

Finance and Corporate Committee - 29 November 2018

Attachments

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Minutes of a meeting of the
Finance and Corporate Committee held in the
Council Chamber at Philip Laing House, Dunedin
on Thursday 18 October 2018, commencing at 11:00am

Membership

| | |
|-----------------------|-----------------------------|
| Cr Doug Brown | <i>(Chairperson)</i> |
| Cr Andrew Noone | <i>(Deputy Chairperson)</i> |
| Cr Graeme Bell | |
| Cr Michael Deaker | |
| Cr Carmen Hope | |
| Cr Trevor Kempton | |
| Cr Michael Laws | |
| Cr Ella Lawton | |
| Cr Sam Neill | |
| Cr Gretchen Robertson | |
| Cr Bryan Scott | |
| Cr Stephen Woodhead | |

Welcome

Cr Brown welcomed councillors, members of the public and staff to the meeting.

1. APOLOGIES

No apologies were advised.

2. LEAVE OF ABSENCE

No Leave of Absence advised.

For our future

3. ATTENDANCE

| | |
|-----------------|---|
| Sarah Gardner | (Chief Executive) |
| Nick Donnelly | (Director Corporate Services) |
| Tanya Winter | (Director Policy, Planning and Resource Management) |
| Sian Sutton | (Director Stakeholder Engagement) |
| Gavin Palmer | (Director Engineering, Hazards and Science) |
| Scott MacLean | (Director Environmental Monitoring and Operations) |
| Sally Giddens | (Director People and Safety) |
| Ian McCabe | (Executive Officer) |
| Lauren McDonald | (Committee Secretary) |
| Emma Schranz | (Senior Media Advisor) |
| Gerard Collings | (Manager Support Services) Item 11.2 |

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled and that Item 11.2 Public Transport Update would include an update on the Bus Hub construction progress.

5. CONFLICT OF INTEREST

Cr Scott declared a conflict of interest for discussion of the Bus Hub project discussion, under item 11.2 of the agenda.

6. PUBLIC FORUM

No public forum was held.

7. PRESENTATIONS

No presentations were held.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) meeting held on 12 September 2018 be received and confirmed as a true and accurate record with the correction noted for Item 10.2 Annual Return of Inactive Subsidiaries to note that the companies are inactive and do have constitutions in place.

Moved: Cr Noone
Seconded: Cr Robertson
CARRIED

9. ACTIONS

Status report on the resolutions of the Finance and Corporate Committee.

| Report | Meeting Date | Resolution | Status |
|--|--------------|--|---|
| 10.4. - CS1846 Passenger Transport Update | 12/9/18 | <i>That the finance and corporate committee appoint an independent commissioner to hear submissions and make recommendations on all submissions on the proposed variation to Regional Public Transport Plan 2014 for the Peninsula bus route to Council.</i> | CLOSED. Independent Commissioner appointed, Mr David Benham, submissions heard on 18/9/18. Council adopted recommendations on 26 September 2018. |

10. MATTERS FOR COUNCIL DECISION

10.1. Director's Report

The report informed the Finance and Corporate Committee of the significant financial and corporate activity for the reporting period and presented the account payments for endorsement.

Resolution

- a) *That this report is received.*
- b) *That the payments summarised in the table above and detailed in the payments schedule, totalling \$5,630,057.15 is endorsed.*

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

11. MATTERS FOR NOTING

11.1. Treasury Report

The report detailed the management and performance of the Council's short-term deposits and managed fund, for the twelve months ended 30 June 2018.

Resolution

- a) *That this report is received.*

Moved: Cr Noone
Seconded: Cr Scott
CARRIED

11.2. Public Transport - Update

Cr Scott declared a Conflict of Interest in regard to the Dunedin Bus Hub contract and left the meeting at 12:03 pm

The report provided an update on the Dunedin Bus Hub development and the performance of the Dunedin and Wakatipu public transport networks.

Dunedin Bus Hub

Mr Collings, Support Services Manager outlined the issues causing delay to the scheduled work programme. He advised this would result in work required beyond the 30 November 2018. He advised staff were scheduled to meet with the affected business owners, during the week of 24 October and sought Council direction on progressing the work programme.

Motion tabled:

That council endorse the option of the contractor vacating the site over December 2018 and reinstating works in the New Year.

Moved Cr Deaker

Seconded Cr Laws

Discussion was held on the additional remedial works required and business disruption to the affected retail shops and service centres in the Moray Place, Great King Street area over the Christmas/New Year trading period and for viable work programme options going forward.

Resolution

That Council endorse the option of the contractor vacating the site over December 2018 and reinstating works in the New Year, subject to consultation with the directly affected parties and refinement by staff.

Moved: Cr Brown

Seconded: Cr Laws

CARRIED.

Resolution

a) *That this report be received.*

Moved: Cr Brown

Seconded: Cr Hope

CARRIED

12. NOTICES OF MOTION

No Notices of Motion were advised.

13. RECOMMENDATIONS OF MEETINGS

13.1. Recommendations of the Audit and Risk Subcommittee - 19 September 2018

Resolution

Recommendations of the public portion of the Audit and Risk Subcommittee meeting held on 19 September 2018, be adopted.

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

14. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

That the public be excluded from the following parts of the proceedings of this meeting, namely:

Recommendations of the public excluded Audit & Risk Subcommittee meeting held on 19 September 2018.

Also move that Mrs Sarah Gardner and Mr Nick Donnelly be permitted to remain at this meeting after the public has been excluded, because of their knowledge of the matters subject to the recommendations. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to the matter because of their membership or attendance of the Audit and Risk Subcommittee.

Moved: Cr Brown
Seconded: Cr Neill
CARRIED

The meeting resumed in public session on the motion of Crs Brown and Noone.

15. CLOSURE

The meeting was declared closed at 12:30 pm.

Chairperson

Appendix 1 - Dunedin Public Transport Report

October 2018

Dunedin fare revenue and patronage continues to rise compared to the previous year. October shows a slight increase in revenue and slight decrease in patronage compared to September, which reflects previous year's seasonal trends. Fare Revenue from the 2018/19 financial year to date shows revenue is up by 11% for the first four months July-October. Patronage to date is also showing a 11% increase compared to the same time last year.

Fare Revenue October 2018

\$492,372

▲ 10% vs 2017

2018 Fare Revenue
financial year to date

\$1,967,140

▲ 11% vs 2017

Patronage October 2018

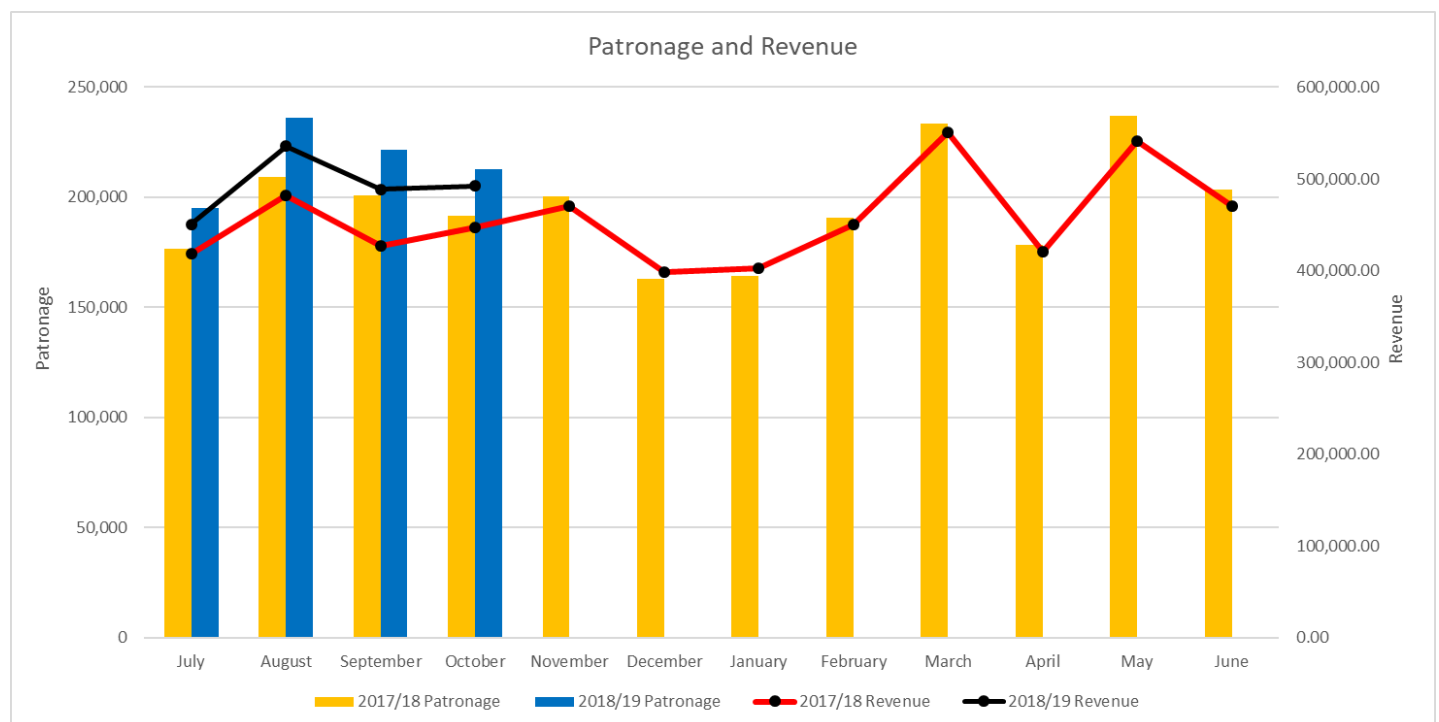
212,705

▲ 11% vs 2017

2018 Patronage
financial year to date

865,310

▲ 11% vs 2017



The graph above shows revenue and patronage for the 2018/2019 financial year (blue bar = patronage and black line = revenue) compared to the previous financial year 2017/2018. The 2018/19 financial year data for both revenue and patronage looks to be tracking clearly above the 2017/18 data for the same period.

Unit 1

- Balaclava
- Logan Park
- Concord
- Port Chalmers
- Northern services
- Peninsula

Unit 2

- St Clair
- Normanby
- Corstorphine
- Wakari
- St Clair Park
- Helensburgh

Dunedin Transitional Services

- Pine Hill
- Lookout Point
- Shiel Hill
- Opoho
- Ridge Runner

Unit 4

- Brockville/Half. Bush/St Kilda
- Waverley
- Ocean Grove
- Ross Creek
- Belleknowes
- Kenmure

Unit 5

- Mosgiel
- Mosgiel Loop
- Abbotsford

Unit 1 Revenue Oct 2018

\$93,645

Unit 1 Patronage

35,346

Unit 2 Revenue Oct 2018

\$140,521

Unit 2 Patronage

65,471

Transitional Services Oct 2018 Revenue

\$76,134

Unit 3 Patronage

36,589

Unit 4 Revenue Oct 2018

\$115,719

Unit 4 Patronage

52,827

Unit 5 Revenue Oct 2018

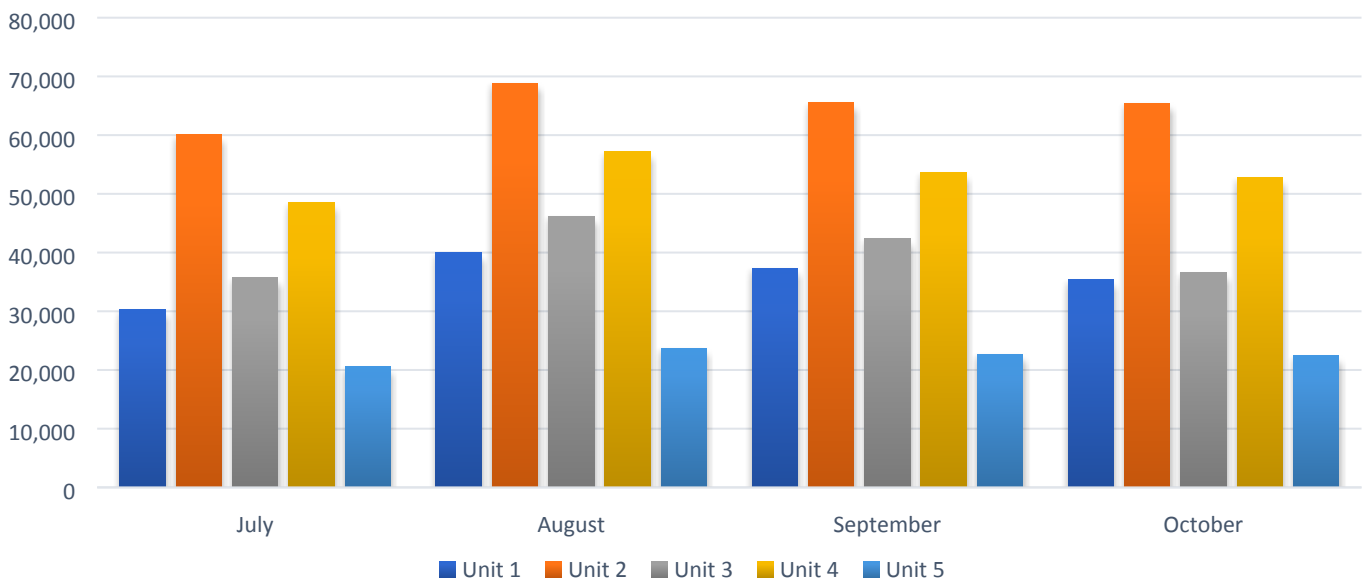
\$66,352

Unit 5 Patronage

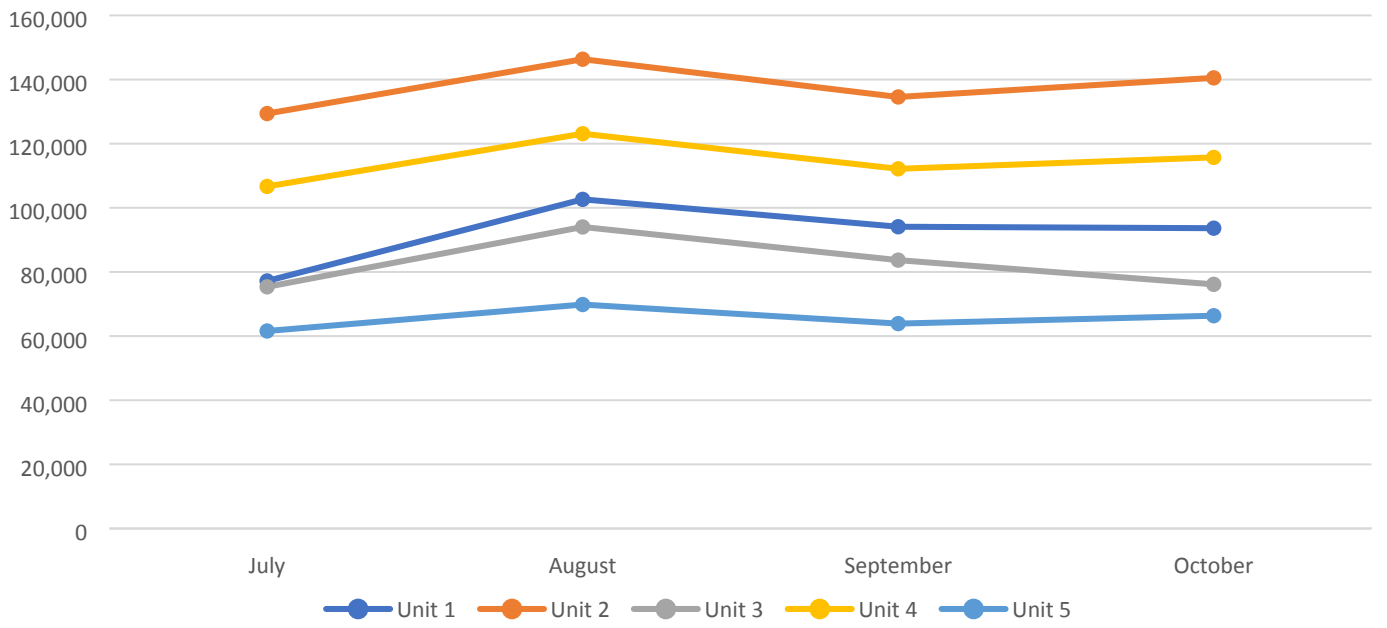
22,472

Patronage for all Dunedin units has slightly decreased compared to the previous month, whereas revenue has slightly increased. Unit two continues to track above the other units for both revenue and patronage with Unit four following close behind.

Unit Patronage 2018



Unit Revenue 2018



Appendix 2 - Queenstown Public Transport

October 2018

Queenstown fare revenue and patronage continues to rise compared to the previous year. October shows an increase in revenue and patronage compared to the previous month, following seasonal trends. Fare Revenue from the 2018/19 financial year to date shows an increase of 10%. Patronage for the financial year to date is showing an 188% increase compared to July-October last year. October 2018 patronage is up by 204% from October 2017.

Fare Revenue October 2018

\$262,243

▲ 16% vs 2017

2018 Fare Revenue
financial year to date

\$1,053,720

▲ 10% vs 2017

Patronage October 2018

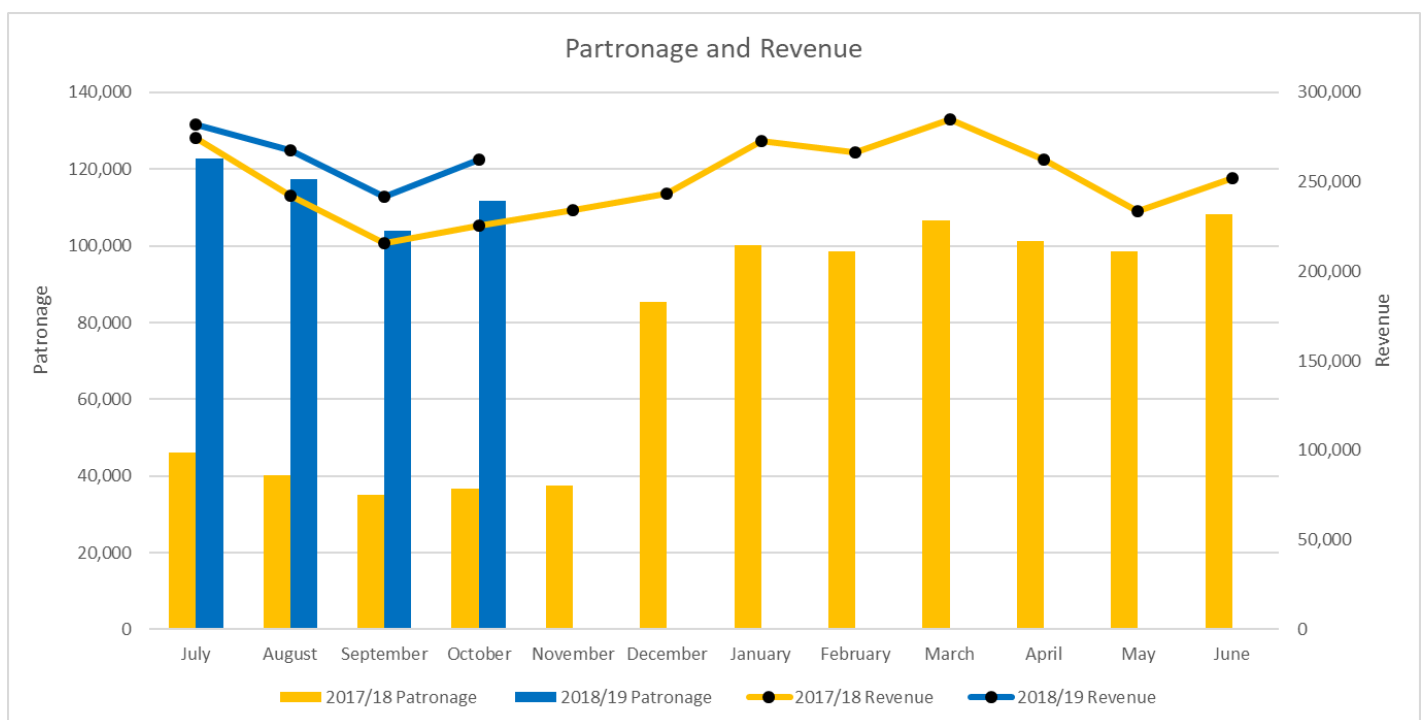
111,657

▲ 204% vs 2017

2018 Patronage
financial year to date

455,847

▲ 188% vs 2017



The graph above shows revenue and patronage for 2018/2019 compared to the previous year 2017/2018.

Unit 6

- Fernhill – Remarkables Park
- Lake Hayes – Jacks Point

Unit 7

- Arthurs Point – Arrowtown
- Kelvin Heights – Frankton Flats

Unit 6 Revenue Oct 2018

\$207,281

Unit 6 Patronage

86,650

Unit 7 Revenue Oct 2018

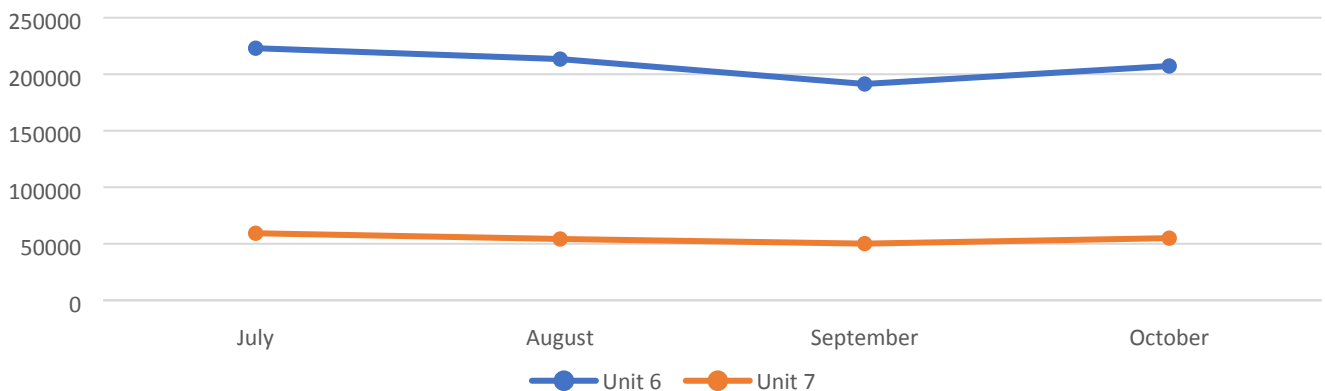
\$54,962

Unit 7 Patronage

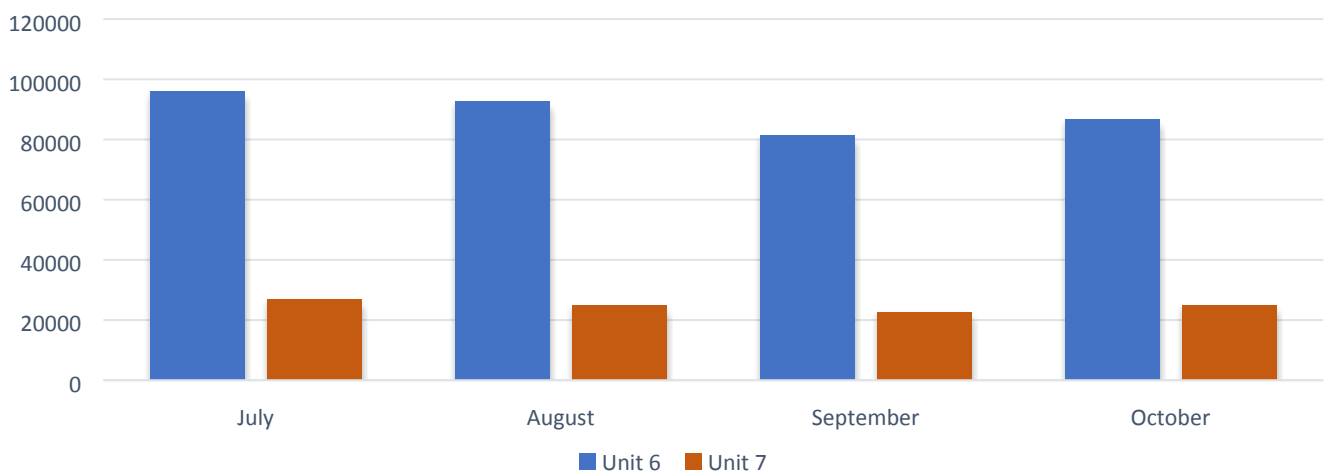
25,007

Revenue and patronage for the Queenstown units continues to track evenly with a very slight increase for both, compared to September 2018. Unit 6 remains higher for both revenue and patronage.

Unit Revenue



Unit Patronage







Activity Review Q1

**Incorporating performance commentary for Quarter One
1 July - 30 September 2018**

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Key

| | |
|---|---|
|  | Target is being achieved, either to date, or in total |
|  | Target progress is marginal, or expected to be partially achieved |
|  | Target has not been achieved |
|  | Target programmed for start in future |

EXECUTIVE SUMMARY




Introduction



This document reports progress on the delivery of Council service for quarter one of the financial year 1 July - 30 June 2019. It includes details of how the Council activities have performed against non-financial measures and financial budgets.

Summary of Performance

This table provides a summary of matters that may consider as being key matters to note

| | Key Considerations | Significant Activity Level |
|---|--------------------|--|
| Policy & Planning <ul style="list-style-type: none"> • <i>Regional Plans</i> • <i>Strategies</i> | | <p>Non Financial Performance</p>  |
| | | <p>Financial Performance</p>  |
| Environment <ul style="list-style-type: none"> • <i>Water</i> • <i>Air</i> • <i>Land</i> • <i>Coast</i> • <i>State of the Enviro.</i> • <i>Biodiversity</i> • <i>Pests</i> • <i>Enviro. incident Resp.</i> | | <p>Non Financial Performance</p>  |
| | | <p>Financial Performance</p>  |
| Community <ul style="list-style-type: none"> • <i>Governance & leadership</i> | | <p>Non Financial Performance</p>  |

| | | |
|--|--|--|
| | | <p>Financial Performance</p>  |
| Regulatory <ul style="list-style-type: none"> • <i>Consent processing</i> • <i>Compliance</i> | | <p>Non Financial Performance</p>  |
| | | <p>Financial Performance</p>  |
| Flood Protection & Control Works, & River Management | | <p>Non Financial Performance</p>  |
| | | <p>Financial Performance</p>  |
| Safety and hazards <ul style="list-style-type: none"> • <i>Emergency Mgt</i> • <i>Hazards</i> | | <p>Non Financial Performance</p>  |
| | | <p>Financial Performance</p>  |

| | | |
|--|--|---|
| Transport <ul style="list-style-type: none"> • <i>Reg. Land Trans.</i> • <i>Public Trans.</i> | | <div>Non Financial Performance</div>  <div>Financial Performance</div>  |
|--|--|---|

POLICY & PLANNING

REGIONAL PLANS & POLICIES

Council's regional plans set out policies and rules that aim to protect our natural resources, i.e. water, air and coast, and their use. The Resource Management Act requires Council to have a Regional Policy Statement that enables sustainable management of the natural and physical resources of the Otago region. It also has provisions for adopting and reviewing regional plans.

Activities include:

| | | |
|--------------------------------|---------------------------|--|
| Regional Policy Statement (P1) | Regional Plan: Water (W1) | Minimum flows and allocation limits (W6) |
| Regional Plan: Air (A4) | Regional Plan: Waste (P2) | Regional Plan: Coast (W5) |

Regional Policy Statement (P1) *Anita Dawe*

Summary Comment

The pRPS is waiting for one more decision from the Environment Court. The decision on the Port Chapter was released in early October. Work is underway to progress the pRPS to partially operative. An e-doc version of the soon-to-be operative RPS will need to be prepared.

Expected:

It is possible this project will remain under spent at the years end, but that will depend on the timing of the Courts' decision on indigenous biodiversity/ mining, and the response required to the Court decision on Ports.

Key Measures

Measure: • **Comply with Resource Management Act legislative planning requirements.** • **Complete preparation of plan reviews and changes of resource management policies, plans and strategies in accordance with Council's publicised work programme.**

Comment: Council's work programme included a plan change for Priority Catchments to set minimum flows. This plan change is on hold while a revised work programme is developed that fully gives effect to the National Policy Statement for Freshwater Management 2014(amended 2017). The work programme will identify how the

Previous Now Future



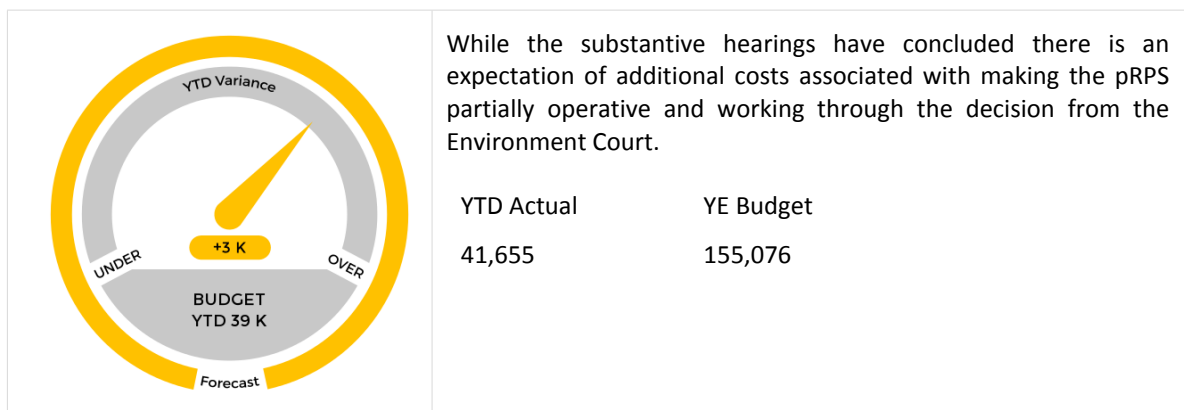
three priority catchments will be addressed. Aside from fresh water, all other work underway is consistent with the RMA and legislative planning requirements, including the proposed RPS, National Planning Standards, and the NESAQ.

Measure: Completion of required actions for making the RPS operative.

Comment: Staff are working through the operative RPS and the proposed RPS to determine if it can be made partially operative. A request will be taken to Council by the end of 2018.



Financial performance – Regional Policy Statement



Regional Plan: Water (W1) Anita Dawe

Summary Comment

A new work programme to fully give effect to the National Policy Statement Fresh Water Management (NPSFM) is being prepared, which will require a regional response to water quality. To support this, staff have been undertaking an analysis of the Regional Plan:Water against the NPSFM, to identify where the RPW does not give effect to the NPSFM. The stormwater and wastewater work stream is progressing albeit staff have been diverted to other projects, including progressing the pRPS to operative, which have taken priority.

Expected:

There will be additional expenditure against this project for the remainder of the year, as the focus moves from minimum flows to general freshwater management.

Key Measures

Measure: Notification of 'Progressive Implementation Plan'.

Comment: The Progressive Implementation Programme (P.I.P) is scheduled to go to the next Council meeting, and on target for notification by 31 December 2018.

Previous Now Future

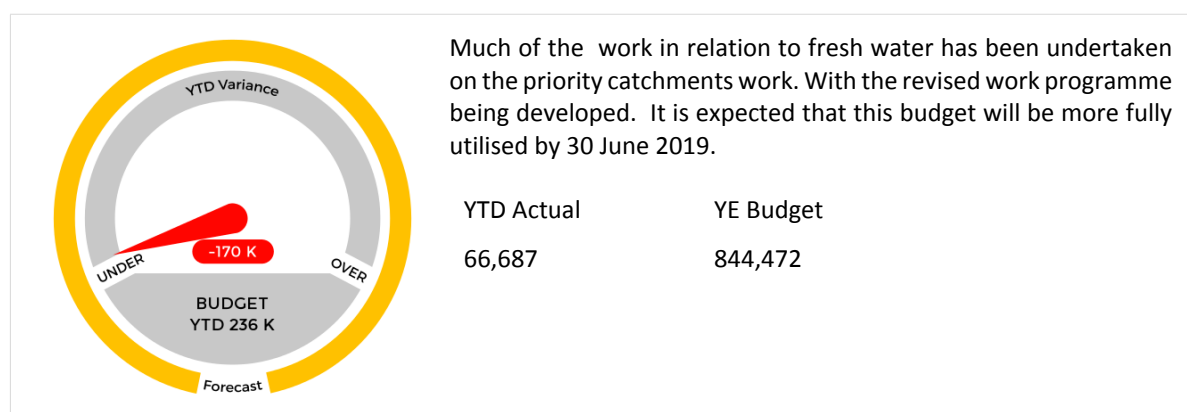


Measure: Complete a stocktake of the NPSFM.

Comment: Draft has been completed and awaiting review



Financial performance – Regional Plan: Water



Minimum Flows and Allocation Limits (W6) Anita Dawe

Summary Comment

This project has been put on hold, due to a revised work programme to comply with the NPSFM. The Lindis Environment Court hearing is scheduled to commence in November. Reports for the Clutha River in relation to recreational values has recently been completed.

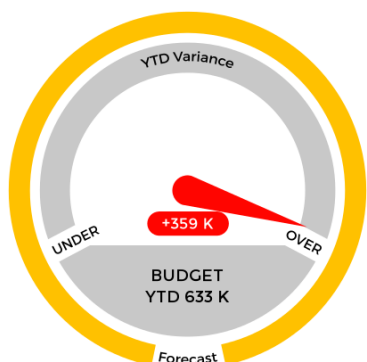
Expected:
Implementation of the revised work programme.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Progress on 'Priority Catchments Minimum Flow Plan Change' minimum flows and associated water allocation. Comment: This project has been placed on hold, to allow a full NPSFM compliant process to be undertaken. | | ● | ● |
| Measure: Monitor flows and levels for setting minimum flows/environmental levels and allocation limits for rivers, lakes and aquifers. Comment: All project sites for Manuherikia, Lindis, Cardrona and Arrow are continuing to be monitored. A concurrent gauging in Manuherikia has occurred prior to the irrigation season. This occurred at Lauder, Dunstan, and Thompsons. Sites in Manuherikia will be upgraded with telemetry for ease of data downloads. Uncertainty exists about the impact the revised W6 work programme will have on monitoring work programme requirements. | | ● | ● |
| Measure: Publish science work for setting minimum flows/environmental levels. Comment: Minimum flows have been put on hold pending a full NPSFM process. Manuherikia: The Cumulative Hydrological Effects Simulator (CHES) model construction is on-going but has been complicated by issues with our consenting layers and databases. S.32 supporting reports are on hold pending completion of this model. Arrow and Cardrona: S.32 supporting documents are completed as far as possible without Freshwater Management Unit (FMU) objectives. A substantial amount of additional work (mostly field work) will be | | ● | ● |

carried out this summer in all three catchments to aid these reports and fill gaps we think may be raised when objectives are outlined.

Financial performance – Minimum Flows and Allocation Limits



Required expenditure has been higher than was anticipated at the time of budgeting, particularly the inputs for Science and Operations. Inputs for Cardrona and Arrow have been required due to update work following reviews. For the Manuherikia, science inputs were required for briefing which have been higher than anticipated. The Lindis minimum flow is going to an Environment Court hearing and inputs across departments have increased in order to prepare for this. This has resulted in significant expenditure which was not budgeted for. The programme overall is over budget.

| YTD Actual | YE Budget |
|------------|-----------|
| 991,683 | 2,284,368 |

Regional Plan: Air (A4) Anita Dawe

Summary Comment

The Air Strategy was approved in June 2018 and the Air Action Plan is being developed and will be brought to Council before the end of the year.

Expected:

Council's decision on the Air Action Plan will directly influence the work programme to 30 June 2019 and beyond.

Key Measures

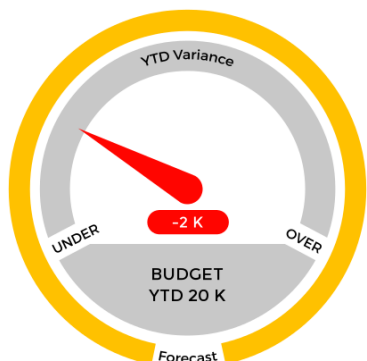
Measure: Review revised NES-AQ and assess consequences for Otago.

Comment: The discussion document for the NESAQ has not been released yet. ORC has provided preliminary feedback to MfE and analysed what probable consequences of changes are.

Previous Now Future



Financial performance – Regional Plan: Air



The expected financial result will be directly influenced by Councils decision on the Air Action Plan.

| YTD Actual | YE Budget |
|------------|-----------|
| 17,620 | 80,388 |

Regional Plan: Waste (P2) Anita Dawe

Summary Comment

Expected:

No work is proposed in this project at this stage, however a full review of the Waste Plan will be undertaken as part of the formal review of the Regional Water Plan.

Key Measures

No reported measure

Financial performance – Regional Plan: Waste

| | YTD Actual | YE Budget |
|--|------------|-----------|
| | 0 | 0 |

Regional Plan: Coast (W5) Anita Dawe

Summary Comment

Development of the Coastal Strategy is being deferred in the LTP to Year 4. In the meantime, plan change work for discharges of wastewater and stormwater to the coastal marine area, is being progressed as part of the parallel work for discharges into the freshwater environment. Work on the Coastal Plan has been deferred to allow staff to focus on fresh water. There may still be some work done in this financial year.

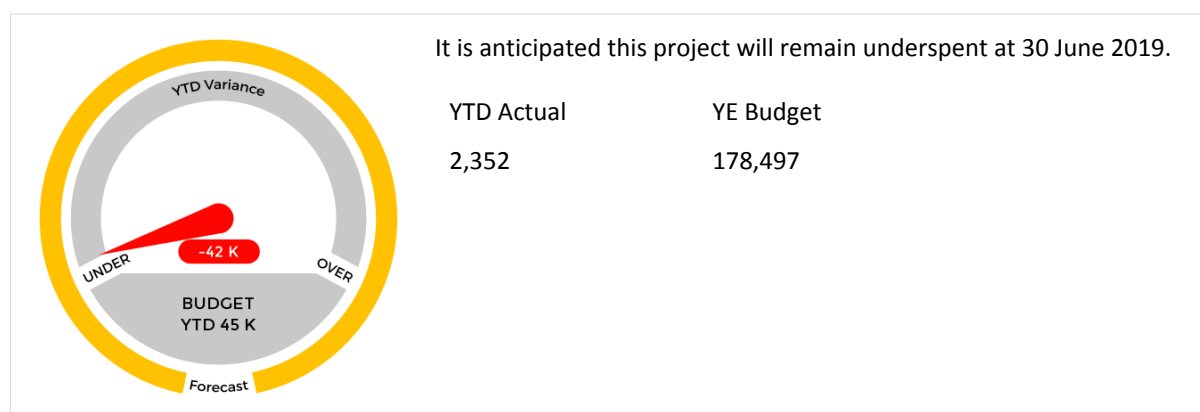
There was no policy related engagement with stakeholders during Sea Week in March 2018, as previously proposed.

Expected:

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Undertake an analysis/stocktake of the Regional Coast Plan against the NZCPS and identify gaps where we do not give effect to the NZCPS. | | | |
| Comment: This project is underway. | | ● | ● |

Financial performance – Regional Plan: Coast



STRATEGIES & PLANS

Council prepares Annual and Long Term Plans that detail Council's significant activities, how much they will cost and how they will be paid for. For certain significant activities, strategies are prepared that provide direction on those activities. They identify what roles Council, the community, other agencies and stakeholders may play in implementing the strategy.

Activities include:

LTP/Annual Plans & Reporting (G9)

Biodiversity Strategy (B1)

Regional Pest Plan Review (L5)

Long Term Plans and Annual Planning (G9) *Mike Roesler*

Summary Comment

This activity is on track having completed:

- Final tasks to closeout LTP 2018-28 project (responding to all submitters)
- 12 Month Council Activity Review to 30 June 2018
- Review of the LTP 2018-28 process
- Council Workshop presenting the results of the LTP Review;
- Initiation of business improvement for planning and reporting practice.

Expected:

Expect this activity to have delivered the planned programme of work at 30 June 2019 including: Annual Plan 2019/20; Quarterly Reporting to Council; Project Initiation of the LTP 2021-31

Key Measures

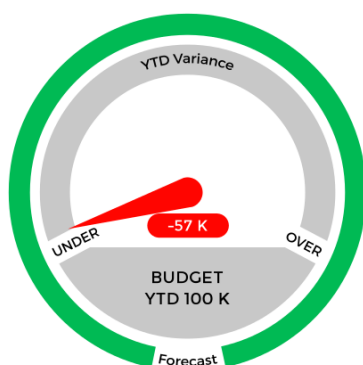
Measure: Long term plans, annual plans and annual reports receive unmodified audit opinions.

Comment: The Annual Report 2017/18 was adopted by Council. Work to improve the reporting approach to Council has been advanced

Previous Now Future



Financial performance – Long Term Plans and Annual Planning



The underspend relates to when the work occurs which is largely quarters 2 and 3 and relates to the planning and consultation on any changes to the Long Term Plan, via the Annual Plan 2019/20 process. The year end result is expected to be closer to budget.

| YTD Actual | YE Budget |
|------------|-----------|
| 43,084 | 366,544 |

Biodiversity Strategy (B1) Anita Dawe

Summary Comment

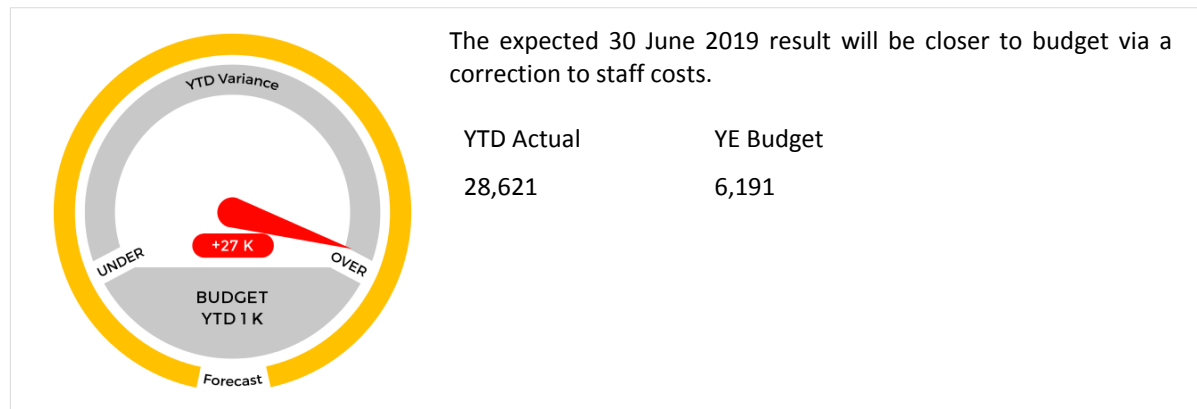
Work on developing the Biodiversity Action Plan (BAP) as the first step to achieve this objective is underway. The BAP will be taken to Council in October.

Expected:

Key Measures

No reported measures

Financial performance – Biodiversity Strategy



Pest Management Plan Review (L5) Scott MacLean

Summary Comment

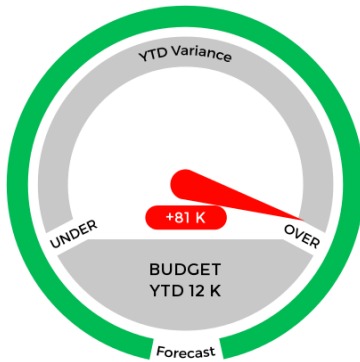
RPMP will be notified in November 2018 and implementation will commence in 18/19

Expected:

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: The Regional Pest Management Plan is prepared in 2018/19 and implemented 2019/20. Comment: RPMP will be notified, adopted and implemented in 18/19 | | ● | ● |
| Measure: Achieve a reducing trend in the pest plant and animal species across the Otago Region. Comment: The rules and programmes in the draft RPMP and associated biosecurity strategy should provide for reducing trends in pest plants and animals over time. | | ● | ● |

Financial performance – Pest Management Plan Review



A revised budget will be submitted to Council for approval to enable completion of the RPMP review.

| YTD Actual | YE Budget |
|------------|-----------|
| 93,491 | 48,258 |

ENVIRONMENT

Council has a responsibility for looking after the natural resources of the Otago region. Key components of Council's work on the environment are focused on:

- Water,
- Air
- State of the environment reporting
- Biodiversity
- Pests
- Coasts
- Incident response

WATER

The quality of our water and its availability are critical to our way of life. Council's Regional Plan: Water sets out policies and rules that aim to protect both the quality and availability of water in our aquifers, rivers, lakes and wetlands.

For water quality, the Council is focused on the level of contaminants discharged into our waterways. Rural land-use, urban domestic and commercial practices significantly influence water quality. Council works with landowners, and stakeholders to achieve National Standards, planning goals and targets.

For water quantity, the Council is focused on the issues related to the availability of water for irrigation, aquatic habitats, and natural character of the rivers. The Council is required to set limits on how low the flow of certain rivers may get (minimum flows), whilst still protecting the habitats and rivers. Economic, cultural and social values are taken into consideration when setting minimum flows, and these flows determine the amount of water that may be available for use. The Council is progressing a plan change that will set minimum flows for particular catchments and assist in evaluating the replacement of 'deemed water permits' within the wider Clutha/Mata-au catchment, with resource consents.

Activities include:

**Rural Water Quality
Implementation (W3)**

**Water & Deemed Permit
Renewal (W4)**

**Urban Water Quality
Implementation (W8)**

Rural Water Quality Implementation (W3) *Sian Sutton*



Summary Comment

Rural water quality continues to be a focus with many operational work streams including: science, regulatory, modeling, catchment monitoring and communication and liaison. A cross organisational team has been tasked with designing an implementation framework for water quality and this work will be presented to council in draft format by the end of this calendar year 2018. This work will then be tested with a group of key stakeholders across the region.

Expected:

The Implementation Framework is expected to positively influence what is achieved with rural water quality

Key Measures

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: Water quality previously not meeting the limits set out in the Regional Plan: Water, is improving. | | | |
| Comment: The results of water quality monitoring will be reported by 30June 2019 | |  |  |

Measure: Assessments are carried out to determine if water quality is meeting the limits set out in the Regional Plan: Water.

Comment: Report in draft form. The updated information was an appendix to the 2012-2016 SoE state and trends report presented to committees in September 2018



Measure: Good water project - Undertake and report environmental risk assessments on properties throughout Otago.

Comment: No further work on field environmental risk assessments as awaiting final confirmation from Council on scope and strategy. Desktop risk assessments are getting near completion and 5200 properties have been assessed. Work is now on the 1-10 hectare properties in Central Otago DC.



Measure: Using a risk based approach, undertake 465 inspections of dairy farms for compliance with the prohibited activity rules.

Comment: dairy inspections are underway. 42 completed to date.



Measure: Report the results of Manuherikia water quality study to the community.

Comment: NIWA due to complete report by the end of 2018. Report contracted due to staff leaving.

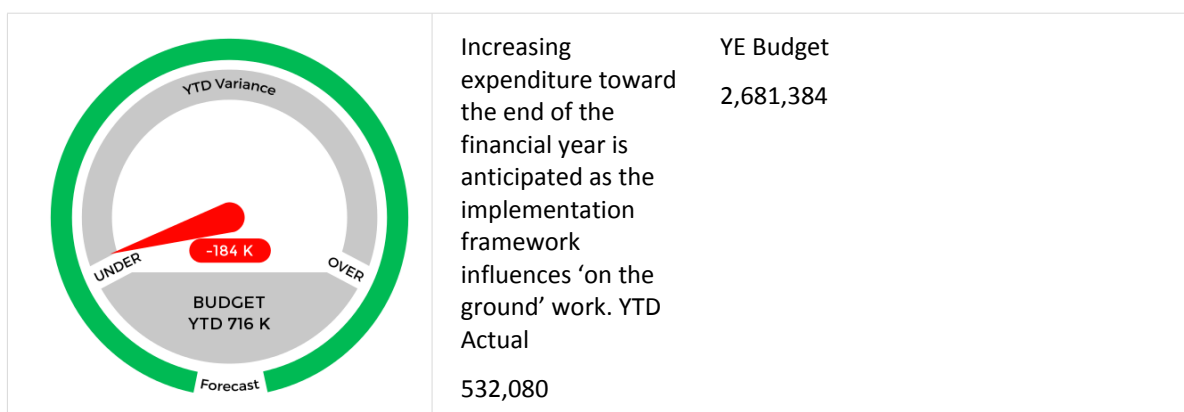


Measure: Develop a hydrodynamic model for Lake Wanaka to understand sustainable nutrient load limits and prepare a report outlining the findings of this work.

Comment: Project not started.



Financial performance – Rural Water Quality Implementation



Water and Deemed Permit Renewal (W4) *Kylie Galbraith*

Summary Comment

Expected:

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: No less than 25 groups will have had two meetings facilitated by ORC. | | | |
| Comment: To date, meetings have been held with 33 priority catchment groups, with 24 of these being two or more meetings. | | ● | ● |

Urban Water Quality Implementation (W8) *Anita Dawe*

Summary Comment

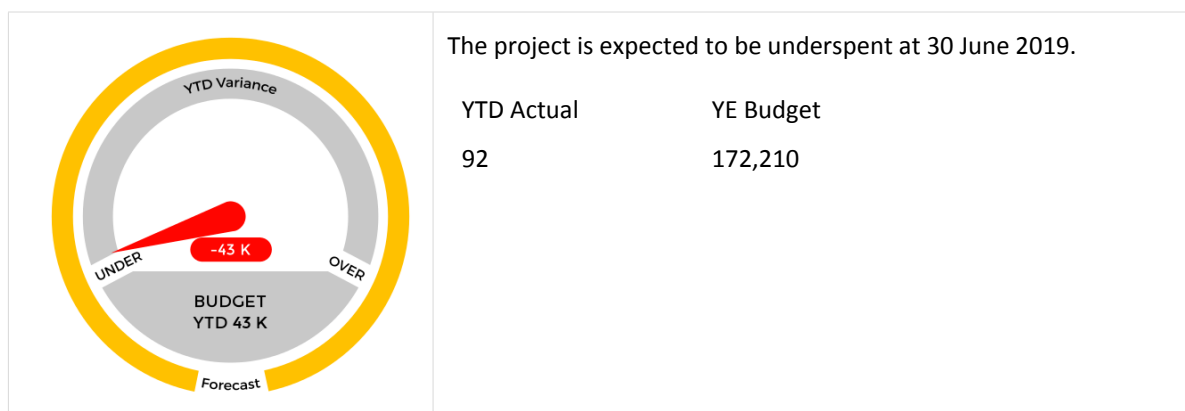
Work has progressed but not to planned levels due to staff being reprioritised to the Air and RPS activities.

Expected: Assuming current priorities the full 2018/19 work programme will not be delivered by 30 June 2019.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Complete development of the Urban water quality implementation plan. | | | |
| Comment: | | ● | ● |

Financial performance – Urban Water Quality Implementation



AIR

Council is responsible for ensuring compliance with the National Environmental Standard. Under the Resource Management Act, Council is also responsible for controlling the discharge of contaminants to air. This activity is focused on implementing the Otago Region Air Strategy to improve air quality to acceptable levels. Implementation involves oversight of a range of actions including; the clean heat, clean air programme, education and awareness, the use of compliance monitoring and enforcement, and the use of air quality information.

Air Strategy Implementation (A2) *Jean-Luc Payan*

Summary Comment

Strategy implementation options to be presented to Council Committee in November and the decision on the options will have an impact on the 2018/19 work programme and budget. Work with Cosy Homes Trust on-going with a MoU ready to be signed relating to the Clean Heat programme.

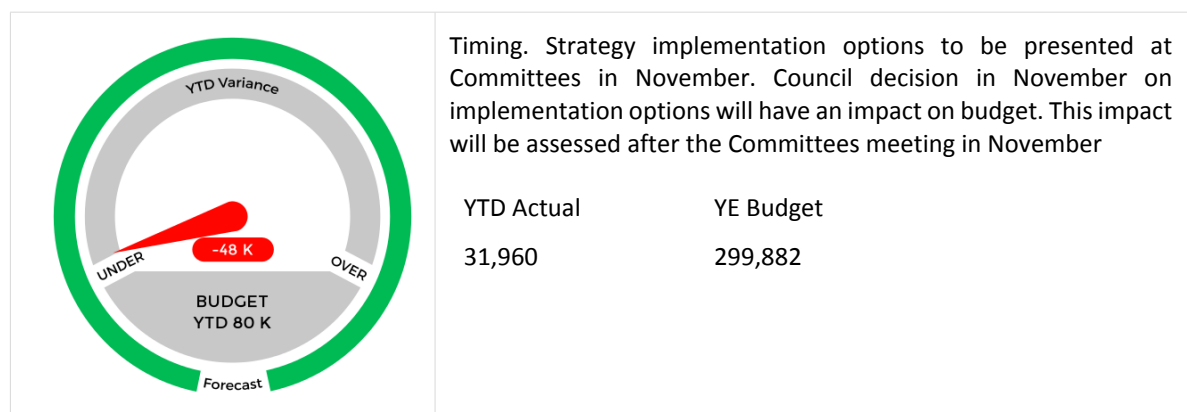
Expected:

Implementation of the strategy will depend on Council decision on the implementation plan. Expected end of year status to be updated after the Committees meeting in November 2018.

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: Implement priority Year 1-3 projects to achieve goals under the Air Strategy: Yr1. Outcomes and issues for outdoor burning around urban areas are identified. Comment: Work on the refining the scope of projects underway and expected to be completed by the end of the calendar year. | | ● | ● |
| Measure: Administer Clean Heat funding for Air Zone 1 and Milton. Comment: Support is provided as applications are received. 5 clean heat applications were approved during the period resulting in a total of 18 for the year. Breakdown of appliances installed: Alexandra -5 Arrowtown -3 Clyde -1 Cromwell -8 Milton -1 | | ● | ● |

Financial performance – Air Strategy Implementation



STATE OF THE ENVIRONMENT

Council's State of the Environment monitoring relates to the information gained from the Council's science programme and includes:

Water quality & quantity (W2) Air Quality (A1) National Environmental Monitoring & Reporting (EMaR) (G6)

Water Quality and Quantity Monitoring (W2) *Jean-Luc Payan*











Summary Comment

Monitoring of the State of Environment is on-going as programmed with no issue identified to affect current monitoring. Installation of lake buoys is under-way but it is not likely that all the buoys will be operating before the end the financial year. The lake snow work programme is on-going.

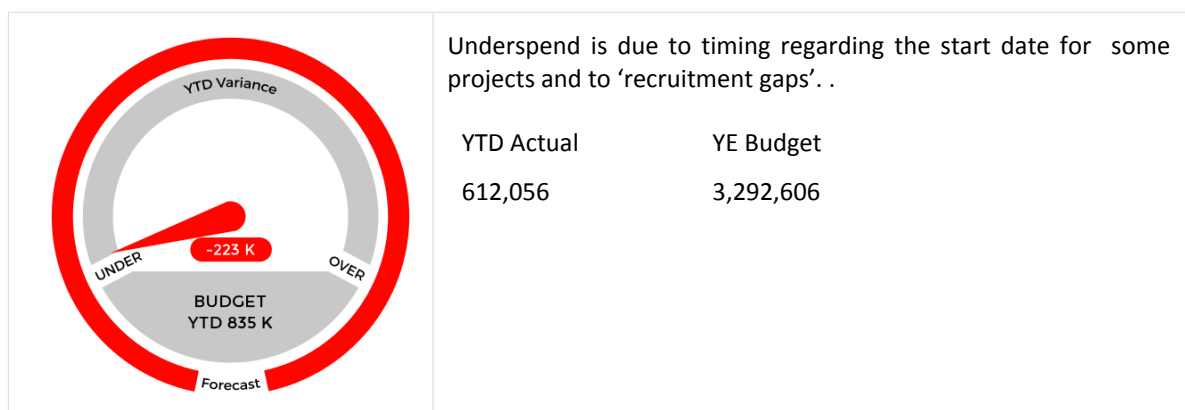
Expected:

Budget likley to be underspent partly due to all lake buoys not likely to be installed this financial year.

Key Measures

| | Previous | Now | Future |
|---|----------|---|---|
| Measure: Changes and trend in natural resource availability and quality are analysed and reported to the Council as per the schedule entitled "Monitoring Schedule for 2018-28 Long Term Plan". Comment: Changes and trend analysis on-going. | |  |  |
| Measure: External audit shows good quality control of data collections and analysis as per the schedule entitled "Monitoring Schedule for 2018-28 Long Term Plan". Comment: Data collection and analysis on-going | |  |  |
| Measure: Lead research into methods to manage lake snow on water quality. Comment: Outcome of the workshop and research programme presented to Technical Committee in September. | |  |  |
| Measure: Install lake monitoring buoys in Lakes Wanaka, Wakatipu and Hawea. Comment: Data collection and analysis on-going | |  |  |
| Measure: Replace 20 Campbell loggers with new generation IQuest HydroTel Compatible Loggers. Comment: Loggers have yet to be purchased, but working through the process of upgrading network. | |  |  |

Financial performance – Water Quality and Quantity Monitoring



Ambient Air Quality Monitoring and Reporting (A1) Jean-Luc Payan

Summary Comment

Monitoring and reporting programme is continuing.

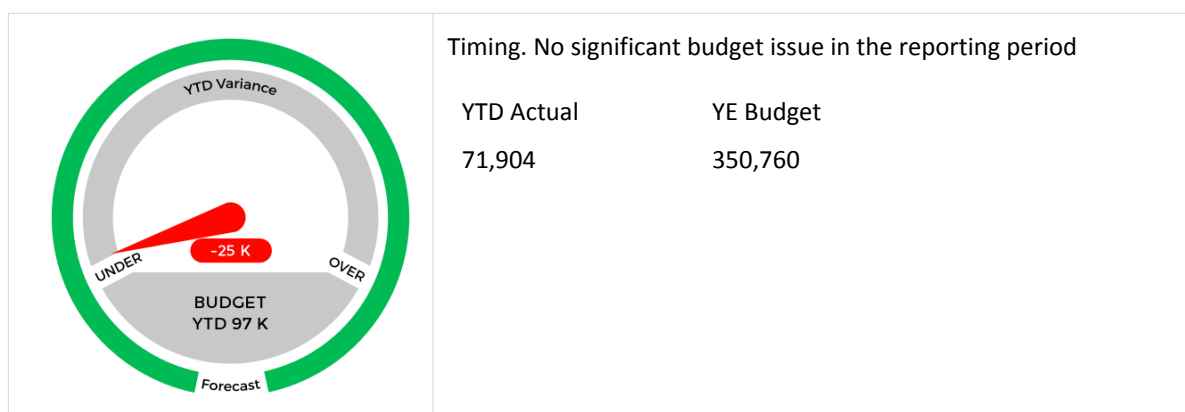
Expected:

Work programme is expected to be delivered by 30 June 2019.

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: Monitor air quality to assess compliance with the National Environmental Standard requirement of no more than one daily average reading of PM10 per annum to be higher than 50 micrograms per cubic metre. | | | |
| Comment: Target being met as required. | | | |

Financial performance – Ambient Air Quality Monitoring and Reporting



Environmental Monitoring and Reporting (EMaR) (G6) *Abi Loughnan*

Objective: To administer the national EMaR project on behalf of the EMaR partners (Regional Sector, MfE and Cawthron Institute) and to complete Otago's data contribution.

Summary Comment

EMaR work is being delivered as programmed. The separate work of delivering Otago region information to 'Land Air Water Aoteroa' (LAWA) is also ongoing with council management considering how resource is best deployed.

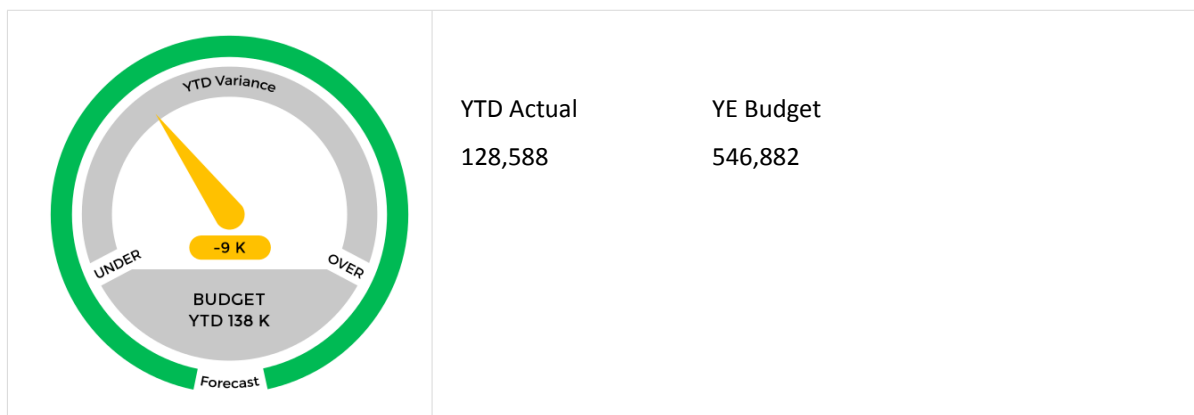
Expected:

Expect programme to be delivered by 30 June 2019

Key Measures

No reported measure

Financial performance – Environmental Monitoring and Reporting (EMaR)



BIODIVERSITY

The Biodiversity Strategy for Otago was completed in 2017/18. A Biodiversity Officer will be recruited to support implementation of the strategy. Preliminary activities will include; developing stakeholder and technical groups, hosting a biodiversity forum, and sharing information on good management practices for indigenous biodiversity.

Environmental enhancement is focused on the ongoing allocation of funding 'ring-fenced' for community and catchment groups working to achieve results that align with Council objectives on Biodiversity. This activity is also focused on providing oversight of a small number of specific enhancement projects such as Lake Hayes, Lake Tuakitoto and Tomahawk Lagoon.

Activities include:

| Biodiversity Strategy Implementation (L1) | Environmental Enhancement (L6) | Wilding Pines (L7) |
|---|--------------------------------|--------------------|
|---|--------------------------------|--------------------|

Biodiversity Strategy Implementation (L1) *Martin King*







Summary Comment

While work is progressing, it is not to planned levels. This is partly due to 'recruitment gaps' including the Biodiversity Officer and Science staff which is adversely impacting implementation. Work is progressing on the compliance program of assessing regionally significant wetlands.

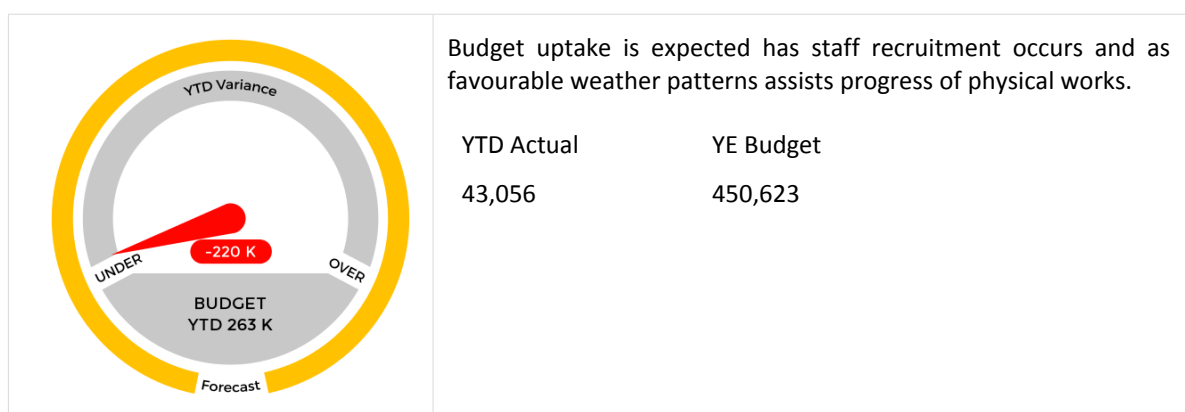
Expected:

As recruitment occurs along with expected summer weather patterns the work programme is expected to accelerate. The compliance work is on target.

Key Measures

| | Previous | Now | Future |
|---|----------|---|---|
| Measure: Implement a significant wetlands compliance monitoring programme. Comment: 10 Regionally Significant Wetland inspections have been conducted to date. The only issue identified during the inspections was gorse growing within the wetland. Property owners have been requested to undertake control work. | |  |  |
| Measure: Develop a monitoring programme for SoE reporting on Otago's wetlands. Comment: Scope of this project to be defined. | |  |  |
| Measure: Develop and disseminate information on good management practices for indigenous biodiversity, and the importance of ecosystem services. Prepare community specific information packages as necessary. Comment: We have not carried out work on this yet as we are waiting for the biosecurity strategy to be consulted on and adopted. Much of this work also needs input from the biodiversity officer, who has not yet been recruited. | |  |  |

Financial performance – Biodiversity Strategy Implementation



Environmental Enhancement (L6) Lisa Gloag

Summary Comment

Good progress is being made across all environmental enhancement projects

Expected:

Delivery of the planned work programme is expected by 30 June 2019.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: 1. At least 75% of annual funding allocated to the Enviro Enhancement fund has been granted to suitable projects and activities. 2. The outcome(s) of all projects and activities have been reported back to Council within the timeframes specified in the funding agreement. 3. Projects and activities funded achieve milestones as per the funding agreement. | | | |
| Comment: Decisions on who the successful applicants are in the first round of the ECO Fund were decided at committee in mid October and will be confirmed at council on 31 October. Stakeholder Engagement will admitted the fund and ensure adequate reporting on successful projects back to council. | | | |
| Measure: Distribute and administer the regional sustainability and enhancement fund on approved projects and activities. | | | |
| Comment: The ECOFund (environment, community, Otago) was launched in August 2018 with new criteria and a new brand. Round 1 of this grants program has recently closed and was oversubscribed with over \$300,000 worth of applications. The ECOFund panel convened and provided recommendations to full council about successful grant recipients. In round 1 \$88,000 worth of applications have been awarded across the region. | | | |
| Measure: Develop and publicly consult on technical and funding proposals for the remediation of Lake Hayes. Initiate the first action relating to piped water to Mill Creek. | | | |
| Comment: GHC Consulting engaged to manage the project planning to develop technical and funding work to level requested by Council. Waiting on modelling and other advice regarding options. Pipe to Mill Creek has been installed, with discharge chamber install scheduled for the coming month. | | | |

Measure: Complete implementation plan and consult on options for Lake Tuakitoto.

Comment: Two workshops and online consultation for potential projects for Lake Tuakitoto have been completed. The next stage is for Stakeholder Engagement to work with the Director of Science, Hazards and Engineering to determine which projects go into the annual planning cycle. We will then report back to the community and work with them on community-led projects.

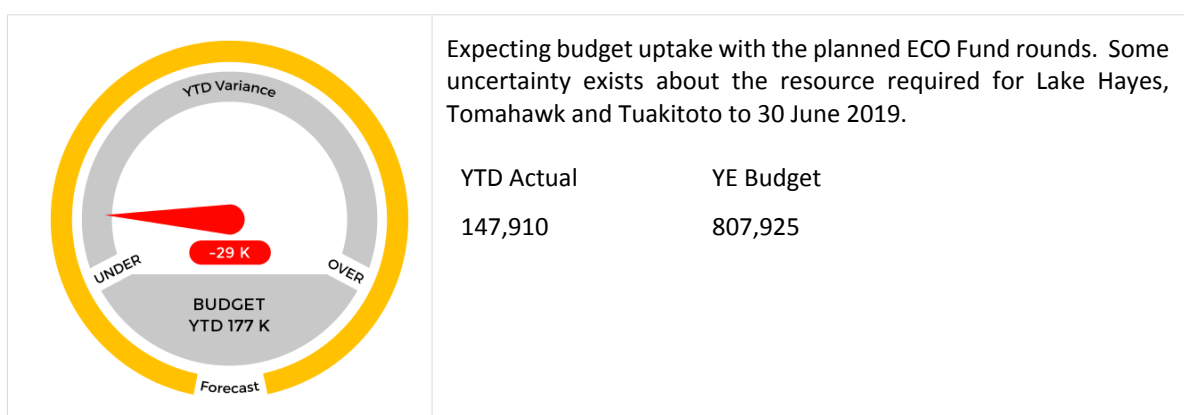


Measure: Complete a policy guiding Council decision-making on allocating the Environmental Enhancement Fund.

Comment: This is almost complete. It is expected to be finalised at the October 31 council meeting.



Financial performance – Environmental Enhancement



Wilding Pines (L7) Martin King

Summary Comment

No work to date as control work is pending due to seasonal variability.

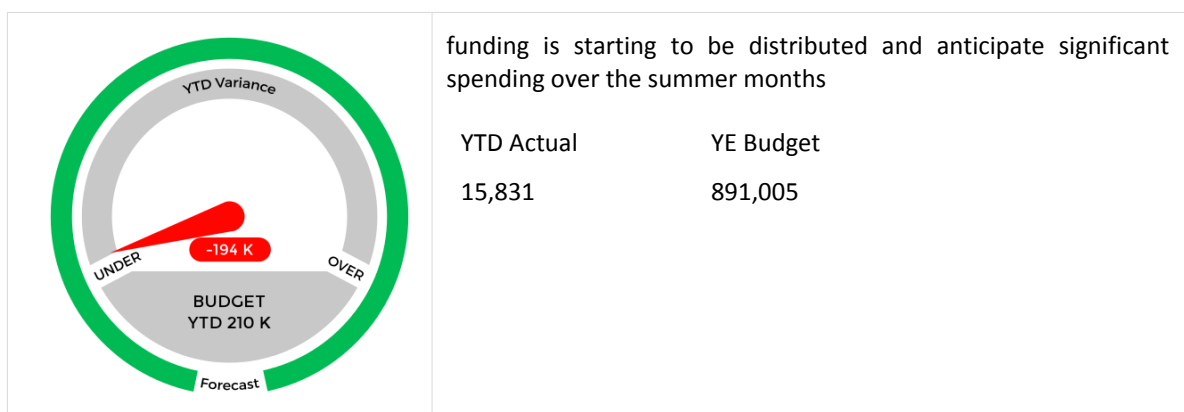
Expected:

Expect full delivery of the work programme by 30 June 2019

Key Measures

No reported measures

Financial performance – Wilding Pines



PESTS

The Council's Pest Management Strategy (PMS) for Otago promotes a regionally coordinated approach to address the impacts of specific pest animals and pest plants. Activities are focused on both education, monitoring and compliance in regard to private landowners, and Council led work to control pests.

Activities include:

Pest management plan compliance (L2) Biocontrol of pests(L3) Regional services contracting (L4)

Pest Management Plan Compliance Monitoring (L2) *Martin King*









Summary Comment

Considerable work is continuing with the wallaby monitoring and eradication project. It is concerning to find that wallaby have been found in groups in the region. Work has also progressed on the bomarea and boneseed projects in Dunedin. Staff continue to be part of national groups to ensure Otago's message is maintained at national level.

Expected:

Expect full delivery of the work programme by 30 June 2019. The Wallaby work programme creates some uncertainty and elevated risk

Key Measures

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: All properties with reported non-compliance of rabbit numbers over MAL3 are contacted regarding the requirement to respond in accordance with the Regional Pest Management Plan. Comment: 19 Rabbit inspections. 16 compliant and 3 non compliant. | |  |  |
| Measure: All reported non-compliance for pest plants will be followed up to ensure works to control pest plants have been carried out. Comment: 5 complaints all followed up with a request for work to undertaken to achieve compliance. | |  |  |
| Measure: All complaints about boundary control of pest plants and pest animals will be responded to within 10 working days, and where necessary control works will be required to be carried out. Comment: 5 pest plant boundary complaints followed. No pest animal complaints received. | |  |  |
| Measure: Reported wallaby sightings are investigated and responded to within 3 working days. Comment: A wallaby poison operation at Ferry road Oamaru has been completed successfully, one adult female wallaby was found dead and all wallaby sign has aged, other wallabies may have been poisoned and not located due to heavy cover. Inspections were carried out at Flagstaff following one reported sighting and one report of suspected wallaby sign, no evidence of wallaby sign was identified. An adult female wallaby was shot by a hunter in the west Eweburn Wedderburn, sign of other wallaby in the area has been identified and Feratox prefeed has been deployed, poison will go out over the next two weeks. | |  |  |

Measure: The Council advocates for the community to government agencies conducting Lagarosiphon control in Lakes Dunstan and Wanaka. Lagarosiphon has not established in Lake Wakatipu.

Comment: ORC is a member of three lagarosiphon groups. (Dunstan, Wanaka, Wakatipu/Kawarau). The groups meet twice a year and are well represented by government agencies, Councils and the wider community. ORC, LINZ and their contractors have a very good working relationship and are in regular contact. Contractors to LINZ undertake inspections of Lake Wakatipu twice a year and remove any plants found. A joint ORC / LINZ willow removal programme will enable divers to lay hessian matting on the bed of the Kawarau controlling infestations and reducing the risk of lagarosiphon being transferred into Lake Wakatipu.

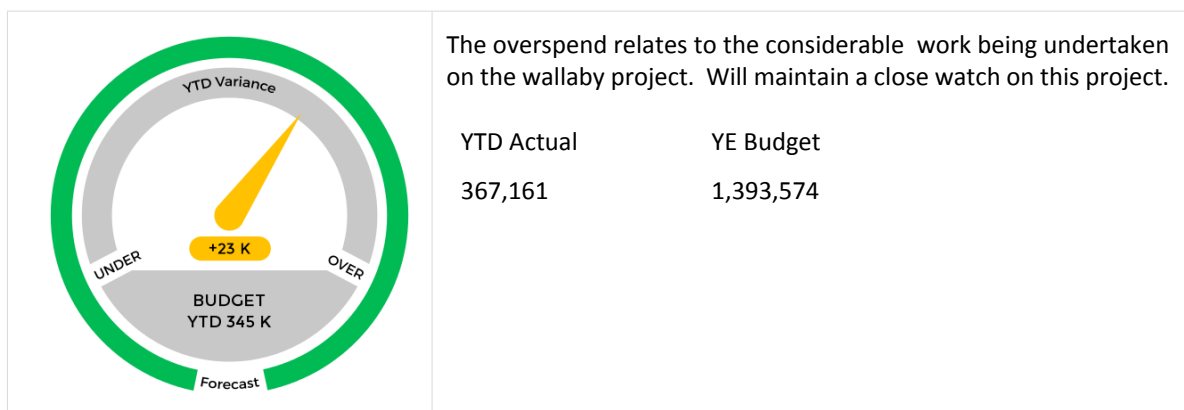


Measure: Develop and implement a new Pest Management Implementation Plan in accordance with the new rules of the Regional Pest Management Plan.

Comment: The new RPMP is being developed and close to going out to the public for consultation. An implementation plan will occur once the new plan is in place.



Financial performance – Pest Management Plan Compliance Monitoring



Biocontrol of Pests (L3) *Martin King*

Summary Comment

No work to date however anticipate work latter in the year to monitor the effectiveness of K5 and complete some plant biocontrol inspections.

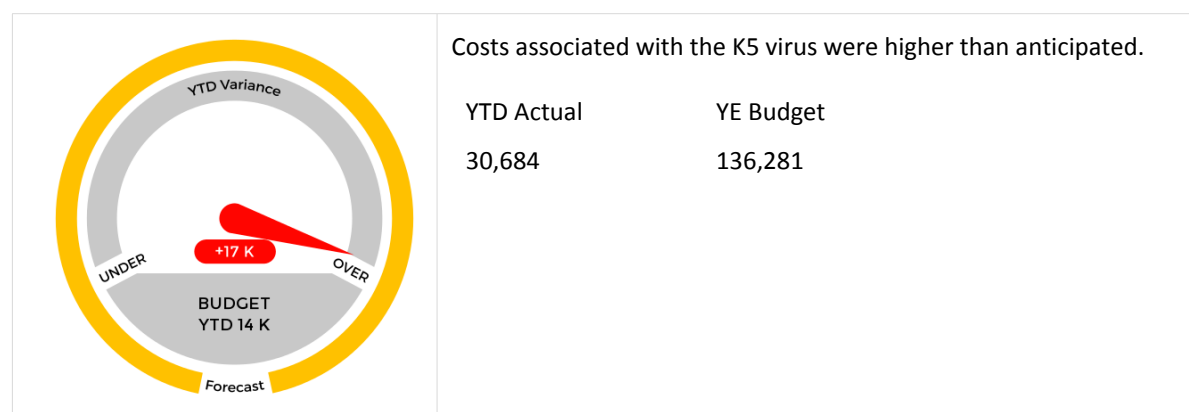
Expected:

Expect full delivery of the work programme by 30 June 2019.

Key Measures

No reported measure

Financial performance – Biocontrol of Pests



Regional Services Contracting (L4) *Nineva Vaitupu*

Objective: To administer the national EMaR project on behalf of the EMaR partners (Regional Sector, MfE and Cawthron Institute) and to complete Otago's data contribution.

Summary Comment

Wintering feed of carrots has been completed with around 100 tonnes. No more work is planned until mid-summer.

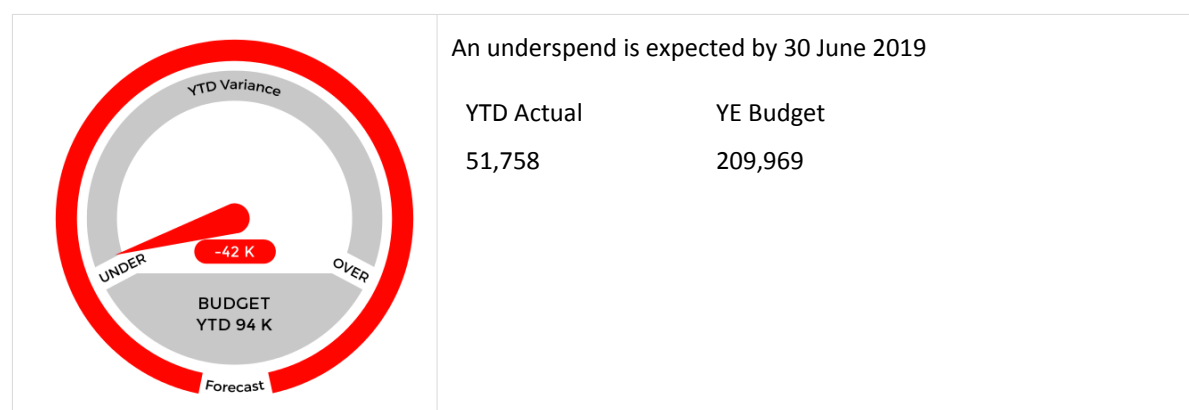
Expected:

With minimal wintering feed done, and less contracting work completed, this has resulted in less work being undertaken. This creates uncertainty about the work programme to 30 June 2019 and possibly beyond.

Key Measures

No reported measure

Financial performance – Regional Services Contracting



COAST

This activity provides for research and information gathering to assist developing a Coastal Strategy in 2021/22. Following the completion of monitoring programmes, Council also plans to report on the health of the Tokomairiro and Kaikorai estuaries. Activities include:

Coastal Initiatives (C1) *Jean-Luc Payan*

Summary Comment

Development of the Coastal Strategy has been delayed until 2020/2021. Monitoring of estuary health on-going
Expected:

Key Measures

No LTP measures

ENVIRONMENTAL INCIDENT RESPONSE

Council operates a 24-hour Pollution Hotline. Pollution incidents and other resource management complaints are investigated, and action taken to a level reflecting the adverse effects on the environment that have occurred.

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

Activities include:

Incident response (I1)

Contaminated sites (I2)

Investigations & enforcement action (I3)

Environmental Incident Response (I1) *Martin King*









Summary Comment

While there has been a significant work completed on incident response, the underspend relates to the delay in recruitment of the procedural specialist. Interviews are planned for last week of October. Pollution/MNZ exercise planned for December 2018

Expected:

On track to meet targets but may be delays in our ongoing procedure work due to delays in recruitment.

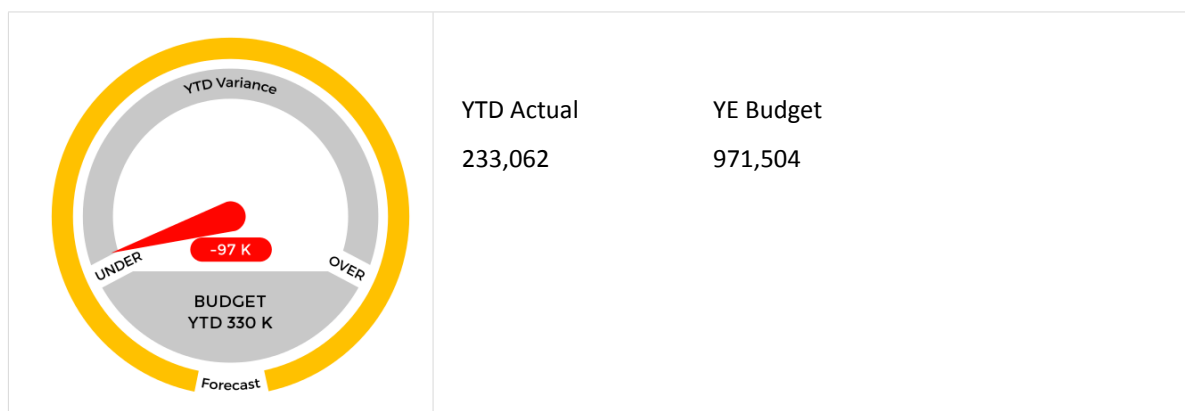
Key Measures

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: • Maintain 24-hour/7 day a week response for environmental incidents. • Average time taken to respond to oil spills no more than 1.5 hours. Comment: Council continues to operate a 24/7 pollution hotline in central and Dunedin. No MNZ oil spill responses required this period. | |  |  |
| Measure: • Hold at least one pollution incident response training exercise for each of the following: o desktop exercise; o a field exercise for pollution incident response; and o an equipment training day. • Hold at least one marine oil spill incident response training for each of the following: o desktop exercise; o a field exercise for marine oil incident response. Comment: No exercises to date. Planned for December 2018 and January 2019 | |  |  |
| Measure: Acknowledge and assess the necessary actions of reported incidents within 0.5 hours of receipt. Comment: For the period 1 July 2018 to 30 September 2018 a total of 578 incidents have received a response. This is a significant workload and has stretched response times. | |  |  |
| Measure: Implement a web based customer response service to log observations/complaints. Comment: This is ongoing and while we have looked at some options, we will ensure it is consistent with other online reporting we want to put in place. We are working with compliance, IT and the Stakeholder Engagement Channels Manager to ensure the best outcome for all. | |  |  |

Measure: Implement an external education campaign on the use of a public database.

Comment:

Financial performance – Environmental Incident Response



Contaminated Sites (12) Martin King

Summary Comment

The work programme is being delivered with site investigation reports and HAIL enquires forming the majority of the workstream. The DCC gasworks CSRF work is ongoing.

Expected:
on track to meet targets

Key Measures

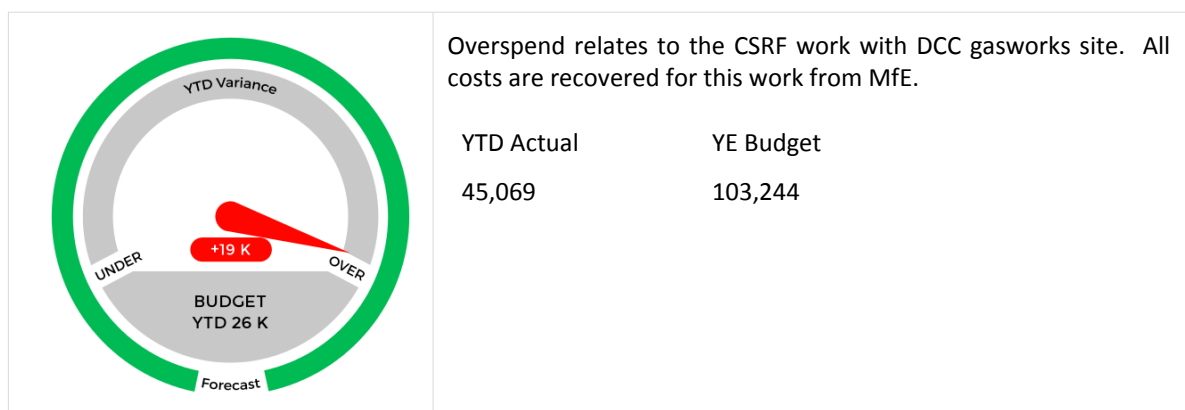
Measure: Respond to public enquiries about potential contaminated land with 24 hours.

Comment: 159 public enquiries have been received. In most cases, these have not been responded to within 24 hours. Responding to public enquiries typically takes place within 1-5 working days. Management are reviewing the reasons for current response rates:

Previous Now Future



Financial performance – Contaminated Sites



Investigations and Enforcement Action (I3) *Martin King*

Summary Comment

costs relate to the number of cases Council consider necessary for enforcement action.

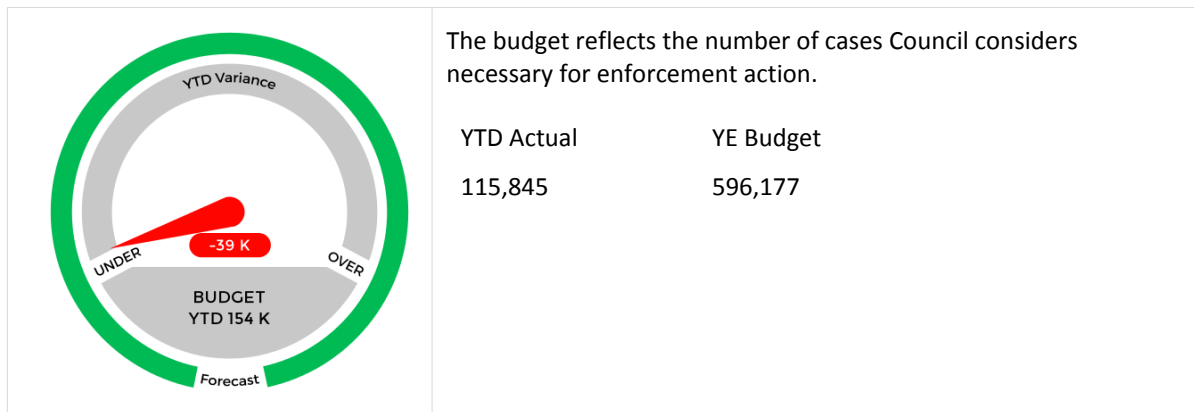
Expected:

Council will continue to take cases where the effects are considered more than minor.

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: Update website to show outcomes of any enforcement action taken by the Council. Comment: This work hasn't commenced yet but we intend to report on compliance results. There has been a media article on this based on the annual compliance report presented to committee in October. | | ● | ● |

Financial performance – Investigations and Enforcement Action



COMMUNITY

GOVERNANCE

Governance & democracy activity involves providing effective representation on behalf of the Otago community. Formal meetings of Council and Council committees are held and open to the public.

Public awareness activities focus on education, consultation and encouraging community participation in decision-making, and to promote awareness of Council plans, policies and activities. Co-ordinating the 'Enviroschools Otago' programme is included. Matters raised by government or other agencies that require a regional response are co-ordinated and/or completed by Council. This is an important regional advocacy role.

Activities include:

Governance & democracy (G8) Public awareness (G1) Response to external proposals (G4)
Dunedin Head Office (G5)

Governance and Democracy (G8) *Ian McCabe*

Summary Comment

Two committee and council rounds completed. Agendas and minutes published as required.

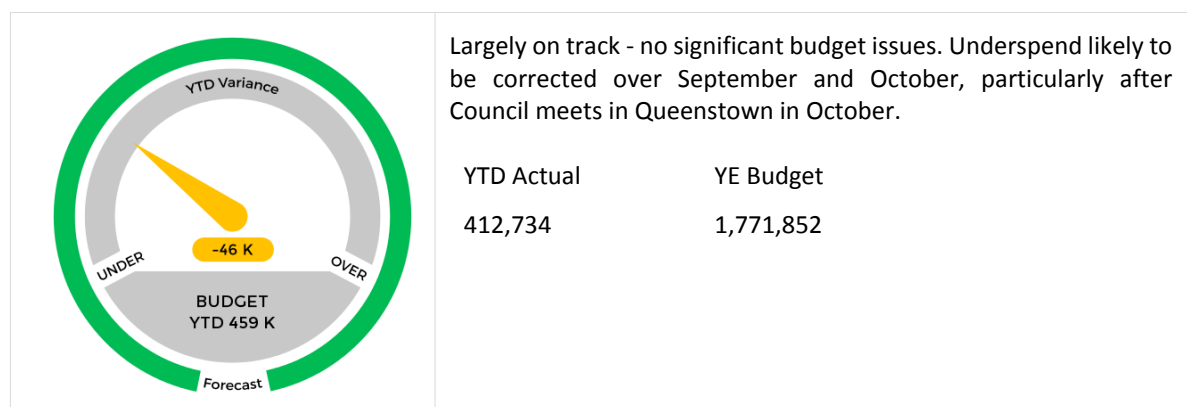
Expected:

This Activity is on track.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: All meetings conducted in accordance with Standing Orders and the Local Government Official Information and Meetings Act 1987. Comment: Two committee rounds and two Council meetings held to date and to legislative requirements. | | ● | ● |
| Measure: Percentage of official information requests responded to within statutory timeframes. Percentage of council agendas that are publicly available two working days or more before a meeting. Comment: On target. | | ● | ● |
| Measure: Undertake a review of representation for the 2019 elections. Comment: Submissions close on 28 September 2018. Three submissions received with one request to be heard. Hearing scheduled for 18 October 2018. | | ● | ● |

Financial performance – Governance and Democracy



Public Awareness and Education (G1) Eleanor Ross

Summary Comment

A re-organisation of the Stakeholder Engagement team and the associated recruitment issues have kept delivery in this area in a holding pattern. Over this period social media channels have shown growth and appropriate collateral for campaigns has been produced as needed.

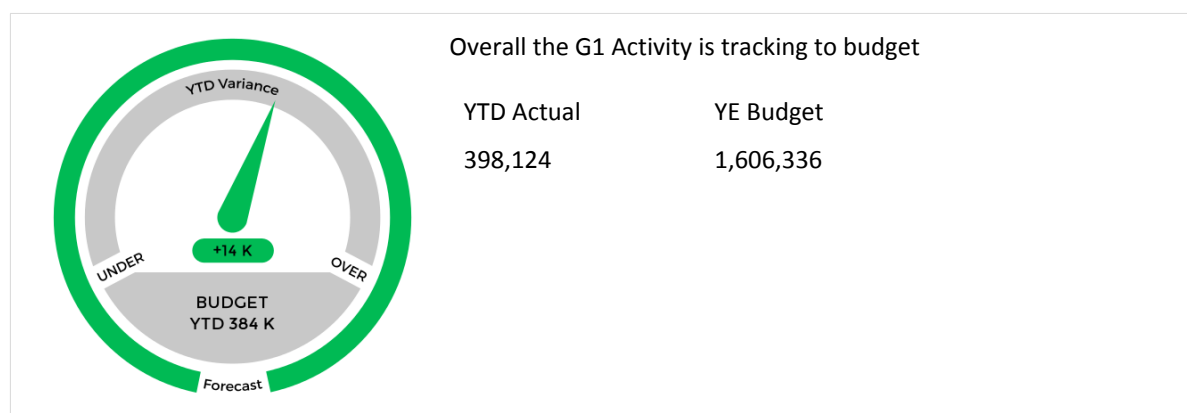
Forecast:

As the re-organisation beds in, and full recruitment is achieved, the work programme and results associated with the Stakeholder Engagement team will accelerate.

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: Implement the four-year Stakeholder Engagement and Communication Strategy. Comment: Due to a re-organisation of the team and recruitment delays the strategy is not on target but will be a focus of 2019 once the team has a full complement. Some areas of the implementation plan are ahead of schedule including improved media operations and introduction of digital engagement to ORC. A series of workshops will be scheduled for 2019 as delivery on the strategy begins. | | ● | ● |
| Measure: Clearly articulate council policies, purpose and activities through enabling two-way conversations and providing clear information through the production of: • Newsletters, pamphlets and info sheets • Social media releases • Science reports and summaries • Web-based information • Public events Comment: | | ● | ● |
| Measure: Respond to all issues, activities and queries on matters that require a regional perspective or impact on regional resource management functions. Comment: | | ● | ● |

Financial performance – Public Awareness and Education



Response to External Proposals (G4) Anita Dawe

Summary Comment

Responses are continuing to be made in a timely way. ORC is participating in appeal and mediation work, as necessary. This includes being an appellant, and a s274 party on the QL District Plan appeals.

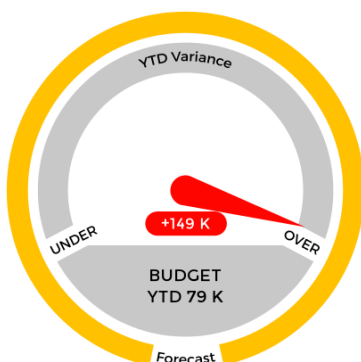
Expected:

This project is likely to be over spent at 30 June 2019. Council will progress through our role in the Queenstown Lakes District Plan appeals. In addition, the DCC District Plan decisions are due out in November which will require considerable resource to determine if we wish to appeal, and to complete the Designation Process over our drainage and flood assets.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Make submissions to third parties where they affect Council's responsibilities and functions, excluding on local government matters, and including: <ul style="list-style-type: none"> • National policies and significant legislation. • Regional and district plans and policies, plan changes and consent applications. • Conservation plans and strategies. • Codes of practice, standards and guidelines. <p>Comment: While TLA application activity has been relatively quiet over winter, the Skyline and Balmoral appeals have continued to generate work but are now in their respective end games working towards resolution. ORC has appealed the recent stage 1 QLDC PDP and also joining 37 appeals as a s274 party. this will constitute a significant body of work. The DCC decision on its 2GP looms later in the year and may also involve ORC in an appeal process. Lastly the National Planning standards will require a response from ORC and require some resourcing.</p> | | ● | ● |
| Measure: Make submissions to third parties where they affect Council's roles and responsibilities in respect of Local Government Act matters. <p>Comment: No requested submission(s) regarding the Local Government Act for this reporting period</p> | | ● | ● |
| Measure: Establish a process for responding to submissions and providing feedback/comment on resource consent applications. <p>Comment: The draft process has been developed and will be taken to Committee before the end of the year.</p> | | ● | ● |

Financial performance – Response to External Proposals



This budget is largely dependent on external parties, as it incurs expenditure as and when we respond to other agencies plans and strategies.

| YTD Actual | YE Budget |
|------------|-----------|
| 228,521 | 316,084 |

Dunedin Head Office Replacement (G5) *Ian McCabe*

Summary Comment

Work on concept design, build cost estimate and due diligence underway. Due to report back to Council with recommendations in December 2018. Consultation for LTP amendment to commence shortly and be completed for December 2018. Negotiations with landowner of new site underway.

Expected:

Detailed design well underway with construction tenders likely in Q1 or Q2 of 2019/20. New site secured. Budget expected to be significantly overspent. Concept design for a new HQ site not originally budgeted for - there was no expectation that Council would need to investigate a new site at the time budgets were set.

Key Measures

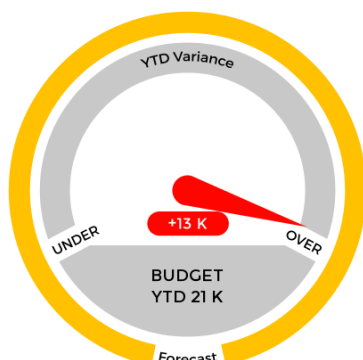
Measure: Construction of the new head office building is completed, and the new building is fully occupied.

Comment: Work underway on due diligence, concept design and build cost estimate for new site. Concept design and build cost estimate to be reported back to Council in December 2018 with recommendation on next phase (ie detailed design and potential commitment to capital spend on construction). Consultation on LTP amendment (build and own vs lease) to commence shortly and expected to be completed by December 2018.

Previous Now Future



Financial performance – Dunedin Head Office Replacement



Council has approved underspend on planning and design from 2017/18 (600k) be brought forward into 2018/19. Budget for concept plan, build cost estimate and due diligence set at approximate \$470k. Budget expected to be significantly overspent. Concept design for a new HQ site not originally budgeted for - there was no expectation that Council would need to investigate a new site at the time budgets were set.

| YTD Actual | YE Budget |
|------------|-----------|
| 33,236 | 82,183 |

REGULATORY

This group of activities focus on the issuing of resource consents that determine the use of our natural resources, including discharges to water, air, coast and land. Council audits and monitors consents to ensure 'holders' are complying with conditions. Council compliance work also extends to activities in respect of dam safety carried out under the Building Act.

Harbour safety and navigation in the Otago and Karitane harbours is a Council responsibility. This includes ensuring a prompt response to harbour incidents and notifying relevant authorities if required.

Activities include:

| | | |
|--------------------------------------|-----------------------------------|---|
| Consent processing (R1) | Compliance monitoring (R2) | Harbours & waterways mgmt (R4) |
| Regulatory effectiveness (R3) | | |

Consent Processing (R1) *(Kylie Galbraith)*









Summary Comment

This Activity is on track. IANZ accreditation has been retained.

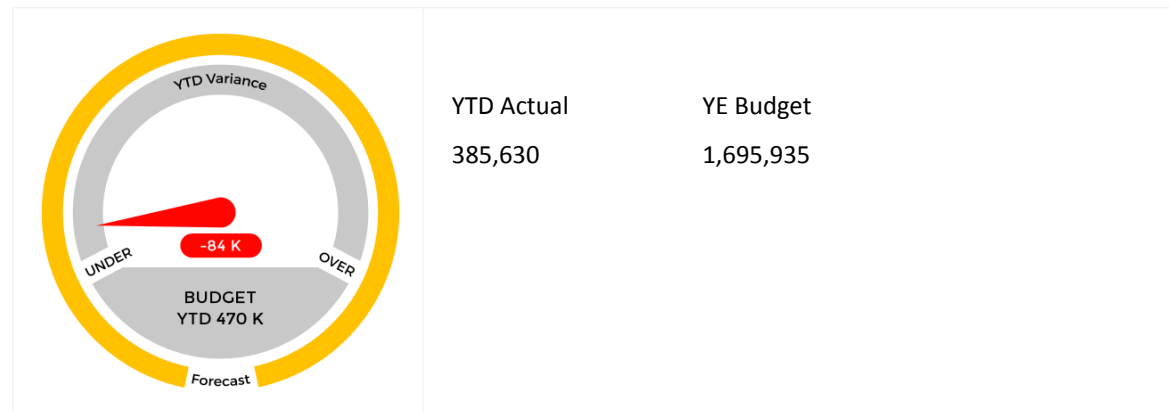
Expected:

Expect this Activity to remain on track.

Key Measures

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: Percentage of resource consent applications processed within the RMA statutory timeframes. Comment: All decisions on consents, except two, were given within RMA mandated timeframes. The two exceptions were for the same application and exceeded the timeframes by three working days. 98.25% achievement rate. | |  |  |
| Measure: Undertake Building Act functions for dams in Otago, Southland and West Coast in accordance with the quality standards and timeframes prescribed in the Act. Comment: Only one application received during this period. Processing of received applications are underway in accordance iwth the quality standards and timeframes prescribed in the Building Act. | |  |  |
| Measure: Maintain IANZ accreditation. Comment: IANZ accreditation retained. | |  |  |
| Measure: Process applications for approvals under the Otago Flood Protection Management Bylaw within 20 working days of receiving the application and make recommendations. Comment: All decisions on the Bylaws were given within 20 working days of receving the application. 100% achievement rate. | |  |  |

Financial performance – Consent Processing



Regional Consent Compliance and Bylaw Monitoring (R2) *Martin King*

Summary Comment

Good focus has occurred in the performance monitoring and auditing areas. However, auditing has been effected as a result of staff being reprioritised to incident response work. Closer alignment of performance monitoring results and audit work is still needed to ensure followup actions are appropriate. A meeting with some staff has occurred to align water metering results with audit work for water takes in the manuhierikia. Audit work in this catchment is underway.

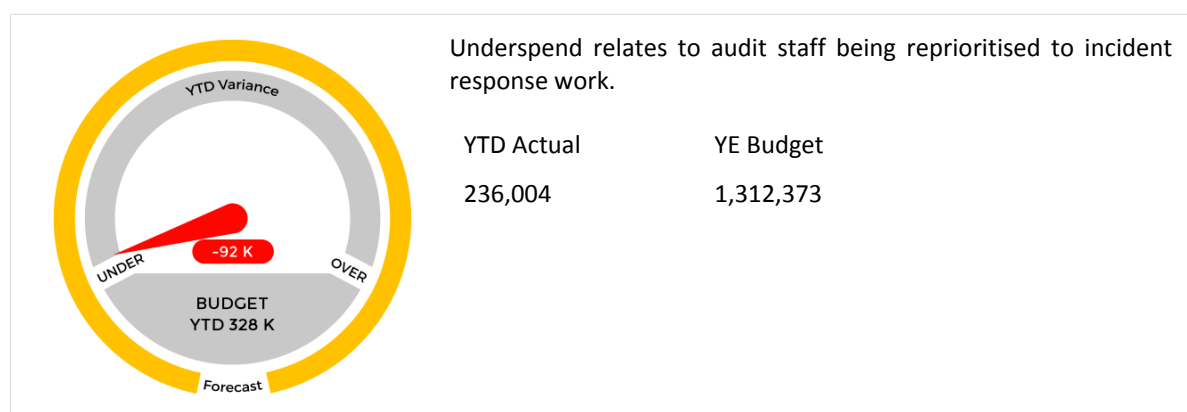
Expected:

On track but audit work may be reduced due to incident response.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Percentage of performance returns received that will be assessed for compliance with consent conditions. | | | |
| Comment: | | ● | ● |
| Performance Monitoring Returns received and assessed for compliance (from that expected) | | | |
| <ul style="list-style-type: none"> received on-time & assessed 35%, 1452 received late & assessed 24%, 1021 received waiting assessment 2%, 85 follow-up 7%, 311 not received, not yet followed-up 32%, 1325 Total PM items processed YTD 4194 | | | |
| Measure: Percentage of non-compliance found that have been followed up with enforcement action. | | | |
| Comment: 1 consent out of 8 (12%), to date, has been followed up with enforcement recommendation due to non-compliance. | | ● | ● |

Financial performance – Regional Consent Compliance and Bylaw Monitoring



Harbour & Waterway Management (R4) Steve Rushbrook

Summary Comment

PHSC review will be revisited in Nov 2018, this is the follow up from 2017 when ORC were not quite fully compliant at that time. It is expected that full compliance with the code will be achieved in Nov 2018. Bylaw consultation has been completed, a review undertaken, next step is to arrange a public hearing and progress to ministerial sign off by the end of 2018. Tender process for HM vessel has been undertaken and uplift in budget is being requested as of September 2018

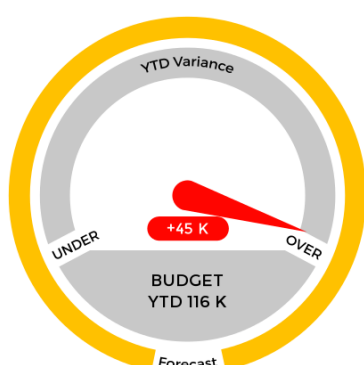
Expected:

This will be the first full year of activity in the HM area and financial budget will need refining as experience and knowledge of Otago's requirements is gained.

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: Average time taken to respond to notification from harbour control of any incidents in Otago Harbour will be no more than 1 hour. Comment: No major incidents to report within this period. | | ● | ● |
| Measure: Percentage of enforcement action taken when there are breaches of the Otago Maritime Safety Bylaw. Comment: This will not become active until such time as the navigational bylaws are legally in place and approved by the minister, at that point they will also need aligning with the MNZ common compliance tool for maritime infringements. Best assessment is that this could be active by Jan 2019 | | ● | ● |
| Measure: Establish a Harbour Liaison Group. Comment: This meeting is set to commence 20th November, by invitation only and aimed at Harbour users and on the water maritime activity. | | ● | ● |

Financial performance – Harbour & Waterway Management



Consultant fees and Aids to navigation are contributing to the current over budget status. The HM vessel will require an increase to this 2018/18 budget.

| YTD Actual | YE Budget |
|------------|-----------|
| 160,745 | 558,800 |

Regulatory Effectiveness (R3) *Anita Dawe*

Summary Comment

This project has not formally commenced because opportunities to improve cross organisational effectiveness have presented through existing projects.

Expected:

Work will occur under other Activities.

FLOOD PROTECTION AND CONTROL WORKS, AND RIVER MANAGEMENT

FLOOD PROTECTION & DRAINAGE SCHEMES

Flood protection works carried out by Council include constructing and maintaining flood banks, swales, bunds and spillways. Some works are necessary to maintain the safety and integrity of schemes. Management of the Shotover River delta is included in this work

Council is also well advanced with construction of the Leith Flood Protection Scheme located in the Dunedin City area.

Drainage scheme works carried out by Council include reviewing and maintaining drainage pumps and outfall structures.

Flood Protection & Drainage Schemes – *Gavin Palmer*

Alexandra Flood Protection(F1)

Leith Flood Protection(F2)

Lower Clutha Flood-Drainage Protection(F3)

Lower Taieri Flood Protection(F4)



West Taieri Drainage (F5)






East Taieri Drainage (F6)







Tokomairiro Drainage (F7)

Shotover River Delta (F8)

Designations & Bylaws (F9)

| | |
|---|---|
| <p>Alexandra Flood Protection:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Leith Flood Protection Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |

| | |
|--|---|
| <p>Lower Clutha Flood & Drainage Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Lower Taieri Flood Protection Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>West Taieri Drainage Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |

| | |
|---|---|
| <p>East Taieri Drainage Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Tokomairiro Drainage Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Shotover River Delta: Survey will be undertaken later in year. Discussions planned with operations regarding vegetation control and inspections.</p> <p>Expected: no issues anticipated</p> <p>Financial Comment: No activities undertaken to date. Cross section surveys later in financial year will use significant component of outstanding budget</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Designations and Bylaws:</p> <p>Expected:</p> <p>Financial Comment:</p> | |



RIVERS AND WATERWAY MANAGEMENT

River and waterway management works are carried out to maintain river and stream channel capacity. Such works include willow maintenance, vegetation control and removing obstructions and blockages. This activity also manages some specific flood protection assets, such as Lindsay Creek flood protection assets and Albert Town rock work bank.

Council also carries out a programme of river monitoring that involves surveying the stability and alignment of specific rivers and investigates river changes and erosion.

Rivers & Waterway Management – Ben Mackey

Dunedin Rivers and Waterway Management (M1)

Clutha Rivers and Waterway Management (M2)

Central Otago Rivers and Waterway Management (M3)

Wakatipu Rivers and Waterway Management (M4)

Wanaka Rivers and Waterway Management (M5)

Waitaki Rivers and Waterway Management (M6)

Lower Waitaki Rivers and Waterway Management (M7)

Non Scheme Management (M8)

Dunedin Rivers & Waterway Management:

Expected:

Financial Comment:

Non Financial Performance



Financial Performance



Clutha Rivers & Waterway Management: Maintenance work underway. NH work on going.

Expected: No issues anticipated meeting target







Financial Comment: Survey of Pomahaka River to occur next calendar year. Operation work scheduled for summer months. No notable floods or incidents to date requiring investigation







Non Financial Performance



Financial Performance



| | |
|--|---|
| <p>Central Otago Rivers & Waterway Management:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Wakatipu Rivers & Waterway Management:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Wanaka Rivers & Waterway Management: On track early in the year with significant operations work to come. Stoney/Waterfall Creek inspections scheduled early 2019.</p> <p>Expected:</p> <p>No issues expected for maintenance and ongoing work.</p> <p>Financial Comment: Ongoing costs associated with monitoring Albert Town landslides still to come. Operation work to follow initial inspections</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |

| | |
|--|---|
| <p>Waitaki Rivers & Waterway Management:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Lower Waitaki River Control Scheme:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |
| <p>Non-Scheme Management:</p> <p>Expected:</p> <p>Financial Comment:</p> | <p>Non Financial Performance</p>  <p>Financial Performance</p>  |

SAFETY AND HAZARDS

Council, together with the Otago territorial authorities and emergency services, plan for and provide civil defence emergency management programmes across the region. This service is focused on the national priorities of Reduction, Readiness, Response and Recovery. Work includes identifying and reducing risks (eg dams), broad based community planning, maintaining effective communication links across all sectors of CDEM, conducting training exercises and contributing towards the welfare of our community.

EMERGENCY MANAGEMENT (E1) *Chris Hawker*

Summary Comment

EM Otago's work programme is proceeding in accordance with and approval of the Otago CEG and Joint Committee.

Expected:

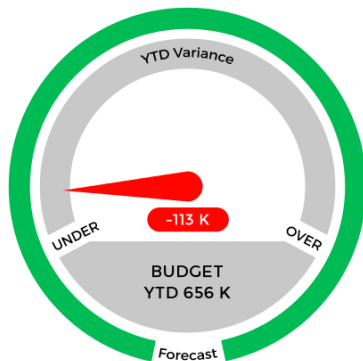
It is anticipated that we will be close to budget by the end of the financial year.

Key Measures

| | Previous | Now | Future |
|---|----------|---|---|
| Measure: A Group CDEM controller or alternate controller is available to respond 24 hours, 7 day a week, 365 days a year. Comment: Emergency Management Otago has three fully qualified Group Controllers based in the region. Two additional controllers have been identified but are yet to receive training (which will occur once the new national training programme is in place). A further five Group Controllers from around NZ have been authorised by the Joint Committee (May 2018) who can be requested to assist if required. | |  |  |
| Measure: Time taken for the Group Emergency Coordination Centre to be activated in response to a civil defence event or emergency. Comment: We are currently unable to activate a fully staffed ECC due to insufficient ORC personnel identified and trained in critical roles. The facility at Phillip Laing House has been resourced with basic equipment and is scheduled for a set up test on 2 November. | |  |  |
| Measure: An operative Group CDEM Plan is reviewed within statutory timeframes and fully implemented. Comment: The Otago Group Plan was programmed for completion in the previous financial year. Development of this Plan is proceeding with CEG and Joint Committee direction and within statutory timeframes. Completion is expected by 30 June 2019 | |  |  |
| Measure: Full suite of region-wide issues plans to in place and reviewed according to each plan. These will include: • Regional Dam Failure Plan • Regional Animal Response Plan • South Island Alpine Fault Plan • Coast Tsunami Plan Comment: Operational planning for event response is underway in multiple areas. The regional animal management plan (stage 1) is out for consultation and the Alpine Fault response plans covering air asset control and fuel management and distribution are underway in partnership with Southland CDEM. Dam failure risks are being managed as a component of community based plans and coastal tsunami planning is continuing district by district also as a component within the relevant community based plans. Additional work is being | |  |  |

undertaken with MCDEM and GNS on tsunami warning procedures which will be incorporated as advised by MCDEM.

Financial performance – Emergency Management



The latest financial report received (August) noted a \$33,264 under spend on budget. I have not seen data detailing the figure identified here. Several projects will increase in activity in the coming months which should bring us closer to budgeted expenditure.

| YTD Actual | YE Budget |
|------------|-----------|
| 543,605 | 2,453,870 |

Natural hazards, flow forecasting & climate change adaptation

Work to identify natural hazards involves assessing the scale and significance of natural hazards in Otago, including seismic, tsunami and flooding. Information obtained is published in the Otago Natural Hazards database, which is maintained by Council.

Council assists territorial authorities with managing natural hazards in their areas through collaborative initiatives such as the Wakatipu/Wanaka Flood Study, the Milton 2060 Strategy and working with the Dunedin City Council on the South Dunedin Future programme.

Flood events are a key focus for Council. It has systems in place to continually monitor and provide warnings and information on rainfall and river levels. In the case of an event, interested and potentially affected parties are provided directly with information in a timely manner.

Activities include:

Natural hazards (N1)

Flood & flow risk management (N2)

Climate change adaptation (N3)

Natural Hazards (N1) Ben Mackey





Summary Comment

AP targets for this year are underway and on track

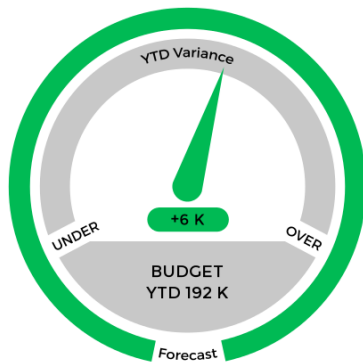
Expected:

No issues anticipated with N1 projects. Data and information continues to be provided to public via NHDB.

Key Measures

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: Natural hazard information is available to the public and to communities via an effective web-based Otago Natural Hazards Database 24 hours a day/7 days a week. Comment: Updates on the database continue to progress. The Coastal Hazards, Landslides, Alluvial Fan and Seismic layers have been updated and successfully uploaded to the NHDB. The Flooding, Storm Surge and Tsunami layers are now up to date and ready for upload to the NHDB. Limitations with the current database platform are becoming evident as we seek to increase the amount of information available. | |  |  |
| Measure: Natural hazards events and consequences are properly and timely reported on so that appropriate measures to reduce risk are taken. Comment: No natural hazard events of note in reporting period. General work and reporting on hazards continues. | |  |  |

Financial performance – Natural Hazards



Costs tracking as expected. Some invoices relating to projects last financial year still to come in. Unbudgeted projects such as Roxburgh DF response may affect budgets later in year.

| YTD Actual | YE Budget |
|------------|-----------|
| 197,931 | 768,889 |

Climate Change Adaptation (N3) Ben Mackey

Summary Comment

Climate Change Adaptation

Expected:

Many larger projects within N3 (South Dunedin data/groundwater, Clutha Delta) are still being scoped and services procured. Working with Communications team to ensure developments and information are well publicised and available.

Key Measures

| | Previous | Now | Future |
|---|----------|-----|--------|
| Measure: Knowledge and understanding of the likely effects of climate change in Otago are properly and timely disseminated so that informed decisions and responses can be made. | | | |
| Comment: Advice has been sought assist in developing a project plan and to ensure it is sufficiently scoped. | | | |

Flow Forecasting (N2) Ben Mackey

Summary Comment

No notable high flows or floods to date this financial year. Significant work on updating the Flood Procedures manual and process is underway and good progress is being made. 24/7 roster on going and number of flood manager extended to improve resilience during large events (4 new flood managers added with initial training provided). Work on improving flood forecasting models and setting up new models progressing well. Training provided to staff to run flood models to ensure redundancy if key staff are away.

Expected:

No issues anticipated. Much of the model and process review work being front-loaded to early part of year

Key Measures

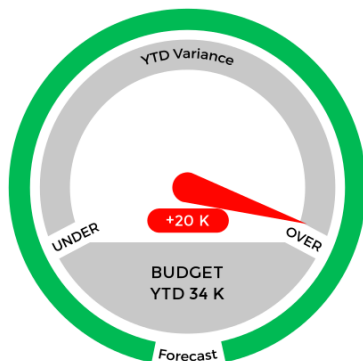
Measure: Accurate and reliable rainfall and river flow information is provided to territorial authorities and the community, and is provided in an efficient and timely fashion.

Comment: Rainfall and flow info has been disseminated to the public mainly through the Waterinfo website. Waterinfo website upgraded to make it more user friendly.

Previous Now Future



Financial performance – Flow Forecasting



The overspend reflects significant work on updating the Flood Procedures manual and process is nearing completion. Also many flow forecast models are being reviewed and updated currently.

| YTD Actual | YE Budget |
|------------|-----------|
| 53,961 | 133,876 |

TRANSPORT

Under the Land Transport Management Act, Council is responsible for developing and implementing a Regional Land Transport Plan. Council must report on progress with implementing the plan and carry out reviews to ensure it remains appropriate for the region.

Public passenger transport services are provided in Dunedin and Queenstown and Council contracts the provision of those services. It aims to ensure a viable, affordable, quality service that will attract patronage growth. Council also administers the Total Mobility scheme in Otago to meet the transport needs of those with disabilities that are unable to access public transport.

Providing public transport services is undertaken with the financial assistance of the NZ Transport Agency.

Activities include:

| Regional Land Transport (T1) | Public Transport (T2) | Stock Truck Effluent Disposal (T3) |
|------------------------------|-----------------------|------------------------------------|
|------------------------------|-----------------------|------------------------------------|

Regional Land Transport Plan (T1) Gerard Collings

Summary Comment

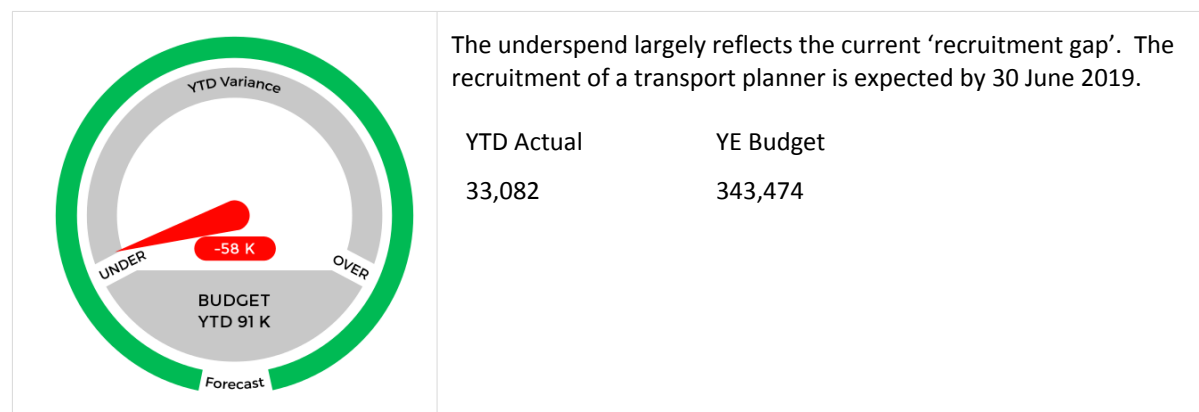
This is a relatively quiet period for the Regional Transport Planning cycle, assistance is being provided by Environment Southland.

Expected:

Key Measures

| | Previous | Now | Future |
|--|----------|-----|--------|
| Measure: To collaborate with Environment Southland and other South Island local authorities to establish and deliver on pan-regional priorities for transport investment. | | | |
| Comment: Joint meeting of Regional South Island Chairs scheduled for October | | | |

Financial performance – Regional Land Transport Plan



Public Passenger Transport (T2) Gerard Collings

Summary Comment

Both networks are experiencing growth in patronage and revenue beyond what has been predicted. The significant projects currently underway are in the implementation phase being the Dunedin Central Bus Hub and the replacement ticketing system, it is expected that both of these projects will enhance the customer experience and will maintain the growth experienced in the two networks.

Expected:

We expect the Dunedin Central City Bus Hub to be well established and the new ticketing system to be bedded in and completely operational. The last of the PTOM contracts will be in place with both networks predicted to continue to grow in patronage numbers.

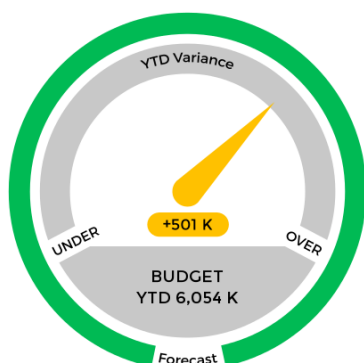
Key Measures - Dunedin

| | Previous | Now | Future |
|--|----------|---|---|
| Measure: Reliability of Dunedin service - at least 95% of monitored services leave the terminus on time. Comment: | |  |  |
| Measure: Vehicle quality Dunedin - 100% of vehicles comply with Regional Passenger Transport Vehicle quality standards. Comment: One operator experienced a higher level of unexpected fleet failures which resulted in vehicles not compliant with Council's Vehicle Quality Standards being used on a small number of services. The operator took this action rather than not running the service affected. The effect of the decision was that some fare revenue was not collected. | |  |  |
| Measure: Public Satisfaction Dunedin – at least 85% of bus users are satisfied with the overall standard of service. Comment: | |  |  |
| Measure: Investigate the feasibility of a Dunedin City to Momona Airport public transport service. Comment: | |  |  |
| Measure: Implement increased off-peak frequency in Dunedin. Comment: Off peak frequency for Waverley service scheduled for commencement to align with the implementation of the central city bus hub. | |  |  |
| Measure: Formally explore with the DCC the establishment of a joint governance group for the Dunedin public transport bus service. Comment: To be progressed through the existing framework with the intended inclusion of Councillors similar to the Queenstown structure | |  |  |
| Measure: Consider the RPTP and current policy on school bus services under that plan and report. Comment: | |  |  |

Key Measures - Queenstown

| | Previous | Now | Future |
|---|----------|---|---|
| Measure: Reliability of Queenstown service – at least 95% of monitored services leave the terminus on time. Comment: | |  |  |
| Measure: Vehicle quality Queenstown – 100% of vehicles comply with Regional Passenger Transport Vehicle quality standard. Comment: 100% of vehicles comply | |  |  |
| Measure: Public Satisfaction Queenstown – at least 85% of bus users are satisfied with the overall standard of service. Comment: | |  |  |
| Measure: Patronage in Queenstown – at least 105% percentage growth on contracted services above 2017/18 levels. Comment: Patronage increase is at 179% for the equivalent period last year. | |  |  |
| Measure: Implement improved off-peak frequencies in Queenstown. Comment: Planning for improved off peak frequency of Lake Hayes estate service underway | |  |  |
| Measure: Consider the feasibility, implementation and operation of a small ferry service in the Wakatipu basin. Comment: Delay in appointment of consultant, consultant expected to commence November 2018. | |  |  |
| Measure: Provide additional series to support major events in Dunedin and Queenstown. Comment: Discussions with operators commenced | |  |  |
| Measure: Investigate introducing a Malaghans Road loop service into the Queenstown network between Arrowtown and Queenstown. Comment: | |  |  |
| Measure: Investigate mass transit options for increased passenger transport capacity between Queenstown and Frankton. Comment: Council are providing input into a wider study being undertaken by NZTA. | |  |  |

Financial performance – Public Passenger Transport



The budget is affected by the carry forward of two key infrastructure projects being; the Dunedin Central City Bus Hub, and the new Ticketing system. Both of projects are now scheduled for completion this financial year.

| YTD Actual | YE Budget |
|------------|------------|
| 6,554,887 | 24,151,233 |

Stock Truck Effluent Disposal Sites (T3) *Nineva Vaitupu*

Summary Comment

Raes Junction site is only site which is managed by ORC and will need physical works completed. Construction of one Central Otago STED is programmed and is planned for completion by December.

Expected:

This will be overbudget due to construction of STED in central.

Key Measures

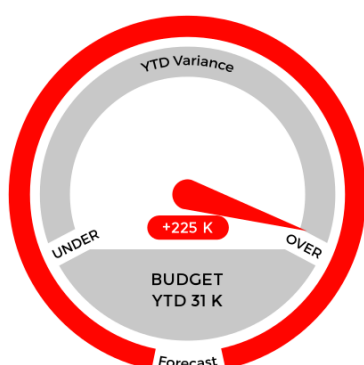
Measure: Reduction on the number of complaints received.

Comment: There has been no complaints received for the reporting period

Previous Now Future



Financial performance – Public Passenger Transport



Over budget for this period can be attributed to the construction of the STED in Central Otago. This was previously planned for last financial year, but due to pressures and consultation has been pushed out to this financial year.

| YTD Actual | YE Budget |
|------------|-----------|
| 255,766 | 124,560 |