716	3,205
Targeted rates	1,631	1,568	(63)
Kuriwao reserve	250	250	-
Total capital funding	2,392	5,534	3,142
Total revenue	5,383	9,149	3,766

Comments:

The Leith project is under spent due to some delays in starting construction on the Union to Leith Street reach, including Leith Street bridge and the ITS building/bend. A contract has been awarded for this work and construction is underway.


The Lower Clutha and Lower Taieri budgets are under spent due to timing of works. An assessment of the condition and structural integrity of scheme flood banks across both schemes is being done under one contract, however there has been a delay in starting this work.


East Taieri drainage scheme work is under spent due to the timing of works, where some activities are currently behind schedule e.g., consulting on technical proposals and funding of drainage improvements for the upper pond after inundation/flood, including options to improve the effectiveness of the Silver Stream pump station.

The Lower Clutha, and the East and West Taieri drainage schemes have an under spend in budget due to a change in approach to water quality and delayed start to developing public access to real time pump information, and contracted work on health and safety at pump stations.

SAFETY & HAZARDS


Emergency management

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


Measure:	Timeliness in response to a civil defence event/emergency.	
Performance target:	A Group CDEM Controller is available 24/7, 365 days a year.	
Achievement to June:	Three trained regional controllers are in place and available for response. An additional Controller has been identified and will be included in future training.	

Specific areas of work:


1. Lead the review and development of the 2017-22 Otago CDEM Group Plan.

The Group Long Term Plan is being reviewed and a new plan is being developed during the 2017 calendar year. A series of workshops have been held with each District Council in May and further workshops are planned. The Ministry has been advised of the process and time frames.	
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2. Develop a group Alpine Fault Earthquake Response Plan and implement it.


Work on the Alpine Fault plan is ongoing as part of Project AF8 (funded by the Ministry of Civil Defence). Engagement with dam owners is increasing and plans for dam failure will be developed over the coming 2 - 3 years. Additional plans required following the outcomes of the Alpine Fault Project are also underway such as an Integrated Otago/Southland Air Operations Plan.	
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3. Complete the development of the Group Risk Reduction Strategy and implement it.

Development of the Group Risk Reduction Strategy is now scheduled to be completed in the 2017/18 year.	
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Natural hazards

Level of service – Work proactively with communities to improve understanding of the risks posed by natural hazards so that informed decisions and responses can be made.		Achieved
Measure:	Information to be available.	
Performance target:	Provide natural hazards information to the public via an effective web based Otago Natural Hazards database.	
Achievement to June:	The database has been upgraded and is being kept up to date with new information. A full check of existing data is in progress, and includes identifying the origin of all the layers in the database. Updated information is required to be uploaded for some areas.	


Level of service – Provision of accurate and timely flood warnings.		Achieved
Measure:	Warnings of flood events when alarm status is reached.	
Performance target:	Provide rainfall and river flow information to the public when flood levels reach alarm status.	
Achievement to June:	No large flood events occurred during the period, but information was still disseminated through water info and the flow phone. Heavy rain forecast in April was responded to accordingly.	

Specific areas of work:

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

Contract is in place with GNS consultants to undertake this work, however, work has not yet commenced due to GNS commitments in respect of the Kaikoura earthquake. GNS expect to have completed February 2018.	
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2. Assess the hazard significance of mapped landslide features for the Otago region.

Not progressed due to GNS commitments with the Kaikoura earthquake. Project being partially done in house	
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3. Undertake a joint ORC/QLDC flood awareness campaign in Queenstown and Wanaka.

Visits to businesses in flood zone and drop in sessions in Wanaka and Queenstown were completed. Information on flood hazard and civil defence was provided to the public.



Estimated and Actual Costs – Safety & hazards

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Emergency management	1,389	702	(687)
Natural hazards	1,259	1,261	2
Total for all projects	2,648	1,963	(685)

Estimated and Actual Revenue – Safety & hazards

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	2,648	1,963	(685)
<i>Funded by:</i>			
General rates	1,958	1,963	5
General reserves	277	-	(277)
Other reserves	-	-	-
Other income	413	-	(413)
Total revenue	2,648	1,963	(685)

Comments:

Emergency Management Otago has been established ahead of the planned time and there was a significant cost in the Human Resources activity to transfer staff from the territorial authorities to ORC management. Other income relates to funding received from the Otago territorial authorities reimbursing ORC some payroll costs associated with their staff.

TRANSPORT

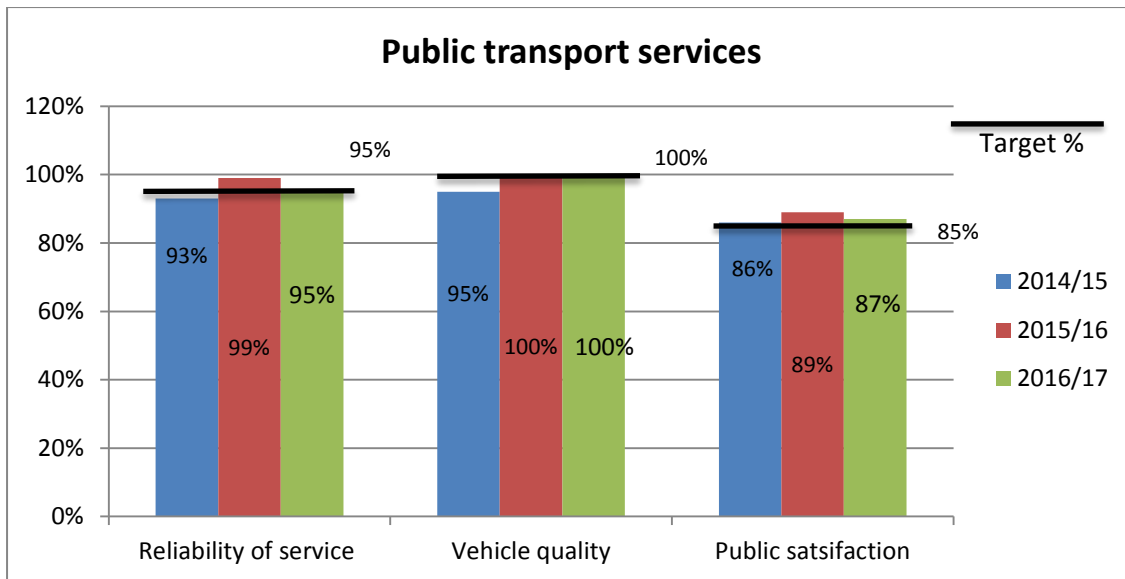
Regional transport planning & public passenger transport

Level of service –Provide passenger transport services that meet community need.		Achieved
Measure:	Reliability of service.	●
Performance target:	In Dunedin, 95% of services monitored depart from the terminus on time.	
Achievement to June:	Target met. Survey undertaken late June / early July showed 95.26% of buses departed from the terminus on time.	

Measure:	Vehicle quality.	●
Performance target:	In Dunedin 100% of vehicles (PTOM contracts) comply with Regional Passenger Transport Plan Vehicle Quality standards.	
Achievement to June:	Target is being achieved, with 100% of buses complying with the quality standards.	

Measure:	Public satisfaction.	●
Performance target:	In Dunedin, survey shows at least 85% of bus users are satisfied with overall standard of service.	
Achievement to June:	Target met. Survey undertaken late June / early July 2017 showed 86.81% of bus users were satisfied with overall standard of services.	

The graph below shows the results for the 2016/17 year to date.



Measure: Patronage growth.	
Performance target: In Dunedin, 3% growth.	
Achievement to June: Patronage in Dunedin increased by 0.5% for the year.	

Note is made that patronage for the Wakatipu Basin decreased by 7.8% this financial year.

Specific areas of work:

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

Public consultation and design work has been undertaken. Preparation of a Notice of Requirement is underway with expect lodgement in July 2017.	
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2. Complete the implementation of a replacement ticketing system.

A contract is in place and development of the replacement ticketing system has commenced.	
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3. Procure and implement real time tracking in Dunedin and Wakatipu.

Tender process complete and contracts have been awarded.	
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Estimated and Actual Costs - Transport

Projects	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Regional transport planning			
- Operating cost	357	168	(189)
Public passenger transport			
- Operating cost	14,013	16,320	2,547
Stock truck effluent disposal			
- Operating cost	39	69	30
- Capital cost	27	426	399
Total cost	66	495	429
Total for all projects	14,436	16,983	2,547

Estimated and Actual Revenue- Transport

Funding sources	Actual to 30 June 17 \$000s	Estimated to 30 June 17 \$000s	Variance () = Over budget
Operating costs	14,409	16,557	2,148
Funded by:			
General rates	561	469	(92)
Targeted rates	3,484	3,484	-
Grants	7,168	9,303	2,135
Scheme reserves	1,068	2,988	1,920
Other income	2,128	313	(1,815)
Total operating funding	14,409	16,557	2,148
Capital costs	27	426	399
Funded by:			
General reserves	13	209	196
Grants	14	217	203
Total capital funding	27	426	399
Total revenue	14,436	16,983	2,547

Comments:

The budget for the Regional transport planning project was under estimated, to complete the programme of work for the year.

The under spend in public transport relates primarily to timing issues with the bus hub and the national electronic ticketing system, both of which will now continue on into the 2017/18 year. Other income includes fare revenue which was not budgeted for.

The Stock Truck Effluent Site budget assumes the construction of a new site at a cost of \$426,000. For this financial year design and site selection will be completed, with construction running into the 2017/18 financial year.