

Council Agenda 25 March 2026

Meeting will be held at the Clutha District Council Chamber,
1 Rosebank Terrace, Balclutha, Otago, and live streamed on the
[ORC YouTube channel](#).



Members:

Cr Hilary Calvert (Chair)
Cr Kevin Malcolm (Deputy Chair)
Cr Robbie Byars
Cr Chanel Gardner
Cr Neil Gillespie
Cr Matt Hollyer
Cr Gary Kelliher
Cr Michael Laws
Cr Andrew Noone
Cr Gretchen Robertson
Cr Alan Somerville
Cr Kate Wilson

Senior Officer: Richard Saunders, Chief Executive
Meeting Support: Kylie Darragh, Governance Support Officer

25 March 2026 10:30 AM

Agenda Topic

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1. WELCOME

Mayor Jock Martin will be in attendance.
Cr Neil Gillespie to open with a reflection.

2. APOLOGIES

No apologies received at the time of printing.

3. PUBLIC FORUM

No requests to speak at Public Forum were received at the time of publishing.

4. CONFIRMATION OF AGENDA

The agenda to be confirmed as published.

5. DECLARATIONS OF INTEREST

Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.
[The Register of Member's Pecuniary Interests can be found on the ORC Website.](#)

6. PRESENTATIONS

Enviroschools Annual Review presentation.

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Confirming the public minutes of the Council meeting of 25 February 2026.		
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8.	ACTION REGISTER	
There are currently no open actions for council.		
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10.1	Water Quality Annual Report 2025	39
This report provides an annual update of the current state of water quality and ecosystem health based on results from the State of the Environment surface water monitoring network, from July 2024 to June 2025. This annual reporting is required by the National Policy Statement for Freshwater Management 2020.		
10.1.1	Water Quality Annual Summary Report 2025	44
10.2	Clutha Liaison Group	49
This paper updates the Council regarding the formation of the Lower Clutha Liaison Group, presents the confirmed Terms of Reference for approval, and seeks confirmation of the Councillor Representative for the Group.		
10.2.1	Lower Clutha Liaison Group Engagement and Outcomes Report	53
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To present the proposed implementation plan and options to accelerate the Integrated Catchment Management (ICM) programme to Council.		
10.3.1	Transcend Report September 2025	80
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10.3.3	ICM Governance Group Updated Terms of Reference - Clean Copy	119
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10.4	Q1-Q2 Public Transport Performance Report	128
This paper updates Council on the performance of Public Transport and Total Mobility for Q1 and Q2 of the 2025/26 Financial Year, July 2025 - December 2025.		

10.5 [Community Transport](#) 152

The purpose of this report is to seek Council direction and approval to progress the community transport actions agreed in the Regional Public Transport Plan 2025-2035.

10.5.1 [ORC Community and Accessible Transport Study - Taith Consulting](#) 165

10.5.2 [Understanding Community Transport in Otago](#) 239

10.6 Ōamaru Community Shuttle Trial

This paper will be provided in a supplementary council agenda.

10.7 2026 ORC Community Survey - Results

This paper will be provided in a supplementary council agenda.

10.8 [Regional Software Holdings Limited Statement of Intent 2026-27](#) 290

To receive Regional Software Holdings Limited's Draft Statement of Intent for 2026-27 and Half Yearly Report for the period ended 31 December 2025.

10.8.1 [Covering Letter for RSHL Draft SOI 2026-27](#) 294

10.8.2 [RSHL DRAFT Statement of Intent 2026-27](#) 298

10.8.3 [RSHL Interim Report to December 31 2025](#) 336

11. NOTICES OF MOTION

No notices of motion had been submitted at the time of publishing.

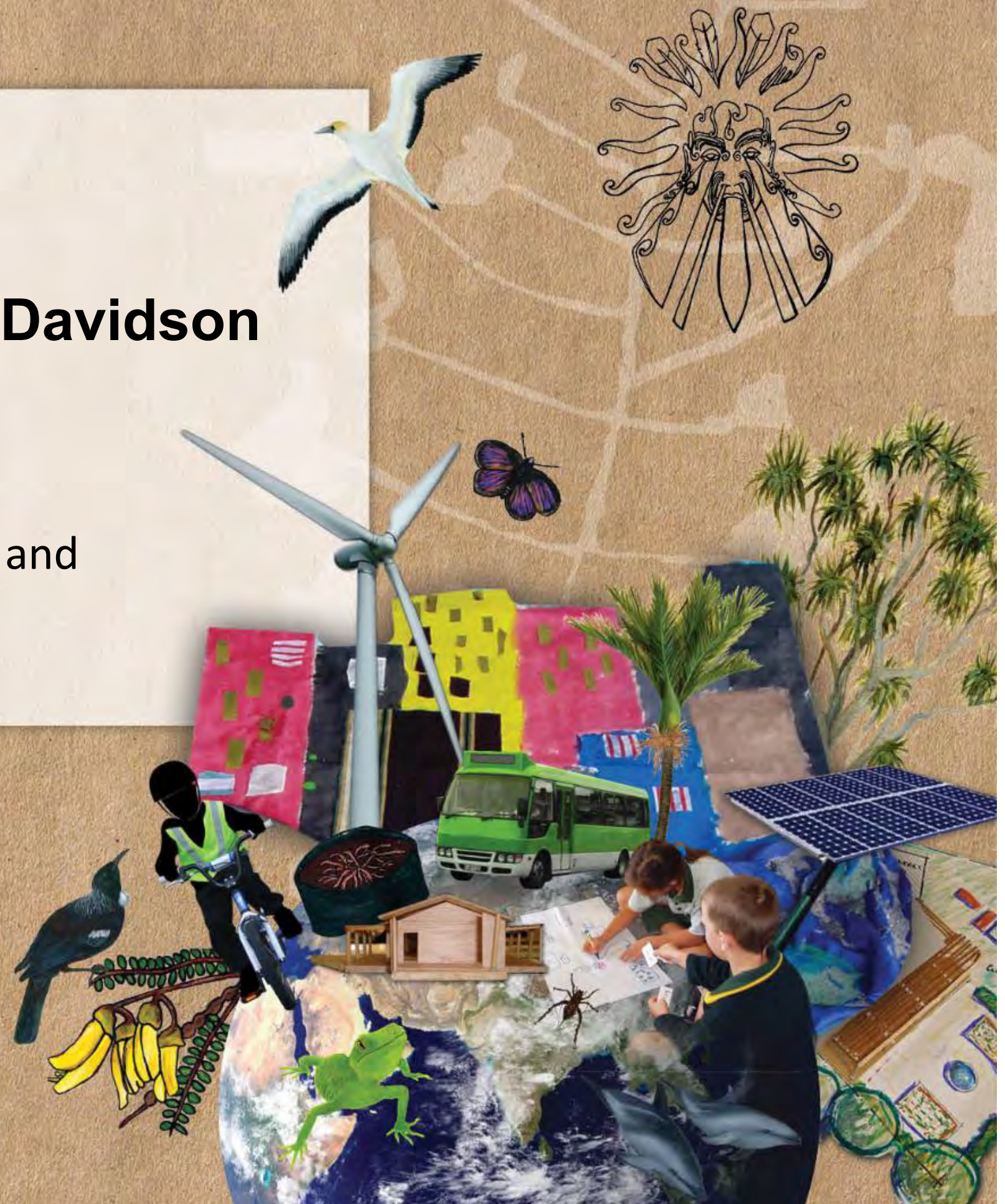
12. CLOSURE

Enviroschools

Leisa de Klerk and Lexie Davidson

Regional Coordinators

Creating a healthy, peaceful,
sustainable world through learning and
taking action together.



Enviroschools in Otago

101
Enviroschools

12
ECE centres

89
Schools

25,700
Tamariki & students

9% of early childhood
61% of primary & intermediate

73% of secondary
44% of composite & other

10 Regional Partners

18 Collaborators

Strong Collaboration

Ōtākou Enviroschools supports the work of Toimata Foundation, our national Enviroschools team, based in Hamilton.

We have 9 regional partners including CDC, CODC, DCC, QLDC, WDC, COREAP, Wānaka Wastebusters, Whānau Manaaki and Oamaru Kindergarten Association.

Nothing we do is in isolation and this is shown in our work with our 51 regional collaborators that support our team in their hui and professional development.



Our Team

Enviroschools Ōtākou Tīma



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Enviroschools in Otago

Schools that aren't currently part of Enviroschools can express interest in joining. All Central Otago and Queenstown Lakes primary and secondary schools are Enviroschools.

Early Childhood is generally available to kindergarten associations, but follow a different model of facilitation and funding.

Each Enviroschools journey in a school is different, reflecting local interest, challenges and opportunities. Schools focus on what is important to them and their needs and can range from wetland restoration to zero waste to multicultural events to community gardens.



Enviroschools Hui

In 2025 across Otago, 19 upskilling hui were held for primary and secondary students, and professional development hui for teachers and principals. These hui reached over 50 schools and engaged over 600 students and key teachers.

Each area/district aims to have at least 3 hui a year, 1 for teachers and 2 for students at different year levels.

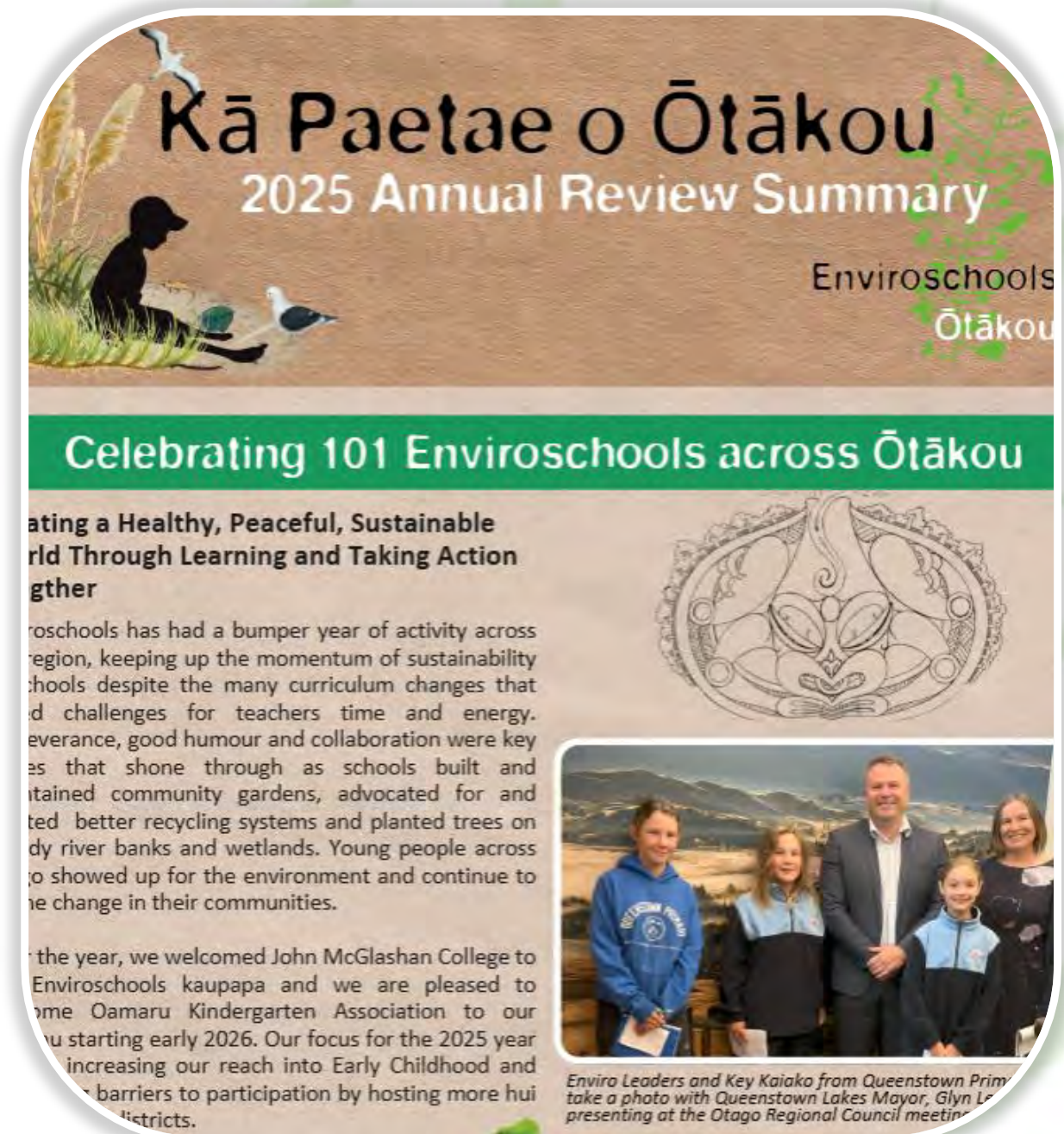


Our 2025 Annual Review Summary

At the end of each year, we connect with each Enviroschool about their sustainability and Enviroschools journey.

This report summarises the actual mahi students are doing in their schools in line with the Enviroschools Guiding Principles:

- Empowered Learners
- Learning for Sustainability
- Honouring Te Ao Māori
- Respect for Diversity
- Sustainable Communities



A Successful Year

St Joseph's school in Queenstown became the first school in Ōtākou to reflect, celebrating their sustainability journey with the new Holistic Reflection model in April.

Oamaru Kindergarten Association joined the Ōtākou EnviroSchools team, bringing 2 new facilitators and 4 new kindergartens.

We also welcomed John McGlashan College back to Ōtākou EnviroSchools.



What's Next for 2026

- 19 student and teacher hui are planned across Otago for the year.
- Youth Jam 3-day camp for Ōtākou Secondary Schools
- PD for Enviroschools Facilitators on the Energy Theme Area
- Regular Online Cluster Meetings across Ōtākou and Southland for Teacher PD
- National Enviroschools led introduction for new Oamaru Kindergarten and Clutha Facilitators



Guiding Principles in Action





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Kā Paetae o Ōtākou

2025 Annual Review Summary

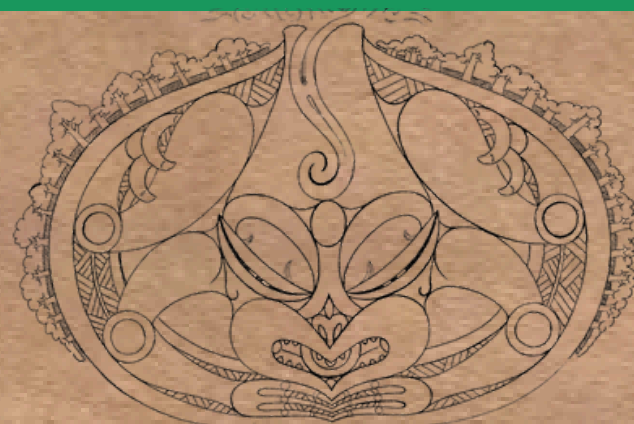
Enviroschools
Ōtākou

Celebrating 101 Enviroschools across Ōtākou

Creating a Healthy, Peaceful, Sustainable World Through Learning and Taking Action Together

Enviroschools has had a bumper year of activity across the region, keeping up the momentum of sustainability in schools despite the many curriculum changes that has posed challenges for teachers time and energy. Perseverance, good humour and collaboration were key values that shone through as schools built and maintained community gardens, advocated for and created better recycling systems and planted trees on muddy river banks and wetlands. Young people across Otago showed up for the environment and continue to be the change in their communities.

Over the year, we welcomed John McGlashan College to the Enviroschools kaupapa and we are pleased to welcome Oamaru Kindergarten Association to our whānau starting early 2026. Two of our goals for the 2025 year was on increasing our reach into Early Childhood and decreasing barriers to participation by hosting more hui locally in the districts.



Enviro Leaders and Key Kaiako from Queenstown Primary School take a photo with Queenstown Lakes Mayor, Glyn Lewers, after presenting at the Otago Regional Council meeting in April, 2025.



Ākoka from Waitahuna School enjoy a lunch break during the Dunedin Enviroschools Primary Hui at Orokonui Ecosanctuary.

Reflection in Ōtākou

2025 saw the start of the new reflection process across Aotearoa, enabling a more authentic appreciation and celebration of a schools sustainability journey and creating more opportunity to launch into next steps. We had one school reflect in 2025, St. Joseph's School in Queenstown, which was attended by councillors and staff from Queenstown Lakes District Council.

In 2026, we have several schools and Early Childhood centres planning to hold a reflection, starting with Little Wonders in Oamaru with their very first reflection planned for early March.



Empowered Learners

Empowered Learners participate in genuine ways in their community. Their unique creativity, perspectives and questions are valued and honoured. They feel connected to the whenua and support each other as a learning community to create meaningful change and hopeful action.



Ākoka from St Joseph's School in Oamaru buried different types of rubbish in term 1, then dug it up in term 4 to see what had decomposed and what hadn't. They then discussed the impact landfills have on our environment, especially when we can't see them.

● Cromwell College - Central Otago

The Environmental Committee met regularly throughout the year at Cromwell College and were inspired by the Enviroschools Secondary Hui in term one to establish a dry garden at their school. During Term 3, ākoka ran a raffle to raise over \$400 to start the garden and then the Enviro Prefects, Lani and Charlotte, designed, created and planted the dry garden with support from Cromwell Polytech. They hope to encourage native species back to the school and encourage others in the school to take care of their environment.

● Carisbrook School - Dunedin

Keen ākoka at Carisbrook School are being encouraged to learn about composting at their Breakfast Club as well as learning more about what to do with their food waste and teaching others in the school. Inspired by participating in the Enviroschools hui, the ākoka were exposed to some great ideas and different ways of think that has led into practical tasks that they could action within their school.

● Queenstown Primary School - Queenstown Lakes

Three ākoka leaders from the schools Envirogroup were able to participate in local government and speak directly to Otago Regional Councillors at a Council meeting in April. These ākoka talked about the impact Enviroschools has on their school and community and what they really enjoy about being a part of a sustainable school community. They were able to showcase the mahi they have been doing with community groups across the district and showed that you can never be too young to make change in your own community.

● BestStart Oamaru Kindergarten - Waitaki

Tamariki at BestStart know that their actions have an impact both positive and negative on living things and all the tamariki work hard to continue the environmental and sustainability actions that have come before them and enthusiastically support the newer tamariki to be involved. Respect for nature is top of the list for the young people, learning to avoid picking garden flowers or harming insects, and they are always seeking more information that would help them with their garden, composting and worm farm.



Enviro Leaders at Macandrew Bay School did a stream health assessment as a part of their school wide project looking into stormwater drains and the impact that this has on their local community.

Empowered Learners in Action



● Clutha Valley Primary School - Clutha

An Enviroschools hui the year before sparked an enthusiasm from the school for learning more about local wetlands, so the whole school started 2025 with a whole day field trip to Waipahi Wetlands. Ākoka learnt more about how important wetlands are to our ecosystems as well as the history before settlers arrived and were able to release tuna into the wetland. This field trip got ākoka excited about doing more in their community which they now celebrate with an Enviro Shield for a dedicated Enviro Leader in their school.

Learning for Sustainability

Learning for Sustainability is a holistic, action and future-focused approach to learning, that engages our whole selves and addresses all aspects of our local and global environment.

Learning for Sustainability in Action

Warepa School - Clutha

A whole school approach to Enviroschools has meant that there are now three Envirogroups a part of the daily school life at Warepa and all ākoka are given opportunities to be engaged. These Envirogroups are instrumental at providing direction and encouraging new initiatives throughout school like the 'Zero Plastic Day' supporting ākoka and whānau to improve their lunch boxes so that it has no plastic or tinfoil in it. Ākoka across the school were given helpful hints and tips for a waste free lunch box including recommending beeswax wraps and using organising dividers to separate the food in the lunchbox.



Ākoka at Rosebank School learnt how to recycle and make their own paper during an art unit in their school. Being able to be creative with their sustainability choices was a big topic of conversation.

Ōmakau Primary School - Central Otago

The Year 8 ākoka were part of a Community Action project working with the local business, Vulcan Hotel, and their recycling systems. This was a huge project, which also integrated waste reducing measures into the curriculum for the senior class. Ōmakau School includes all ākoka in their Enviroschools journey, meaning that whatever one year level learns, the rest of the school benefits and learns from as well.

Elmgrove School - Dunedin

The term 1 inquiry for Elmgrove ākoka was all about oceans, pollution and food webs which gave them plenty of ideas and inspiration for how sustainability works holistically in their school and wider community. This has flowed naturally into the work that they do with Silverstream with planting and the maintenance of the stream but also planning ahead and sharing ideas and thoughts about new areas for the planting that would support the mahi that others are also doing along the Silverstream.

St. Joseph's School - Queenstown Lakes

Term 2 ended with a Holistic Reflection for ākoka at St. Joseph's school where ākoka ran a guided tour for members of the Queenstown Lakes District Council and showcased the efforts they have been making educating the rest of their school in sustainability actions. Elected members and staff at QLDC were shown the schools worm farms, recycling systems, bughouses, playshed, exercise stations, vegetable and flower gardens, their efforts towards school lunch waste reduction, all supported by their kaitiaki leaders within the school.



Queens High School ākoka get experts in during the Enviro group meetings to learn more about what they can do to support their sustainability initiatives.

Fenwick School - Waitaki

The recycling project is continuing to gather momentum for ākoka at Fenwick School with ākoka stepping into leadership roles and keeping the expectations for the project working well. Over the past year, every classroom has its own recycling boxes that ākoka maintain and they have noticed that there is less rubbish going into the containers. This has evolved into composting where many ākoka collect the food scraps and they are looking ahead to reducing the amount of soft plastic that comes in lunch boxes with the leaders of this project taking ownership to get this going.

Honouring Te Ao Māori

Te Ao Māori holds insights, knowledge and ways of being in relation to the taiao. Honouring this acknowledges the intrinsic relationship of tangata whenua with this land. When we are envisioning and taking action for a sustainable future in our community, we are guided by the history, knowledge, tikanga, traditions and aspirations of local hapū.



Tamariki at Little Wonders ECE create Ātua inspired artwork using traditional Māori methods and a deep connection to te taiao.

Te Ao Māori in Action

Waihola District School - Clutha

To celebrate Matariki, Waihola school ākoka came together as a school community for some relaxed whānau crafts and activities as well as shared kai - including the soup that ākoka made themselves. Ākoka sang, spoke and shared at the celebration in ways that truly reflected the spirit of the occasion and the night was topped off with a beautiful Matariki cake that was as delicious as it was stunning.



Goldfields School - Central Otago

Te Ao Māori is woven throughout the school and their Enviroschools journey at Goldfields School with ākoka beginning and ending each day with karakia, singing waiata and ensuring a karakia kai is said every day. When considering their environment at the school, ākoka are generous in sharing their knowledge with their wider school community, encouraging use of whakatauki and creating videos for their parents to learn Te Reo Māori.

Waikouaiti School - Dunedin

The whole school of Waikouaiti have been enthusiastically working with Kati Huirapa Runaka ki Puketeraki on a joint project of Te Waipaku (the local awa) which supports place and wellbeing for Waikouaiti ākoka through exploration of the local community, stream testing and predator monitoring. This included designing a karakia and waiata for Te Waipaku that ākoka can use to connect more deeply with their place of belonging, and their roles as kaitiaki of the awa with Mana Whenua.

Makarora School - Queenstown Lakes

The focus of term 4 for Makarora ākoka was geology and bringing alive the Māori narrative of Poutini, the Taniwha of Pounamu, who swims up and down the west coast of the South Island, protecting the people and the mauri of Pounamu. This exploration is considered the first geological map of Aotearoa, drawing on Mātauranga Māori geological knowledge. The project involved re-telling the story with movement and mime, using the narrative as a map. The history maps out geological features such as obsidian and sandstone and the narrative highlights that Whatapu was the only Taniwha that Poutini feared.

Macraes Moonlight School - Waitaki

The schools relationship with Puketeraki marae has brightened the school with their own pepeha, whakataukī and waiata. Nikki from Puketeraki Marae visited and introduced the chorus of school song to the ākoka, which acknowledges the rivers of the Macraes area. This brought alive the mahi ākoka had been doing with their kapa haka, showcased when they performed their waiata at the East Otago Hui Ako in June.



Clutha Valley Year One ākoka at a whole school field day at Waipahi Wetlands got the opportunity to learn traditional Māori games with Sport Clutha.

Respect for Diversity

Respect for Diversity is celebrated, and all forms of identity and ability are respected to foster a society that is fair, peaceful and cooperative. Cultural traditions and practices from all people are experienced, valued and appreciated in learning spaces, honouring practices led by that community. Access to safe and engaging learning is available to everyone.

Respect for Diversity in Action



Waiwera South Primary School - Clutha

The community is their classroom at Waiwera South school, with ākoka learning about diversity through actions like beach clean-ups, bird counts, exploring rock pools and planting natives at the local river. Ākoka took a closer look at biodiversity of their local ecosystem and analysed the findings of all the litter they found when they have been out in the community, showcasing how closely intertwined our worlds are.



Senior Secondary ākoka from Waitaki Girls show off a new penguin house that they built during the Waitaki Secondary hui at the Oamaru Blue Penguin colony. Ākoka had the opportunity to reflect on the diversity of the area that encourages more blue penguins to nest locally.

St Gerard's Primary School - Central Otago

There are so many different cultures and religions at St Gerard's school that the school hosted a cultural expo day and it resonated deeply with the entire school. This flowed on from and to other activities around the school including their Protest art project with Year 7 and 8's which encouraged ākoka to research and think deeper about current challenges around the world on social and environmental themes and created their own posters inspired by Banksy and Marilyn Webb.

Trinity Catholic College - Dunedin

Ākoka from the Trinity Envirogroup had a bumper year supporting diversity within their school through an Enviroweek focusing on stormwater and the impact on the ocean; a clothing swap and sustainable mufti fundraising; and running a compost system with the Let's Grow Together class. The mahi that they have been doing was nominated with a Keep Dunedin Beautiful award showcasing the power of the Envirogroup working together and creating strong actions within the school.

Wānaka Primary School - Queenstown Lakes

Respect for Diversity has been a significant strength for the school this year with several initiatives encouraging differing perspectives on biodiversity, social and cultural events and the bringing together of school whānau for the environment. A highlight of the school year was the Sri Lankan day, which featured a whole-school performance showcasing culture, including Te Ao Māori and an opportunity for English for Speakers of Other Languages (ESOL) learners to participate in the Sri Lankan dancing performance. Wānaka school ākoka encourages the celebration of cultural traditions to support their learners and whānau in being valued and appreciated in their learning spaces.



Ākoka from Alexandra Primary School get the opportunity to do some stream health assessments with Otago Regional Council and COREAP on the Manuherikia river.

Maheno Primary School - Waitaki

The moment you walk into Maheno Primary School, you are greeted by the flags from every nation that ākoka belong to and ākoka regularly do an 'airplane' activity to learn more about different countries. In March, the school celebrated 150 years with a massive mural showcasing the schools diversity, the native birds that are also the names of the classroom and the sports that ākoka all play while at school.

Sustainable Communities

Sustainable Communities act in ways that nurture all aspects of nature, including people, now and in the future. By working together and supporting each other we create safe, healthy, equitable and thriving communities.



Ākoka from Wānaka Primary School pick strawberries in preparation for learning how to make smoothies using friction via a bicycle. Food resilience is a key area of upskilling that make sustainable communities.

Sustainable Communities in Action



● Rosebank School - Clutha

Critical thinking and exploration of sustainability was a natural flow on of the schools unit on art and expression during term three at Rosebank School. Ākoka got really stuck into making their own paper with recycled paper and used these as a part of their art projects. Ākoka then went on a field trip to a local farm and helped plant out a riverbank with native plants while learning about stream health.

● Poolburn School - Central Otago

The junior class got the chance to explore Lab in a Box in February, a resource to get ākoka interested in and more knowledgeable about science, working together with Wairoa Manuherekia to explore what all lives in the water around their school and homes. The ākoka then headed off to Naseby for a school camp and they were able to follow up their learning of the creatures in a space a bit further away, showing that no matter where you are, communities are all inter-connected.

● North East Valley Normal School - Dunedin

The community gardens at North East Valley school is an exciting collaboration between community groups, parents and the school, giving each classroom an opportunity to get out in the garden weeding and harvesting kai which ākoka are now learning how to cook through Garden to Table. The class gardening sessions are run by parent volunteers and supports the schools long term plans and every Friday a new class gets an opportunity to make an impact that supports both the school and the wider community.

● Glenorchy School - Queenstown Lakes

When Glenorchy School takes action within the school, they invite the wider Glenorchy community to share the learning and provide their expertise so that ākoka become leaders for their own actions in the community. 2025 saw the school start with a mapping activity to assess what works well for the ākoka and what they would like to add that would support the rest of their community. This led to reconnecting with their community garden and they were lucky to have parent support to plan, reorganise and replenish the gardens.

● Waitaki Boys High School - Waitaki

Paper recycling was the goal for the Waitaki Boys Enviro Group in 2025 and they were so successful that they have offered to pick up Waitaki Girls paper recycling as well. The Enviro Group bought 20 bins, labelled them and put them in every class. Every second Thursday, these are collected and then an Enviro Prefect takes them to Waitaki Resource Recovery Park. Combined with the work they are doing with compost, which has a group of dedicated young people running it, the school has really nailed it's sustainability goals for the year.



Ākoka from Shotover Primary School get busy making beeswax wraps to share with their classmates, whānau and wider community in an effort to prioritise plastic free lunches across the school.



Key Regional Engagement Activities

Creating Connection Across Ōtākou Through Hui

A key part of our role is creating student leaders and supporting the professional development of teachers for environmental action in schools. We hold multiple accessible hui across Ōtākou for different age groups, including separate ones for teachers and principals. This connects the Enviroschools kaupapa and the different sustainable journeys of schools across Ōtākou, enabling shared stories and support for future plans.

At the end of 2025, Ōtākou Enviroschools trialled a regionwide online cluster meeting that upskilled kaiako in the theme areas of the Enviroschools kaupapa. These are once a term and provide local curriculum links for kaiako as well as opportunities to deepen understanding for ākoka through environmental and sustainability actions. The trial was successful, and has been rolled out to include Murihiku Southland, with the view to rolling it out to the rest of Aotearoa by 2027.

Each of our hui have a theme or topic that is designed to spark interest or inspire young people in progressing their sustainability journey at their school. Whether schools are new to the kaupapa or have been working for years on their sustainability goals, ākoka always come away with new skills especially surrounding leadership, advocacy and climate literacy.

To reduce the barriers to participation and the growing need for professional development for kaiako in environmental education, Ōtākou Enviroschools supports kaiako attending the hui with a contribution towards teacher release.

In 2025, Ōtākou Enviroschools ran 19 hui across all 5 districts/areas.



Getting to learn about bicycle maintenance was a highlight for many ākoka at the Dunedin Year 7-10 hui in November.



Ākoka spend a quiet moment listening for different bird songs at the Clutha Enviroschools hui in November.



Senior Secondary ākoka went on a sea lion adventure around the St Clair community and listened to the story of a sea lion at the Dunedin Secondary Hui in February.



Building on the natural and man-made history of the upper Clutha helped ākoka to understand the challenges to community at the Central Otago/Queenstown Lakes Secondary Hui in March.



Waitaki Secondary school ākoka pause for a photo during the Waitaki Secondary Hui at the Ōamaru Blue Penguin Colony in February, 2025.



Clutha Valley ākoka get right into beekeeping at the Clutha Enviroschools Primary Hui at Waitahuna School in March, 2025.



Ākoka at the Dunedin Enviroschools Primary hui held at Ōrokonui Ecosanctuary jump through obstacles like a penguin.



Enviroschools Ōtākou



Ōtākou Outcomes for 2025

This year has been an absolute blast for our team. We have created more opportunities for engagement and shared more stories of our Enviroschools in Ōtākou than we have previously. A particular highlight was the strengthening of our relationship with the Murihiku Southland Enviroschools team, where we supported each others hui multiple times.

We also strengthened our work internationally, with our partnership with Kapten Kepik through Peri Bumi in Indonesia. Ākoka from both Aotearoa and Indonesia benefit from this relationship by sharing their ideas, plans and environmental initiatives from their respective countries, inspiring each other and providing much needed global perspective.

With more schools and facilitators joining our team, we're looking forward to 2026!



Dunedin Facilitators, Jennie and Megan, celebrate during the Dunedin Primary Hui at Ōrokonui Ecosanctuary in October.

Changes to the Ōtākou Enviroschools Team

The Ōtākou Enviroschools team welcomed two new members to our team in 2025 - Megan Greer, Enviroschools Facilitator in Dunedin and Lexie Davidson, Regional Coordinator - Central, who joins Leisa de Klerk at Otago Regional Council. At the end of 2025, Scott Martin left his role for a new opportunity in management at Clutha District Council, so we hope to have the new Clutha Enviroschools facilitator by the start of term 2 in 2026. We will also be welcoming two Early Childhood Facilitators from Oamaru Kindergarten Association, Euan Scrivener and Karen Hailes, at the start of 2026, with four new kindergartens also joining the Enviroschools whānau.

Enviroschools Ōtākou 2025 Tīma



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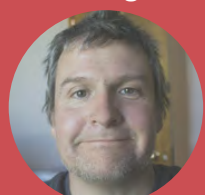
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**Council
MINUTES**

Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 25 February 2026, commencing at 1:02 pm.

PRESENT

Cr Hilary Calvert
Cr Kevin Malcolm
Cr Robbie Byars
Cr Chanel Gardner
Cr Neil Gillespie
Cr Matt Hollyer
Cr Gary Kelliher
Cr Michael Laws
Cr Gretchen Robertson
Cr Alan Somerville
Cr Kate Wilson

(Chair)
(Deputy Chair)

(online)

1. WELCOME

Cr Alan Somerville said a karakia to open the meeting at 1:02 pm. Staff present included Richard Saunders (Chief Executive), Anita Dawe (GM Regional Planning and Transport), Nick Donnelly (GM Finance), Tom Dyer (GM Manager Science and Resilience), Joanna Gilroy (GM Environmental Delivery), Tami Sargeant (GM People and Corporate), Amanda Vercoe (GM Strategy and Customer, Deputy CE), Kylie Darragh (Governance Support Officer).

2. APOLOGIES

Resolution: Cr Wilson Moved, Cr Somerville Seconded:

That the apology for Cr Noone be accepted.

MOTION CARRIED

3. PUBLIC FORUM

- 1) **Pierre Marasti** spoke on behalf of Extinction Rebellion, the Chair thanked Mr Marasti for attending.
- 2) **Aaron Hawkins** spoke on behalf of Otago Housing Alliance, the Chair thanked Mr Hawkins for attending.

4. CONFIRMATION OF AGENDA

It was Moved Cr Calvert Seconded Cr Malcolm

That the additional documents:

- 1) *Supplementary Council Agenda, 25 February 2026.*
- 2) *Chair's Report emailed Letter 17 February 2026 from Office of Hon Erica Stanford,*
- 3) *9.1.3 Attachment 2026-27 Rates Sensitivity Analysis and Sample Properties,*

be accepted to this agenda by Council.

MOTION CARRIED

5. DECLARATIONS OF INTERESTS

Councillors were reminded of the need to stand aside if a conflict of interest arises.

6. CONFIRMATION OF MINUTES

Resolution : Cr Calvert Moved, Cr Wilson Seconded

That the minutes of the (public portion of the) Council meeting held on 11 February 2026 be confirmed as a true and accurate record.

MOTION CARRIED

7. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

Open actions from resolutions of the Council were reviewed.

8. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

8.1. Chairperson's Report

Resolution: Cr Calvert Moved, Cr Gardner Seconded

That the report be noted.

MOTION CARRIED

8.2. Chief Executive's Report

Resolution: Cr Wilson Moved, Cr Somerville Seconded

That the report be noted.

MOTION CARRIED

9. MATTERS FOR CONSIDERATION

9.1. Draft Annual Plan 2026-27

[YouTube 27:00] The report enabled Council to formalise a draft position on changes to the financial forecasts and work programmes contained in the Otago Regional Council Long-Term Plan 2024-34 (LTP) for year three, which is 2026-27. Cr Malcolm, Nick Donnelly (GM Finance) Jasmin Lamorie (Senior Corporate Planner) and Amanda Vercoe (GM Strategy and Customer) were available to respond to questions on the report.

At 2:09 pm it was moved Cr Malcolm Seconded Cr Calvert

That Council adjourns for five minutes.

MOTION CARRIED.

Resolution CM26-121: Cr Calvert Moved, Cr Malcolm Seconded

That the Council:

- 1) Notes** the consolidated financial forecasts and key underlying expenditure and funding changes to year three (2026-27) of the Long-Term Plan 2024-2034, as presented in the discussion section of this report.

MOTION CARRIED

Resolution: Cr Laws Moved, Cr Kelliher Seconded

That the funding for the Large Scale Environment Fund be deferred until a criteria has been properly established, including consultation with interested parties, and the wider issue of ORC funding of large scale environment projects has been addressed.

BY DIVISION

FOR	Cr Byars, Cr Kelliher, Cr Laws
AGAINST	Cr Calvert, Cr Gardner, Cr Gillespie, Cr Hollyer, Cr Malcolm, Cr Somerville, Cr Robertson, Cr Wilson
ABSTAINED	None

MOTION FAILED

Cr Gardner left the meeting at 3:37 pm.

Cr Gardner returned to the meeting at 3:38 pm.

Resolution : Cr Calvert Moved, Cr Wilson Seconded

That the Council lays recommendation 2 on the table which was then considered as resolution 13

MOTION CARRIED

Resolution CM26-122: Cr Malcolm Moved, Cr Gillespie Seconded

That the Council:

- 3) Directs** that the \$600,000 Regional Air Plan surplus be held in reserves pending a paper to Council for consideration on Option 1 and Option 2.

BY DIVISION

FOR	Cr Gillespie, Cr Hollyer, Cr Malcolm, Cr Robertson, Cr Somerville, Cr Wilson.
AGAINST	Cr Byars, Cr Calvert, Cr Gardner Cr Kelliher, Cr Laws
ABSTAINED	None

MOTION CARRIED**Resolution CM26-123: Cr Calvert Moved, Cr Wilson Seconded**

That the Council:

- 4) Approves** the proposed changes to the Long-Term Plan 2024-34 measures and targets for year three (2026-27) of the Long-Term Plan 2024-34.
- 5) Notes** the current cost-recovery practices related to requests for information, under the Local Government Official Information and Meetings Act (LGOIMA).
- 6) Notes** the current bus fares for Dunedin and Queenstown and the modelling of expected patronage changes if there were changes to bus fares.

MOTION CARRIED**Resolution CM26-124: Cr Robertson Moved, Cr Gillespie Seconded**

- 7) Approves** the proposed changes to the Otago Regional Council Schedule of Fees and Charges for 2026-27.

MOTION CARRIED

Cr Kelliher voted against

Resolution CM26-125: Cr Wilson Moved, Cr Gillespie Seconded

- 8) Determines** that the Annual Plan 2026-27 budgets and work programmes do not constitute a material or significant change from those outlined in the Long-Term Plan 2024-34 and that therefore Council is not required under legislation to consult with the community.
- 9) Decides** not to undertake a formal consultation process with the community on the Annual Plan 2026-27, based on the determination above.
- 10) Delegates** decision-making to the CEO for the communications approach and messaging for the Annual Plan 2026-27, reflecting Councillor guidance and discussion at Annual Plan workshops/briefings.
- 11) Directs** staff to prepare the final Annual Plan 2026-27 document for adoption in April 2026.
- 12) Notes** that, following adoption of the Annual Plan 2026-27, the Council rates resolution will be provided to the June 2026 Council meeting for approval.

MOTION CARRIED

Cr Kelliher voted against

Resolution CM26-126: Cr Calvert Moved, Cr Wilson Seconded

13) Approves the proposed adjustments to the draft financial forecasts and associated work programmes for year three (2026-27) of the Long-Term Plan 2024-34, as summarised in the discussion section of this report.

MOTION CARRIED

Cr Byars, Cr Kelliher and Cr Laws voted against.

At 3:41 pm it was Moved Cr Calvert Seconded Cr Wilson

That Council adjourns for a ten-minute break

MOTION CARRIED

9.2. Activity Performance as at Quarter 2 2025-26

[YouTube 2:58] The report presented the Council's Activity Performance Reports for the 6-month period ended 31 December 2025. Cr Malcolm, Joanne Greatbanks (Manager Organisational Performance and Planning), Vanessa Vidallon (Corporate Planning Business Partner) and Amanda Vercoe (GM Strategy and Customer) were available to respond to questions on the report.

Resolution CM26-127: Cr Wilson Moved, Cr Byars Seconded

That the Council:

- 1) Notes** this report.
- 2) Notes** that the attached Activity Performance Report for the period 1 October 2025 to 31 December 2025 being quarter two of the 2025-26 financial year.

MOTION CARRIED

9.3. Quarter 2 Financial Report (October-December)

[YouTube 2:59] The report presented Council's Financial Reports for the 3-month period to 31 December 2025 being Quarter 2 of the 2025-26 financial year. Cr Kevin Malcom and Nick Donnelly (GM Finance) were available to respond to questions on the report.

Resolution CM26-128: Cr Malcolm Moved, Cr Gardner Seconded

That the Council:

- 1) Notes** the report and the attached Financial Report for September 2025 (Quarter 2 of the 2025-26 financial year).

MOTION CARRIED

Cr Gillespie left the meeting at 4:09 pm.

Cr Gillespie returned to the meeting at 4:11 pm.

9.4. Otago Local Authorities Triennial Agreement 2026-2029

The paper invited Council to ratify the Otago Local Authorities Triennial Agreement 2026-2029 (the Agreement). Marianna Brook (Principal Advisor Mayoral Forum and Local Government Reform) and Amanda Vercoe (GM Customer and Strategy) were available to respond to questions on the report.

Resolution CM26-129: Cr Malcolm Moved, Cr Gillespie Seconded

That the Council:

- 1) Notes** the report.
- 2) Ratifies** the Otago Local Government Authorities Triennial Agreement for 2026-2029.
- 3) Authorises** the Chair to sign the Agreement on behalf of Council.
- 4) Notes** that the Agreement requires the Otago Mayoral Forum to identify and oversee progress on 'regional focus areas' – areas where a regional approach is either required or can improve outcomes for Otago.

MOTION CARRIED

Cr Gillespie left the meeting at 4:12 pm.

Cr Gillespie returned to the meeting at 4:15 pm.

9.5. Strategic Events Programme 2025-28

[YouTube 3:18] The purpose of the report was to seek Council feedback and approval for a strategic events programme for the triennium. Daniel Basubas (Senior Advisor Strategic Engagement) Ian Telfer (Manager Partnerships and Engagement) and Amanda Vercoe (GM Strategy and Customer) were available to respond to questions on the report

Resolution CM26-130: Cr Robertson Moved, Cr Malcolm Seconded

That the Council:

- 1) Approves** the proposed strategic events programme for the triennium.
- 2) Notes** that ORC will continue to be represented at smaller tier 2 events, such as those in paragraph 33.

MOTION CARRIED**9.6. eInvoicing**

The paper outlined Council position on eInvoicing and prompt payment practices following a request from the Minister for Local Government for Council's to adopt eInvoicing and prompt payment practices.

Resolution CM26-131: Cr Malcolm Moved, Cr Somerville Seconded

That the Council:

- 1) Notes** this report.
- 2) Notes** staff will respond to MBIE outlining Council's current prompt payment practices.

MOTION CARRIED**9.7. Rates Strike Collection**

[YouTube 3:37] The report provided an update on rates struck for the 2025/26 financial year including rates paid by 31 October 2025 and penalties charged on 1 November 2025. Cr Kevin Malcolm, Nick Donnelly (GM Finance) and Sarah Munro (Group Financial Controller) were available to respond to questions on the report.

Resolution CM26-132: Cr Malcolm Moved, Cr Gardner Seconded

That the Council:

- 1) Notes** this report
- 2) Endorses** the correction of the Lower Taieri Flood Protection rate under section 119 of the Local Government (Rating) Act 2002.

MOTION CARRIED

9.8. Port Otago Letter of Expectation

[YouTube 3:42] The report sought consideration and approval of a Letter of Expectation to Port Otago Limited (Port Otago) regarding Otago Regional Council's (Council) expectations for inclusion in Port Otago's Statement of Corporate Intent for the years ended 30 June 2027 to 30 June 2029. Cr Malcolm and Nick Donnelly (Gm Finance) were available to respond to questions on the report.

Resolution CM26-133: Cr Gardner Moved, Cr Malcolm Seconded

That the Council:

- 1) Approves** additional text provided to the Letter of Expectation.

MOTION CARRIED

Resolution CM26-134: Cr Somerville Moved, Cr Robertson Seconded

That the Council:

- 1) Approves** additional text provided for the Decarbonisation paragraph of the Letter of Expectation.

MOTION CARRIED

Cr Laws voted against

Resolution CM26-135: Cr Kelliher Moved, Cr Laws Seconded

That the Council:

- 1) Approves** the additional text to the Helicopter Trust paragraph.

MOTION CARRIED

Cr Malcolm and Cr Somerville voted against.

Resolution CM26-136 Cr Gardner Moved, Cr Robertson Seconded

That the Council:

- 1) Notes** the report and the draft Letter of Expectation 2027-2029.
- 2) Provides** feedback and amendments to the draft Letter of Expectation 2027-2029.
- 3) Approves** the Port Otago Letter of Expectations 2027-2029, subject to any amendments approved in (2) above, and the sending of that letter to Port Otago Limited.
- 4) Approves** the payment of a donation of \$350,000 to the Otago Southland Rescue Helicopter Trust to be funded from General Reserves.

MOTION CARRIED

10. NOTICES OF MOTION

None received.

11. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution: Cr Calvert Moved, Cr Wilson Seconded:

That the Public be excluded from the following items under LGOIMA 48(1)(a):

1.1 PE Minutes of Council 9 December 2025

2.1 Decision on Electric Charging Depot in Queenstown

It was also moved that Edward Guy (Rationale) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the electric charging depot. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of their knowledge of the indicative business case.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds [under](#) section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1.1 2025.12.09 PE Minutes of Council	To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a)that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
3.1 Decision on Electric Charging Depot in Queenstown	To protect information where the making available of the information—would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii). To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)	Section 48(1)(a); Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a)that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

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

Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds:

(a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

MOTION CARRIED

12. CLOSURE

There was no further business and Chair Calvert declared the public meeting closed at 5:14 pm

Chairperson

Date

9.1. Chairperson's Report

Prepared for: Council
Author: Cr Hilary Calvert, Chairperson
Date: 25 March 2026

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

INTRODUCTION

- [1] In February, Council focused on several significant matters, including preparing ORC's responses to major central government reforms. At the 11 February meeting, Council considered and approved submissions on both the Government's Simplifying Local Government proposal and the Planning and Natural Environment Bills, ensuring Otago's perspectives were clearly represented in national reform processes. The meeting also heard from community representatives from CCS Disability Action, who spoke on Total Mobility and accessibility matters.
- [2] Later in the month, on 25 February, Council turned its attention to governance of Port Otago, reviewing and updating the Letter of Expectation for inclusion in Port Otago's forthcoming Statement of Corporate Intent for 2027–2029.

COUNCIL BUSINESS

- [3] Councillors undertook a strategic planning day on 18 February to discuss shared priorities for the next two years. The output of this will be discussed at a public workshop on 19 March and then presented to Council for final endorsement in late April.
- [4] The 6-month performance review of the Chief Executive was completed by the Chair and Deputy Chair.
- [5] A Mana-to-Mana meeting took place on 25 February, with ongoing discussion on mana whenua's role in ORC's governance structure, Integrated Catchment Management, reform, and other updates.

OTAGO MAYORAL FORUM

- [6] Otago Mayoral Forum and Te Rōpū Taiao meeting took place on Friday 6 March. An update on meeting outcomes and priorities will be provided in the April Chair's report.

STAKEHOLDER AND COMMUNITY ENGAGEMENT AND EVENTS

- [7] The Chair, Deputy Chair or alternate attended the following events:
- Presentation - Roxburgh Area Debris Flood Hazard: New Technical Findings (Crs Gary Kelliher, Neil Gillespie, Gretchen Robertson attended).
 - Meeting with Port Otago Board (All Councillors).
 - Kanoa announcement for Falls Dam (Chair, Deputy Chair Kevin Malcolm and Cr Gary Kelliher).
 - LGNZ's All-of-local-government meeting (Deputy Chair Cr Kevin Malcolm for the Chair).
 - Regional Sector meeting (Deputy Chair Cr Kevin Malcolm for the Chair)
 - Waitaki Enviroschools Secondary Hui and Youth Council (Deputy Chair Cr Kevin Malcolm for the Chair).
 - North Otago A&P (Deputy Chair Cr Kevin Malcolm).

RECENT MEDIA ENGAGEMENT

- [8] Media monitoring tracking, with Chair comment or mention included:

February 2026

- The Wānaka App – ORC councillors find ways to reduce rates bill, 27 February.
- Newstalk ZB Christchurch (radio) – Early Edition with Ryan Bridge (rates discussion), 26 February.
- Newstalk ZB Wellington (radio) – Early Edition with Ryan Bridge (rates discussion), 26 February.
- Otago Daily Times – ORC seeks to transfer chopper trust sponsorship, 26 February.
- RNZ National – Nights with Emile Donovan (rates discussion), 26 February.
- Auckland.Scoop.co.nz – Overall Zero Rates Increase In ORC's Draft Annual Plan, 26 February.
- The Central App – ORC pushes ahead with work on improving air quality, 25 February.
- Otago Daily Times (print) – Council can 'achieve' zero rates rise, 25 February.
- The Central App – Government offers \$2 million for Falls Dam pre-construction work, 19 February.
- The Central App – Zero rates increases on track from ORC, 17 February.
- Oamaru Mail (print) – ORC survey participation encouraged, 13 February.
- Newsroom – Winding up regional councils will blur boundaries, say Otago leaders, 11 February.
- Otago Daily Times – ORC councillors slam proposed changes, 11 February.

- The Central App – ORC finalises Simplifying Local Government submission, 11 February.
- Otago Daily Times (print) – Proposal to undermine regional authority: ORC, 10 February.

March 2026

- The Wānaka App – Helicopter Trust funding arrangements still not finalised, 3 March.
- Lakes Weekly Bulletin (print) – Otago Regional Council aims for zero percent rates rise, 2 March.
- The Central App – Talks underway regarding communication infrastructure upgrades, 1 March.

KEY CORRESPONDENCE TO AND FROM THE CHAIR

[9] Letters:

- N/A

[10] Submissions:

- ORC submission on Planning Bill and Natural Environment Bill February 2026
- ORC submission Simplifying Local Government February 2026
- Emergency Management Otago submission on the Emergency Management Bill (No. 2) January 2026.

ATTACHMENTS

Nil

9.2. Chief Executive's Report

Prepared for: Council
Activity: CE Report
Author: Richard Saunders, Chief Executive
Date: 25 March 2026

PURPOSE

- [1] This report provides Council with an overview of Otago Regional Council's (ORC) key projects and customer satisfaction trends in the past month.

EXECUTIVE SUMMARY

- [2] The delivery of the Annual Plan remains on track. Council approved the approach for the development of the Annual Plan 2026-27, and this will shortly be communicated to the community.
- [3] Customer satisfaction remains high with 91% of calls answered within target timeframes and overall satisfaction remaining strong at 96%.
- [4] Council's community survey has now closed. More than 14,000 ratepayers were invited to participate, with additional responses received online, and a report on the results is scheduled for consideration at today's Council meeting.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

ANNUAL PLAN 2025/26 & 2026/27

- [5] Development of the Annual Plan 2026-27 is progressing. A report to Council in February outlined the proposed changes from the LTP year three and presented the draft Annual Plan position to the Council meeting for endorsement and direction on final changes. Council approved the position, determined that the changes were not significant or material, and that consultation was not required.
- [6] A process to communicate with the community will be undertaken from March and the final AP will be presented to Council for adoption in April 2026, with the related rates resolution paper coming to Council in June 2026.

CUSTOMER EXPERIENCE

- [7] In February 2026, the Customer Experience team managed 5,205 enquiries, against a rolling 12-month average of 5,614 interactions per month. This total comprised 429

reception enquiries, 2,040 phone calls, 1,621 emails, 74 online forms, 726 social media interactions, and 315 after-hours contacts.

- [8] Overall customer interaction volume increased by 961 compared with January. Customer sentiment for the month tracked at low–neutral, while service levels improved, with 91% of calls answered within target timeframes.
- [9] Customer satisfaction remained strong at 96%. Enquiry themes were dominated by rates-related enquiries, including rates mortgage collection queries, balance checks, direct debit changes, mailing address updates, email invoice requests, and solicitor enquiries.
- [10] Routine transport enquiries continued to feature, particularly around lost property, driver behaviour, and timeliness. Social media engagement was also high, with significant interaction on Wallaby-related content (309 interactions) and Coastal Connections posts (398 interactions).

GENERAL COUNCIL BUSINESS

- [11] Council is in the final stages of its premises transition in Dunedin. Staff are scheduled to begin occupying the new building from 28 April, and preparations are underway for the sale of the existing Stafford Street site.
- [12] Council's community survey has now closed. The survey invited more than 14,000 randomly selected ratepayers to provide feedback on ORC's performance, priorities, and services, with additional responses received through the public online option. The results will help inform decision-making, improve services, and support accountability and transparency expectations. A paper presenting the survey findings is scheduled for Council consideration at today's meeting.

OPTIONS

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

ATTACHMENTS

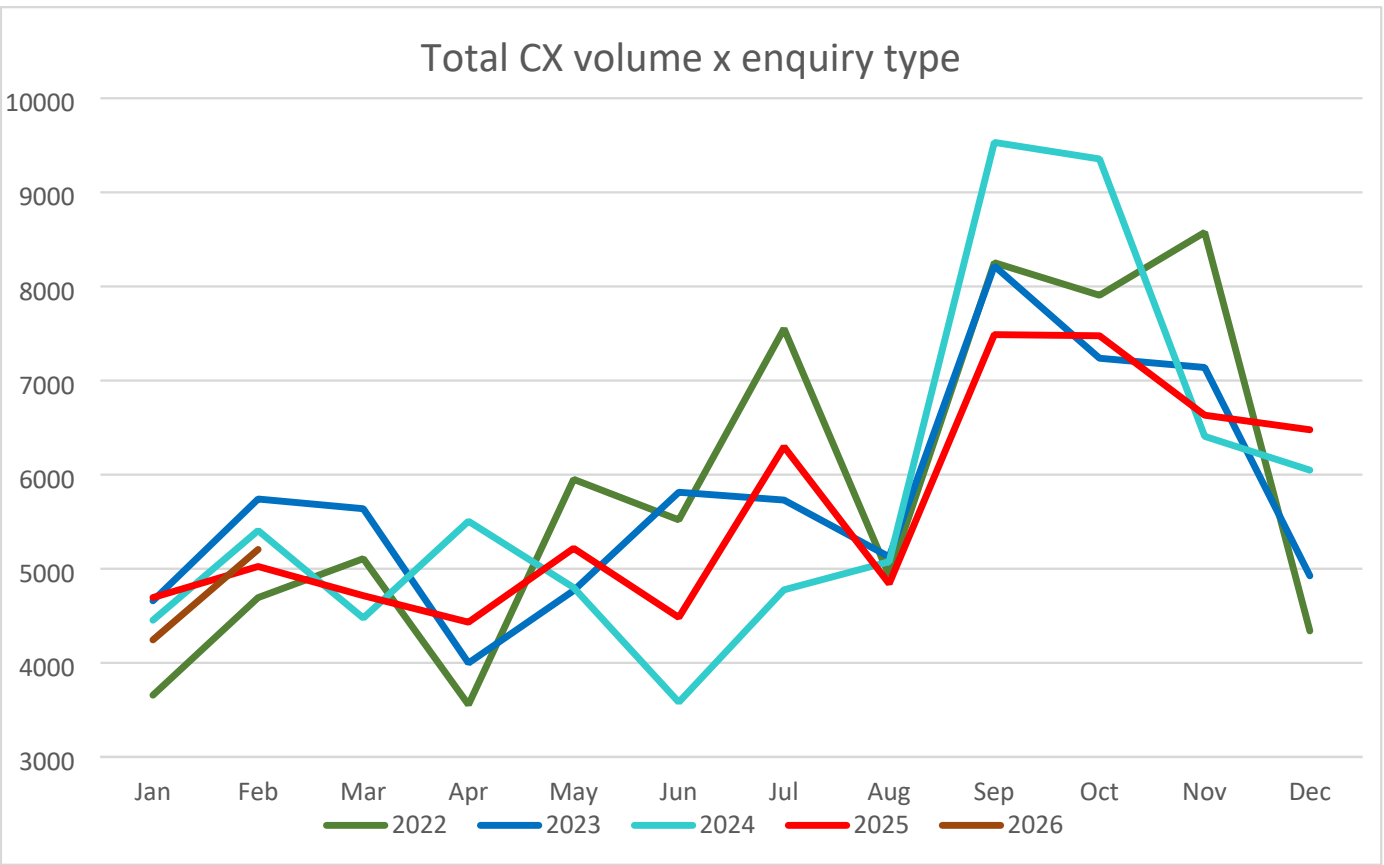
1. 2026 February Customer Report [9.2.1 - 2 pages]

February 2026 Customer Report

Rolling 12-month customer interaction volume average is 5614 per month

February customer volume total: **5205**

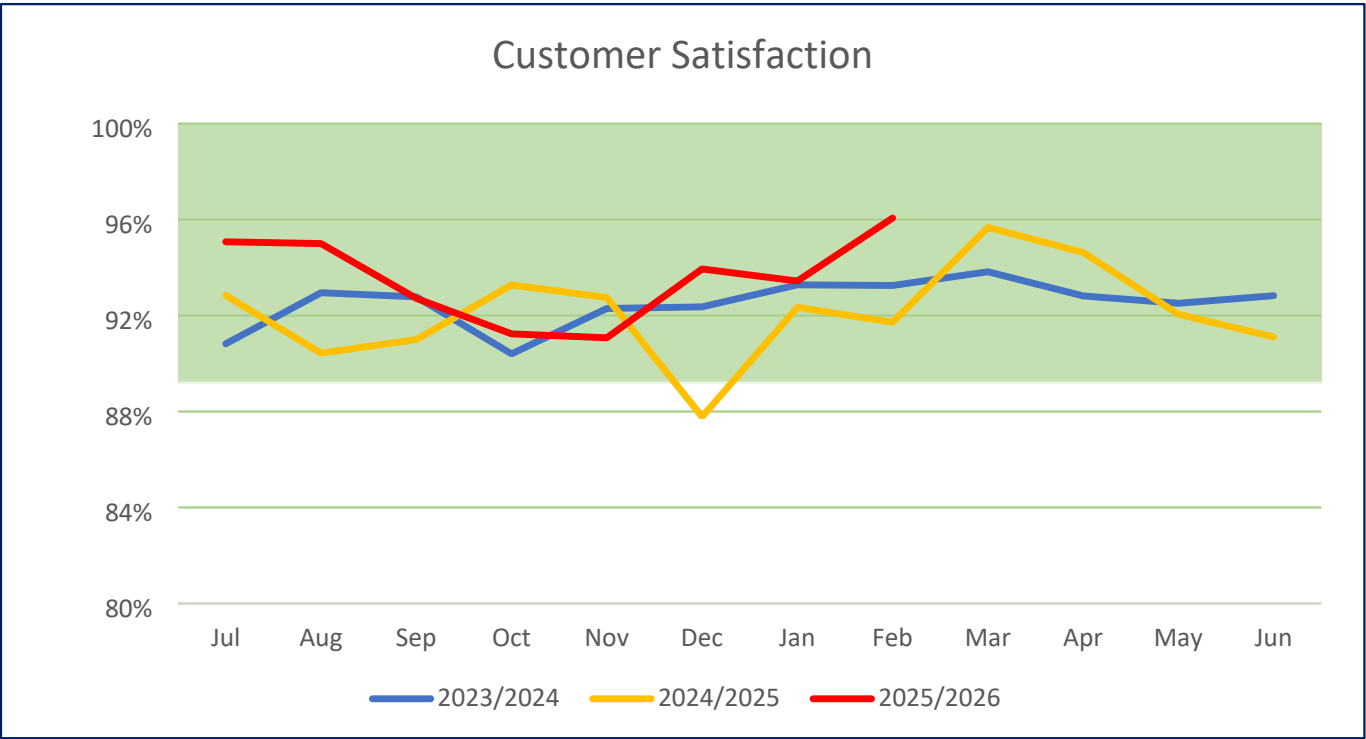
(reception = 429, phone = 2040, email = 1621, online form = 74, social 726, afterhours = 315)



- Total customer interaction volume increased by 961 for February.
- Customer sentiment tracking was low - neutral.
- Total service level for all calls increased to 91%
- Total customer satisfaction February rating at 96%

Enquiry themes:

- Rates mortgage collection enquiries
- Rates: balance enquiry, direct debit enquiry, mailing address change, email rates invoice, solicitor enquiry.
- Transport – routine enquiries: Lost Property, Driver behaviour, timeliness.
- Social media high interaction posts: Wallaby 309, Coastal Connections 398



10.1. Water Quality Annual Report 2025

Prepared for:	Council
Report No.	S&R2601
Activity:	Science
Author:	Helen Trotter (Water Quality Scientist)
Endorsed by:	Tom Dyer (General Manager Science and Resilience)
Date:	25 March 2026
Portfolio Leads:	Cr Kelliher and Cr Robertson, Science and Resilience

PURPOSE

- [1] This report provides an annual update of the current state of water quality and ecosystem health based on results from the State of the Environment surface water monitoring network, from July 2024 to June 2025. This annual reporting is required by the National Policy Statement for Freshwater Management 2020.

EXECUTIVE SUMMARY

- [2] The Otago Regional Council (ORC) monitors the water quality and ecosystem health in selected Otago rivers, streams, and lakes through long-term State of the Environment (SoE) monitoring programmes.
- [3] In recent years, monitoring has been expanded to implement the National Policy Statement for Freshwater Management¹ (NPS-FM).^[OBJ] Surface water quality, and biological and physical habitat assessment data are reported according to the National Objectives Framework (NOF). The NOF has 'numeric attribute states' for the attributes of the compulsory values 'ecosystem health' and 'human contact' (NPS-FM Appendix 2A and Appendix 2B).
- [4] ORC must also report regularly on the effectiveness of the Regional Plan: Water against the water quality limits and targets in Schedule 15 of that plan. That report is published annually on the ORC website, although it is now effectively superseded by reporting against the NPS-FM.
- [5] Results reflect the well-documented variation in water quality across the Otago Region. Water quality is generally good, particularly in headwater and upper catchment areas which are a significant proportion of the region. In lowland areas and in catchments where urban and intensive agricultural land use predominates, water quality tends to be poorer; phosphorus, sediment, and *E. coli* are among the

¹ Ministry for the Environment. 2020. National Policy Statement for Freshwater Management 2020. <https://www.waterreform.mfe.govt.nz/publications/fresh-water/national-policy-statement-freshwatermanagement-2020>

poorest performing attributes. Ecosystem health can be influenced by both natural processes and conditions, in addition to human activities.

- [6] Understanding the current state of water quality and ecosystem health is required to inform future regional plans and action plan development.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

BACKGROUND

- [7] Between July 2024 and June 2025, the Environmental Monitoring team completed monthly sampling for a suite of physio-chemical and microbiological water quality variables at 105 sites in 84 rivers, and 14 sites in eight lakes. Monthly periphyton and deposited sediment assessments were completed at 32 river sites. Electrofishing surveys were conducted at 15 river sites and macroinvertebrate samples were collected at 100 river sites, during the summer months. Lake Submerged Plant Indicators (LakeSPI) surveys are carried out on a rotating basis (typically three lakes each year).
- [8] An aggregated summary of the 2024-25 results is presented in Attachment 1. This also includes a description of the parameters and the environmental conditions the measurements represent. The results are available in a range of different formats and purposes, as outlined in Table 1 below.
- [9] The variables measured include the attributes in Appendix 2A and 2B of the NPS-FM. The results have been analysed and graded in accordance with the relevant attribute tables and associated guidance in the NPS-FM. Current state grades are based on the most recent five years of data, with this report presenting an update including the July 2024 – June 2025 year. Sites with insufficient data are removed from analysis or may be assigned an interim grade.
- [10] The NPS-FM defines attributes bands (A-D/E) for the compulsory values ‘ecosystem health’ and ‘human contact’. The attribute bands describe a range of conditions supporting environmental values from high (water quality generally very good, similar to reference conditions/unimpacted - A band), to low (poor water quality, significantly impacted/degraded - D/E band). For some attributes, a ‘national bottom line’ has been defined (generally between the C and D band) representing a minimum acceptable standard.
- [11] The NOF allows for target attribute states to be set below the national bottom line where naturally occurring processes influence current state. For example, for the suspended fine sediment attribute, relevant naturally occurring processes include glacial flour affected rivers and naturally highly coloured brown-water streams and rivers.
- [12] This annual summary report card presents a regional overview of the current state of the ‘ecosystem health’ and ‘human contact’ values as defined by the NPS-FM, based on the most recent five years of monitoring data (July 2020 - June 2025).

DISCUSSION

- [13] Spatial variation in Otago's water quality has been well described in previous reports.² Water quality is best at sites at higher elevations, under predominately native vegetation or conservation land cover. These sites tend to be in the upper catchments of the large lakes (e.g. Hāwea, Whakatipu and Wānaka) and tributaries of the upper Clutha Mata-Au. The poorest water quality is found in urban streams and in the lowland rivers and streams of catchments where intensive agriculture is the predominant land use.
- [14] The summary report (Attachment 1) shows 98% of monitored river sites are in the A or B band (above the national bottom line) for ammonia; two sites, Silverstream at Taieri Depot and Horn Creek at Queenstown Bay are in the C band. Similarly for nitrate toxicity, the national bottom line was met for 97% of sites; three sites, Lovells Creek at Station Road, Wairuna River at Millar Road and Akatore Creek at Akatore Creek Road are in the C band.
- [15] Suspended fine sediment did not meet the national bottom line at about a quarter of monitored river sites. The NOF allows for target attribute states to be set below the national bottom line where naturally occurring processes influence fine sediment levels. In Otago this would include glacial flour in the Clutha River and tannin-stained waters in the Taieri River.
- [16] There is no defined national bottom line for dissolved reactive phosphorus, however about 12 % of sites are in the D band indicating the levels are substantially elevated compared to reference (unimpacted) conditions.
- [17] For ecosystem metabolism, 92% of sites were in the A, B or C band. Blackcleugh Burn at Rongahere Road, Tahakopa at Tahakopa and Kaikorai Stream at Brighton Road are in the D band. To date, this attribute has been measured using cotton-strip assay (CSA) to estimate organic matter processing. Results are assessed using interim bands developed by the Cawthron Institute.³ Staged deployment of dissolved oxygen sensors is ongoing across the network and data are now being collected at 17 sites. Future analysis will assess ecosystem metabolism based on these data, in line with the guidance in the NPS-FM.
- [18] Water quality results for monitored lakes show that about 75% of sites are in the A band for all water quality attributes. Lake Tuakitoto is below the bottom line for all monitored attributes. This shallow lake is a remnant of a much larger wetland complex in the Lower Clutha catchment. It is classified as eutrophic and has been affected by wetland drainage and land use intensification in the surrounding catchment. Lakes Onslow, Waiholā and Hayes are also affected by elevated nutrients and phytoplankton levels, reflecting a higher trophic state compared to

² Ozanne R, Levy A, Borges H. 2023. State and Trends of Rivers, Lakes, and Groundwater in Otago 2017 – 2022. Dunedin, NZ: ORC

³ Wagenhoff A, Clapcott J, Goodwin E 2021. Thresholds to inform the setting of numeric targets for managing ecosystem health of Otago streams and rivers. Prepared for Otago Regional Council. Cawthron Report No. 3626. 54 p. plus appendices.

the large Upper Clutha lakes. Lake Hayes does not meet the national bottom line for lake-bottom dissolved oxygen or mid-hypolimnetic dissolved oxygen.

- [19] To assess the ‘human contact’ value, faecal indicator bacteria *E. coli* are measured monthly, year-round at SoE monitoring sites and weekly at primary contact sites during the summer. For SoE river sites 36% of sites are in the D/E band. For lakes, 7 of 8 sites are in the A band with just one lake in the D band. For monitored primary contact sites 25% of sites are graded ‘poor’ (D band) and do not meet the national bottom line.
- [20] Monitoring results are also reported in other formats, which reflects the different purposes and end users of the data. A schedule of reporting for SoE water quality and ecosystem health data is provided in Table 1.

Frequency	Data reported	Format
Real time & Latest results	Data from continuous sensors and the latest water sampling results	ORC Environmental Data Portal
Annually	NPS-FM current state assessment (this report)	Regional summary report to Council
	National state and trends assessment	LAWA website
	Schedule 15 assessment	Regional summary report published to website
5-yearly	Regional trends assessment	Full technical report to Council

Table 1 State of the Environment surface water quality & ecosystem health reporting schedule

- [21] Land Air Water Aotearoa (LAWA) collate SoE water quality data annually and report national state and trends. There is a one-year lag in this reporting; current results include data up to June 2024. The complete Otago surface water network is available on the LAWA website <https://www.lawa.org.nz/explore-data/otago-region>.
- [22] Section 7.D.1(a)(iv) of the operative Water Plan requires comparison of monitoring data against the Schedule 15 limits and targets, with the information to be available on the ORC website. To comply with this, a summary of water quality results assessed against Schedule 15 of the current Regional Plan: Water will continue to be prepared and published to the website annually until a new plan is operative.
- [23] A comprehensive technical report of water quality state and trends for the Otago Region is prepared every five years. This was last compiled in 2023, with the next report scheduled for 2028. This report provides detailed methodology and analysis of regional state and trends in river and lake health, performance against the NPS-FM, and the effectiveness of the Regional Plan. The most recent report was presented to Committee in June 2023 and is available on the ORC website [Reports and publications – water quality](#).

CONSIDERATIONS

Strategic Framework and Policy Considerations

[24] This programme supports the enhancing environmental management and healthy water strategic priorities:

- Monitoring and investigating the health of Otago's fresh and coastal water
- Providing the best available information on Otago's water resources
- Enhancing access to and communication of data and knowledge

Financial Considerations

[25] This work is planned and funded through the annual work programme.

Significance and Engagement

[26] NA

Legislative and Risk Considerations

[27] Monitoring networks must follow national legislation and effectively evaluate the objectives in regional plans. However, as policies can change rapidly, there is generally a lag for implementing network changes and then further delay until sufficient data is collected to enable analysis.

Climate Change Considerations

[28] Data from state of the environment monitoring may assist with understanding any environmental changes in response to climate change.

Communications Considerations

[29] This report will be published on the ORC website [Reports and publications – water quality](#).

NEXT STEPS

[30] The next annual report will present updated current state incorporating results from the July 2025 to June 2026 monitoring period.

ATTACHMENTS

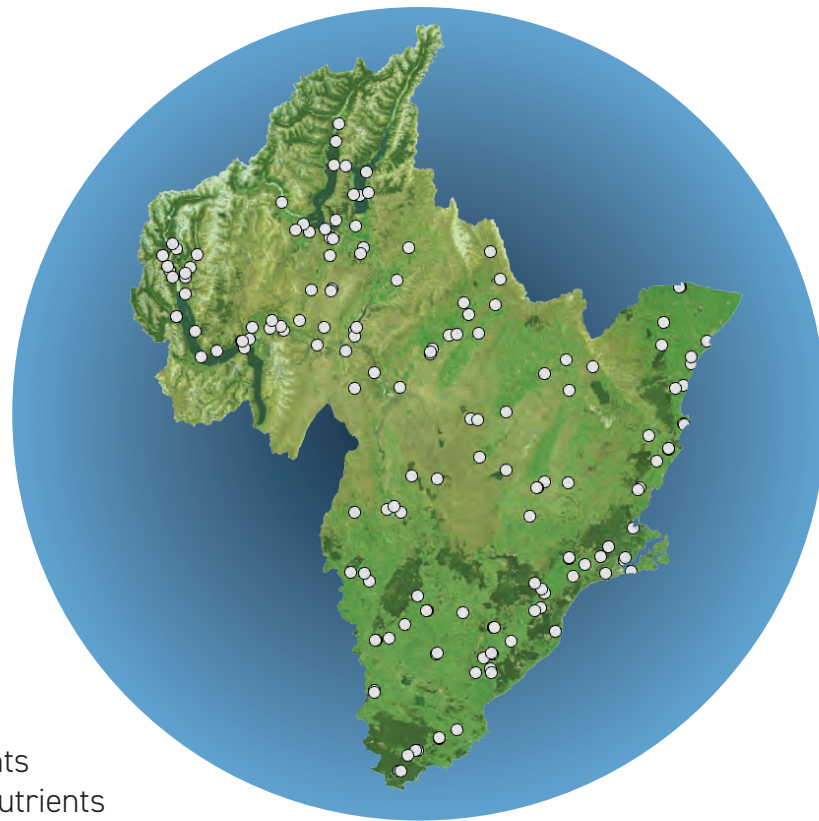
1. Water Quality Annual Summary Report 2025 [**10.1.1** - 5 pages]

Annual Summary Report 2025

Water Quality and Ecosystem Health in Otago Rivers and Lakes

Otago Regional Council monitors the state of over 100 river and lake sites across the Otago Region.

A combination of monthly water sample collection, continuous data sensors and annual surveys of stream life are used to assess the following components of ecosystem health:



WATER QUALITY

- o **Nitrogen and phosphorus** - essential nutrients for plant growth. Increased levels of these nutrients can contribute to algal blooms and excessive growth of aquatic plants. In lakes **total nitrogen** (TN) and **total phosphorus** (TP) are measured. In rivers **dissolved reactive phosphorus** (DRP) is measured as well as nitrogen forms that can be toxic to aquatic life - **ammoniacal nitrogen** and **nitrate nitrogen**.
- o **Dissolved oxygen** - the amount of oxygen dissolved in water. Low dissolved oxygen (DO) levels can affect fish and other aquatic organisms that require oxygen to breathe. Decaying organic matter (aquatic plants and algae) and high temperatures can reduce DO levels. In deep lakes which seasonally stratify into distinct layers, DO is measured at the lake bottom and in the mid-hypolimnion (bottom layer).
- o **Suspended fine sediment** - fine particulate matter (sand, silt or clay) in the water column that can impact water clarity. Sediment is a natural occurrence in rivers resulting from processes like water movement, erosion and weathering of rocks however activities such as agriculture, horticulture, forestry and earthworks can increase fine sediment inputs.

PHYSICAL HABITAT

- o **Deposited fine sediment** - fine particulate matter (sand, silt or clay) that settles on the bed of a river. It can fill spaces between cobbles and reduce available habitat for aquatic life.

ECOSYSTEM PROCESSES

- o **Ecosystem metabolism** - the production of oxygen and carbon dioxide by all the individual organisms that make up the ecosystem. It represents how energy is created (primary production) and used (respiration) within an aquatic ecosystem and is a functional indicator of ecosystem health.

AQUATIC LIFE

The range and diversity of flora and fauna in waterways are measured by the following indicator groups:

- o **Macroinvertebrates** – freshwater invertebrates such as insects, worms and snails. These organisms are sensitive to changes in water quality and habitat. The **Macroinvertebrate Community Index** (MCI) is a measure based on the presence of these organisms.
- o **Fish** – the Fish Index of Biotic Integrity (Fish-IBI) assesses the richness of fish species by comparing the fish species present at a site to the expected species in the absence of human impacts.
- o **Periphyton** – algae and slime that grows on the rocks and other stable substrates that make up the streambed, measured as chlorophyll-a. It is an important food resource in aquatic food webs but can proliferate and become a nuisance. Excess growth is related to nutrient levels, amount of shading, temperature, stream substrate and number of flushing flows.
- o **Phytoplankton** – algae that grows in the water column of lakes, measured as chlorophyll-a. It is often closely linked to the amount of nutrient enrichment in a lake ecosystem.
- o **Lake Submerged Plants** – aquatic plant communities in lakes. Community composition is measured by underwater divers using the **Lake Submerged Plant Indicators** (LakeSPI) method that reports a **Native Condition Index** and an **Invasive Impact Index**.

Water quality measures important for human health are also monitored:

HUMAN CONTACT

- o **E. coli** – *Escherichia coli* are faecal indicator bacteria found in the gut of warm-blooded animals. *E. coli* are measured monthly throughout the year at state of the environment monitoring sites and during the summer at popular primary contact recreation sites.
- o **Cyanobacteria** – microscopic organisms that multiply and form blooms, which can be suspended in the water column (planktonic) or attached to rocks (benthic). Also known as toxic algae or blue/green algae, some species produce toxins that are harmful to animals.

This summary report presents a regional overview of the current state of the ecosystem health and human contact values as described by the **National Policy Statement – Freshwater Management** (NPS-FM). The most recent 5 years of data (2020-2025) is used to assess current state. For each indicator, results from each site are graded A-E according to the attribute bands of the National Objectives Framework in the NPS-FM. For some attributes there is a defined 'national bottom line' indicating a minimum acceptable standard. The number of sites assessed for each attribute is noted with 'n' in the figure captions below.

Attribute band:

A Excellent

B Good

C Fair

D Poor

Learn more about these measures at **LAWA Glossary & Factsheets**

View monitoring sites and explore the data **LAWA – Otago Region**

RIVER ECOSYSTEM HEALTH

Attribute band:

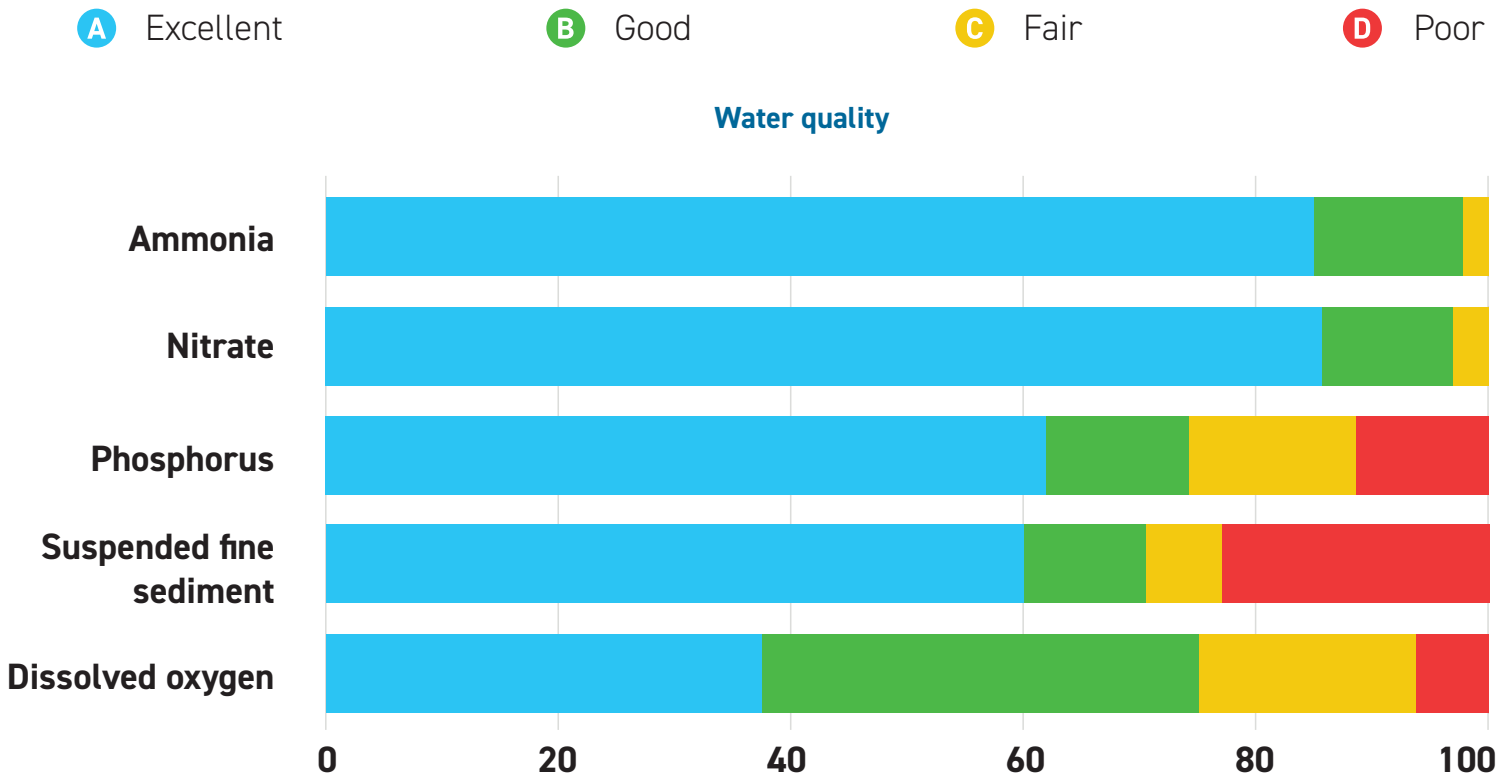


Figure 1 | Percentage of rivers sites graded as A, B, C or D for five water quality attributes. Nutrients and suspended sediment n=105, Dissolved oxygen n=15

Otago's water quality is characterised by excellent water quality at higher elevation sites under predominately native vegetation cover or conservation land. These sites tend to be in the upper catchments of the large lakes (e.g. Hāwea, Whakatipu and Wānaka) and tributaries of the upper Clutha Mata-Au. The poorest water quality is found in urban streams (e.g. Dunedin & Coast FMU) and in the lowland rivers and streams of catchments where intensive agriculture is the predominant land use (e.g. Manuherekia Rohe, Lower Clutha Rohe, North Otago FMU).

The national bottom line was exceeded for ammonia toxicity at two sites and for nitrate toxicity at three sites. About 20% of sites do not meet the national bottom line for suspended fine sediment (D band). Some sites have naturally elevated levels of suspended sediment. Twelve sites are graded D for dissolved reactive phosphorus which indicates that levels are higher than natural conditions.

All but one of the 16 sites monitored for dissolved oxygen are above the D band. Deployment of continuous monitoring sensors across the network is ongoing.

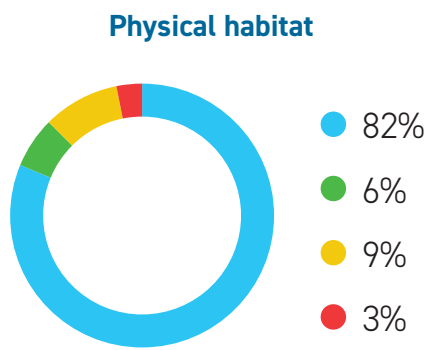


Figure 2 | Percentage of rivers sites graded A, B, C or D for deposited fine sediment, n=32

Most sites are in the A band with just one site graded in the D band. Grades are interim as a 5-year data record is not yet available.

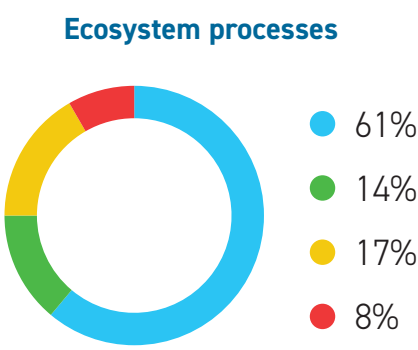


Figure 3 | Percentage of rivers sites graded A, B, C or D for ecosystem metabolism, n=36

Grades are interim as a 5-year data record is not yet available and there is no national guidance on attribute grades within the NPS-FM.

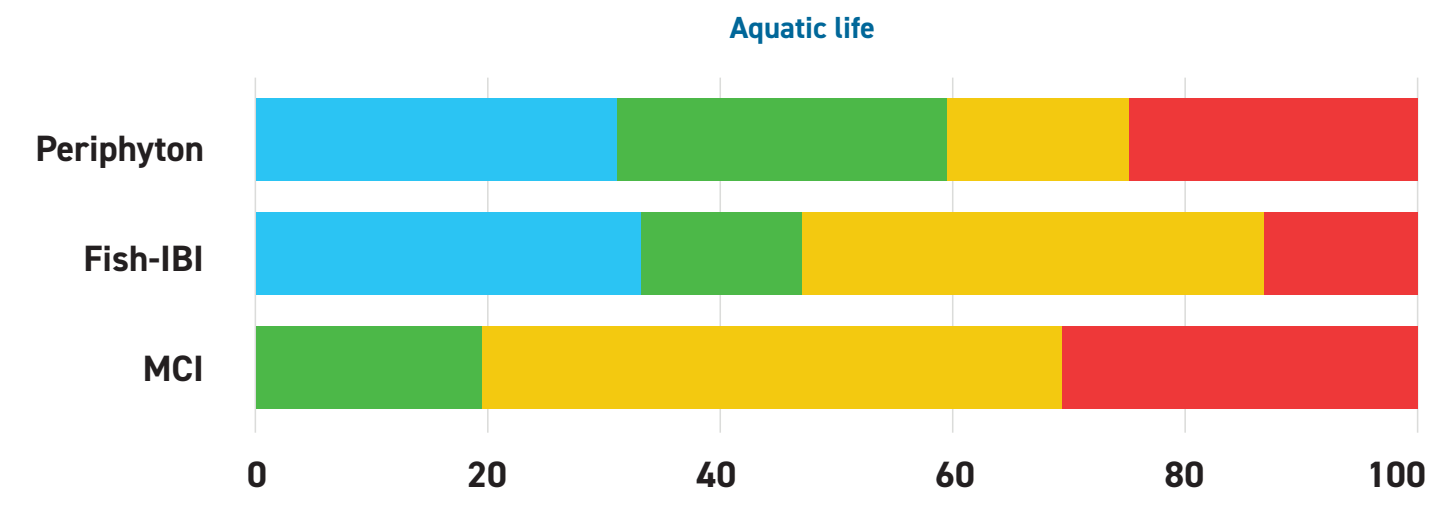


Figure 4 | Percentage of river sites graded A, B, C or D for aquatic life attributes. MCI n =78, Fish-IBI n=15 Periphyton n=32.

Of the 32 sites monitored for periphyton nine are below the national bottom line. For the Macroinvertebrate Community Index (MCI) 24 of 78 sites are below the national bottom line. About 60% of the 15 sites assessed for Fish-IBI are graded C or D indicating some loss of habitat or migratory access has impacted fish communities at these locations.

LAKE ECOSYSTEM HEALTH

Attribute band:

- A Excellent
- B Good
- C Fair
- D Poor

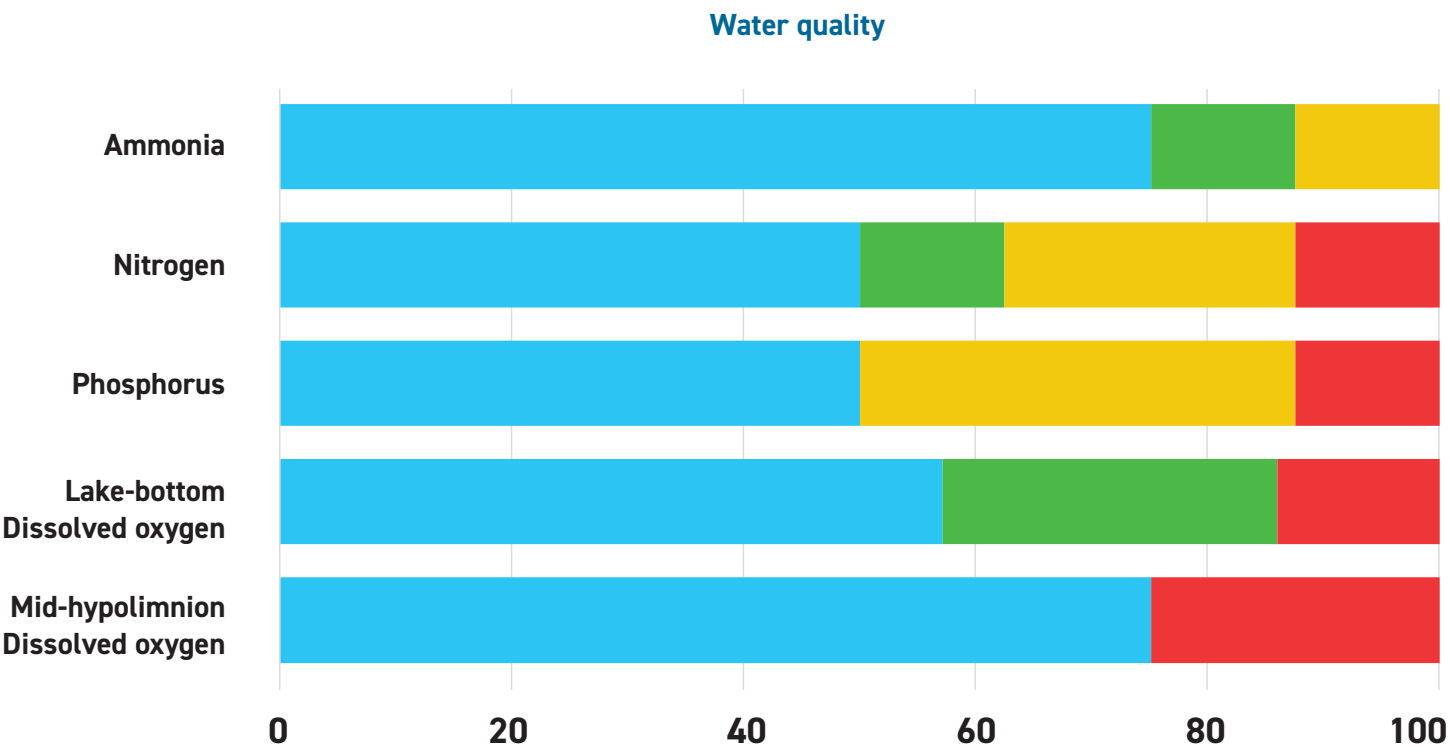


Figure 5 | Percentage of lake sites graded A, B, C or D for five water quality attributes. Nutrients n=8, Dissolved oxygen bottom n=7 and mid-hypolimnetic n=4.

Eight lakes are routinely monitored across Otago – the large lakes in the Upper Lakes and Dunstan Rohe (Lakes Whakatipu, Hāwea, Wānaka and Dunstan) have excellent water quality and low nutrients levels.

Lake Tuakitoto is the only site that does not meet the national bottom line for total nitrogen, phosphorus, and ammonia toxicity.

Lakes Hayes, Waiholā and Onslow are also impacted by elevated nutrient levels. Lake Hayes does not meet the national bottom line for lake-bottom dissolved oxygen or mid-hypolimnetic dissolved oxygen.

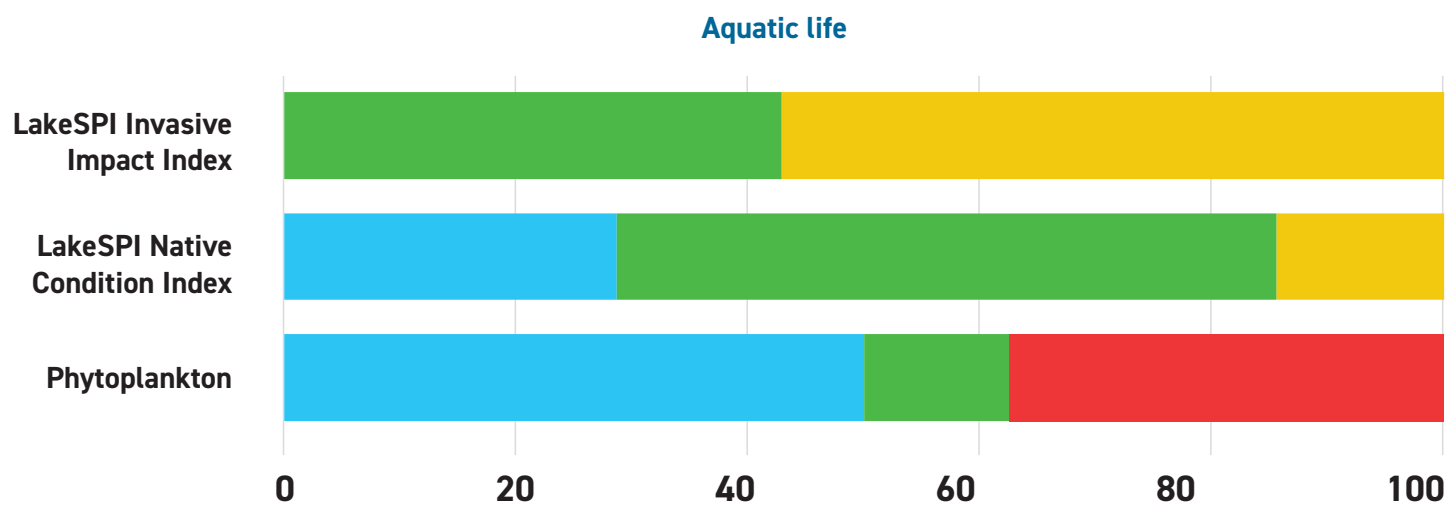


Figure 6 | Percentage of lake sites graded A, B, C or D for aquatic life attributes, Lake SPI n=7, Phytoplankton n=8

Three lakes do not meet the national bottom line for phytoplankton – Lake Hayes, Lake Tuakitoto and Lake Waihola.

Results for the LakeSPI Invasive Impact Index reflect moderate impacts from invasive plants at four of seven monitored sites (grade C).

HUMAN CONTACT

Attribute band:

- A** Excellent **B** Good **C** Fair **D** Poor **E** Very Poor

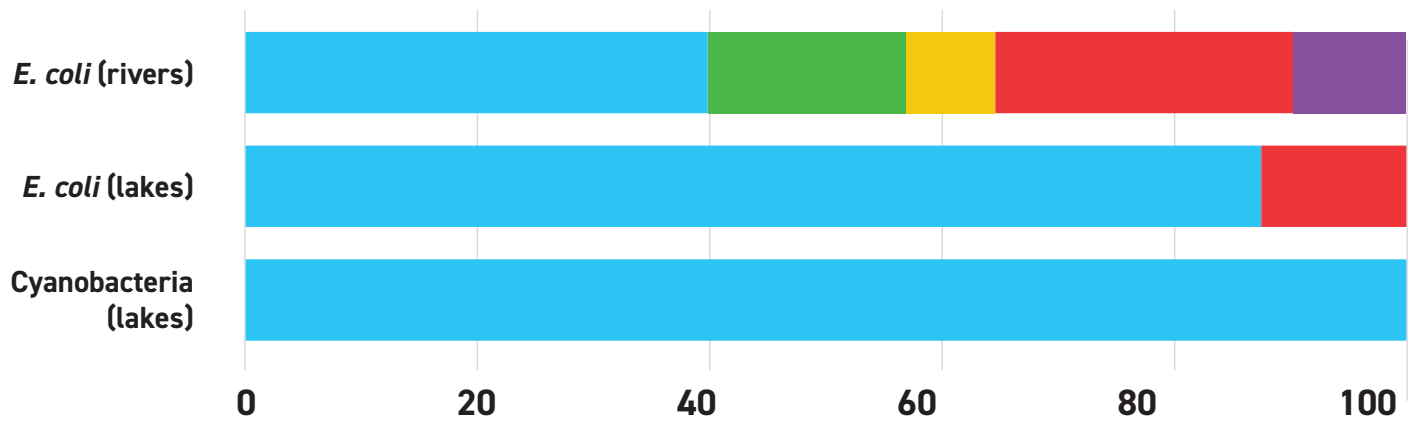


Figure 7 | Percentage of lake and river sites graded as A, B, C, D or E (E. coli only) for human health attributes. Data from year-round monthly monitoring. Rivers n=1-5, Lakes n=6

All lake sites were graded A for cyanobacteria and about 90% of sites were graded A for E. coli.

For E. coli in rivers, 2% of sites are graded D and a further 10% are graded E. These tend to be lowland sites in catchments with larger areas of urban development and intensive agricultural land use (e.g., Lower Clutha Rohe, Manuharekia Rohe, Catlins FMU, Dunedin & Coast FMU, North Otago FMU). About 60% of sites are graded A or B – these sites are mostly located in the Upper Lakes and Dunstan Rohe or in upper catchment areas with predominately native forest or conservation land cover.



During the summer we monitor 16 freshwater swimming sites across Otago. Based on data for the last five summers 69% of sites are graded Excellent or Good. One site is graded Fair and four sites are graded Poor (below the national bottom line).

Figure 8 | Percentage of freshwater sites graded A, B, C or D for E. coli at swimming sites (lakes and rivers). Data from weekly monitoring during the summer bathing season only, n=16

For more information see our full technical state and trend reports
Reports and Publications – water quality
Contact us science.enquiries@orc.govt.nz



10.2. Clutha Liaison Group

Prepared for:	Council
Report No.	S&R2602
Activity:	Engineering
Author:	Kirsten Tebbutt, Team Leader Planning & Partnerships Brett Paterson, Manager Engineering
Endorsed by:	Tom Dyer (General Manager Science and Resilience)
Date:	25 March 2026
Portfolio Leads:	Cr Kelliher and Cr Robertson, Science and Resilience

PURPOSE

- [1] To update the Council regarding the formation of the Lower Clutha Liaison Group, present the confirmed Terms of Reference for approval, and to seek confirmation the Councillor Representative for the Group.

EXECUTIVE SUMMARY

- [2] The Lower Clutha Liaison Group has now been established. An election process has been undertaken to fill all five community seats, and the group have met to discuss the Terms of Reference (ToR) which were confirmed with minor amendments.
- [3] It is now appropriate that the Council formally recognises the formation of the Group by approving the ToR and appointing a Councillor representative.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the Terms of Reference for the Lower Clutha Liaison Group.
- 3) **Appoints** Councillor Robbie Byars as Councillor Representative for the Lower Clutha Liaison Group.
- 4) **Thanks** those community members who have put themselves forward to be members of the Lower Clutha Liaison Group.

BACKGROUND

- [4] During the 2024-2034 Long Term Plan process, the Lower Taieri community strongly advocated for the re-establishment of a liaison group, and the Lower Taieri Liaison Group was established in late 2024. On 27 August 2025 the Council received a draft Terms of Reference (ToR) for the establishment of the Lower Clutha and Tokomariro Liaison Groups, along with a general outline to be taken to the establishment of the Liaison Group, which broadly followed the approach used for the establishment of
-

the Lower Taieri Liaison Group. In late 2025 an election was therefore held for the Lower Clutha Liaison Group, in accordance with the ToR, which identified that membership of the Group would comprise:

- One representative from Balclutha
- One representative from Paretai
- One representative from Barnego
- One representative from Inch Clutha
- One representative from Kaitangata
- One representative from Contact Energy Limited
- One representative from Otago Regional Council
- One representative from Clutha District Council
- Two representatives from mana whenua

[5] A comprehensive engagement plan was developed and implemented from 10 October 2025. Engagement methods included:

- Flyer developed and dropped to all scheme users and ratepayers
- Dedicated web page developed with information about the liaison group and the scheme
- Print ad ran in the Clutha Leader
- Media advisory sent to media announcing the liaison group was being reformed and seeking nominations
- Digital nomination form developed
- Emails sent to a range of stakeholder groups
- Article published in ORC On Stream
- During nomination period soliciting interest (Oct)
- After the AGM announcing community representatives (Dec)
- Social media posts
- Targeted social media advertising
- Media advisory announcing Liaison Group members (post-meeting)

[6] A meeting was held on 13 November 2025 at the Rosebank Lodge. Attendance was low, and seven nominations were recorded. Voting was undertaken on the basis of a show of hands.

[7] The full composition of the Lower Clutha Liaison Group is shown below:

Balclutha	David Botting
Paretai	Craig Sheppard
Barnego	Mike Hurring
Inch Clutha	Stewart Morrison
Kaitangata	Evan Dick
Clutha District Council	TBA
Contact Energy Limited	TBA
Mana whenua (Aukaha & Te Ao Marama Inc – two representatives)	TBA

- [8] Attachment A sets out a full summary of the engagement undertaken and the voting process itself.

DISCUSSION

- [9] Since the election of members of the Lower Clutha Liaison Group, an inaugural meeting of the elected group has now been held. At the inaugural meeting, staff were introduced, and a provisional chairperson was elected (to be confirmed once the Councillor representative has been confirmed). The provisional chairperson that has been elected is Stewart Morrison. The most substantive discussion related to the confirmation of the ToR. This was confirmed and generally reflects the Draft ToR that was approved via the Council meeting of 27 August 2025, in turn reflecting the earlier adoption of a similar ToR by the Lower Taieri Liaison Group early last year.
- [10] Some minor amendments have been made to the Draft ToR, as follows:
- Updates to reflect the Portfolio Lead approach adopted by the Council after the 2025 election.
 - The ToR has been updated to reflect the desired behaviours within the Group.
 - Clarification has been inserted regarding how unfilled seats will be factored into the calculation of a quorum for the Group.
- [11] In all other respects, the ToR are unchanged. Attachment B sets out the agreed ToR.
- [12] Looking ahead, meetings are expected to be around lunchtime, mid week, with the next meeting expected to be scheduled for late May 2025.
- [13] Approaches have been made to seek appointments from Clutha District Council, Contact Energy and Mana Whenua. No nominations have been forthcoming at the time of writing this report.

OPTIONS

- [14] The Council approves the Terms of Reference and nominates a Councillor to join the Lower Clutha Liaison Group. The Liaison Group will provide a conduit for discussions and communication with the Lower Clutha community and provides an opportunity for community input in work programming and asset management activities. It will provide a robust means to enable community involvement in these processes.
- [15] Alternatively, the Council may choose not to approve the Terms of Reference.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [16] The Lower Clutha Liaison Group will serve as a tactical communication method for achieving the ORC's strategic goals relating to Communities and Resilience, as follows:

- Our communities trust us, and they are satisfied with us and the outcomes that we are delivering.
- Our communities are supported and empowered to achieve better environmental outcomes.
- Our infrastructure is designed and built to accommodate variability and uncertainty associated with changing weather patterns and sea level rise.

Financial Considerations

[17] The costs associated with the support of the Lower Clutha Liaison Group is expected to be met within existing approved budgets for the Lower Clutha Flood and Drainage Scheme.

[18] In time it will be expected that the financial impacts are minimal as the meetings become a part of annual work programme cycles. Staff time associated with preparing for and attending meetings is not expected to be significant.

Significance and Engagement

[19] The endorsement of the establishment of the Lower Clutha Liaison Group does not trigger any engagement requirements under Councils Significance and Engagement Policy.

Legislative and Risk Considerations

[20] There are no statutory obligations to be considered in the endorsement of the Lower Clutha Liaison Group by Council.

[21] Infrastructure resilience has been identified as a Strategic Risk for ORC. The establishment of a Lower Clutha Liaison Group supports the communication and awareness of this risk through the group.

Climate Change Considerations

[22] Climate change considerations have been discussed in the Infrastructure Strategy 2024-2054. The development of the Liaison Groups will enable oversight to the management of the effects of future climate change on the ORC's assets in respect of flood risk, land drainage, and river management infrastructure.

Communications Considerations

[23] The information relating to the establishment and operation of Lower Taieri Liaison Group will be made publicly available on ORC's website. Additional communication will be undertaken at the recommendation of the Group.

NEXT STEPS

[24] Confirm Councillor representation on the Group.

[25] Commence preparation for the first meeting cycle.

ATTACHMENTS

1. Lower Clutha Liaison Group Engagement and Outcomes Report [**10.2.1** - 5 pages]
2. Agreed Terms of Reference Lower Clutha [**10.2.2** - 4 pages]



Lower Clutha Flood Protection Scheme Liaison Group Engagement Report

Purpose of this report

The below report outlines the process undertaken to engage with the Lower Clutha Community and re-establish the Lower Clutha Flood Protection Scheme Liaison Group.

Background and Context

ORC owns and manages flood protection and drainage schemes in Otago. This includes the Lower Clutha Flood Protection and Drainage Scheme.

These schemes were initially funded by Central Government, but this investment ceased in 1989, and it was up to local ratepayers to develop and maintain these schemes. Two liaison groups (the Lower Clutha Liaison Group and the West Taieri Drainage Liaison Group) were set up and ran until 2014 to provide ratepayer representation and input into the management of these schemes. From around 2019, ORC has offered annual drop-in sessions, with some success but also limitations, providing an opportunity to discuss in detail the expenditure and decisions on the schemes.

In its decisions on the 2024-2034 Long-Term Plan, the ORC determined that liaison groups should be re-established. The Lower Taieri Liaison Group was established in late 2024 and has established a regular meeting cycle of at least twice-yearly meetings.

A paper to the Regional Leadership Committee meeting in August 2024 to confirm the Terms of Reference that supports the Lower Taieri Liaison Group identified that the Lower Clutha and Tokomairiro Groups would be established in the 2025/26 year. In August 2025 Council agreed that the Clutha Group should be established this year, and Tokomairiro next.

Engagement Approach

ORC was seeking to strengthen the relationship with the community. The establishment of the liaison groups will facilitate a connection between the community and Council to work on management of scheme assets, which enables a collaborative approach on the significant issues related to the scheme.

The purpose of the liaison group is to act as an informal committee who will work alongside ORC to:

- Facilitate effective communication between the scheme ratepayers, key infrastructure providers and ORC.
- Be the 'eyes and ears' of the scheme community in relation to scheme performance and stakeholder satisfaction.
- Provide feedback to the ORC through the liaison group on proposed scheme operational and capital programmes.
- Provide feedback on the scheme levels of service.
- Provide feedback on the development of infrastructure strategy, asset management plans and rating/funding proposals as relevant to the schemes.

The purpose of engaging with the community and stakeholders was to ensure as many targeted rate payers as possible for the Lower Clutha Flood Protection and Drainage Schemes were made aware of an initial AGM on November 13th, 2025 and were given every ability to put forth nominations for the new group.

Scope

This engagement process did not constitute a formal consultation, but was an opportunity for users of the scheme and stakeholder groups to be made aware of the formation of the Liaison Group.

GEOGRAPHIC SCOPE

The audience we were looking to engage with are users of the scheme, which is identified on the map below.



Audiences

There were two main audiences we were looking to engage with:

Users of the scheme

being ratepayers and residents who live within the scheme's boundaries and contribute (either directly or indirectly) to the maintenance and upkeep of the scheme through their rates.

This audience was engaged with using a range of Council channels, including:

- Online material available on the ORC website
- A flyer delivered to addresses across the scheme
- Social media posts
- Media advisory
- Adverts in local papers

Stakeholder Groups

These are groups with an interest in the area and who helped us push messaging out to their members. These included a range of industry groups and other rural support groups.

Stakeholder groups were identified by ORC and were communicated with via an email that was drafted by the comms team.

Engagement

A range of engagement actions were undertaken to get the word out to the community, these are listed below.

Engagement actions (10 Oct – 14 Nov)

- Flyer developed and dropped to all scheme users and ratepayers.
- Dedicated web page developed with information about the liaison group and the scheme
- Print ad ran in the Clutha Leader
- Media advisory sent to media announcing the liaison group was being reformed and seeking nominations
- Digital nomination form developed
- Emails sent to a range of stakeholder groups
- Article published in ORC On Stream
 - During nomination period soliciting interest (Oct)
 - After the AGM announcing community representatives (Dec)
- Social media posts
- Targeted social media advertising
- Media advisory announcing Liaison Group members (post-meeting)

Nominees

Seven nominations were received for the five seats on the Liaison Group, these are listed below:

- Balclutha – David Botting and Abdi Korir
- Paretai – Craig Sheppard
- Barnego – Mike Hurring
- Inch Clutha – Stewart Morrison
- Kaitangata – Evan Dick

Results

Approximately six community members attended the initial AGM, plus ORC Councillors and officers (See Appendix A for full attendee list). All nominees spoke to the group and outlined why they would make suitable members of the Liaison Group.

Given four of the five seats only had one nominee, they were automatically selected for each seat. Only one of the nominees for the Balclutha seat (David Botting) was present at the meeting and he was unanimously voted in

The final Liaison Group members are listed below.

- Balclutha – David Botting
- Paretai – Craig Sheppard
- Barnego – Mike Hurring
- Inch Clutha – Stewart Morrison
- Kaitangata – Evan Dick

Additional seats are yet to be confirmed, but may include representatives from mana whenua representatives (x2), Contact Energy, an ORC Councillor, and a Clutha District Councillor.

Appendix A: AGM Agenda and Minutes

13 November 2025

6.30pm

Rosebank Lodge

265 Clyde Street, Balclutha

Minutes

Meeting title: Lower Clutha Flood Protection and Drainage Scheme Liaison Group – initial AGM

Facilitator: Jimmy Sygrove

Attendees: Dave Inder, Lindsay Marshall, Elm Marshall, Stewart Morrison, Evan Dick, Mike Hurring, Craig Sheppard, David Botting.
Brett (ORC), Kirsten Tebbutt (ORC), Tom Dyer (ORC).
Kate Wilson, Robbie Byars (ORC Councillors)
Jimmy Sygrove, Annabelle Cullinane (Rationale Ltd)

Apologies: Michael Inder, Graham Booth, Abdi Korir

Cc:

Agenda item	Discussion
1. Overview of the liaison group	Brett presented: • Purpose: To represent the scheme community, provide feedback on performance and stakeholder satisfaction, and advise on maintenance plans, AMP, and LTP. • Scheme covers 9,000 ha, with 110 floodbanks and 153 km of drains. • Council voted (2024–2034) to re-establish three schemes; draft Terms of Reference (TOR) prepared. • Group structure: 5 local reps, mana whenua, Contact Energy, CDC, and ORC reps. Brett and Tom are ORC contacts. • Meetings: Two per year proposed; first meeting to confirm TOR, then council to set meeting frequency. • Typical meeting: Maintenance updates, chair’s report, operational and project updates, rates review, and other issues.
2. Present and apologies	Attendees and apologies recorded above.
3. Appointment of liaison group members	The group appointed representatives for key areas within the Lower Clutha Flood Protection and Drainage Scheme. Each member brings local knowledge and a strong connection to their community: Paretai – Craig Sheppard • Background: Lives adjacent to the Paretai pump stations. • Motivation: Craig is particularly interested in improving drainage in the Paretai area. He is eager to collaborate with others to address local water management challenges. Barnego – Mike Hurring • Background: Resident of Barnego, with family history in floodbank construction dating back to the 1950s. Mike runs a logging company and is involved in contracting and roading.

	• Motivation: Mike wants to ensure that past mistakes with water management are not repeated and is committed to effective flood protection. Inch Clutha – Stewart Morrison • Background: Stewart’s family has farmed in Inch Clutha for 115 years. • Experience: He previously served on the original liaison committee and found the experience valuable. • Motivation: Stewart brings historical perspective and a long-term commitment to the scheme’s success. Kaitangata – Evan Dick • Background: Evan’s family farm borders the lots and the pump station in Kaitangata. • Experience: As a third-generation farmer, Evan is very familiar with the scheme’s operations. • Motivation: He is satisfied with current management but wants to ensure standards are maintained. Evan values efficiency and wants to ensure the community gets good value (“bang for buck”) from the scheme.
4. Process for each area	Balclutha Representative Selection • Nominees: Two individuals were nominated for the Balclutha representative role: David Botting and Abdi Korir. • Attendance: Abdi Korir was not present at the meeting. • Opportunity to Speak: Only David Botting was present and spoke to the group. David described his background: living on a farm bordering the river about 7 km upstream, and shared his motivation for standing as a nominee. He emphasised his desire to see the scheme operate more efficiently and in a timely manner, and expressed that he sees the liaison group as a valuable tool for the community. • Voting: After David spoke, a vote was held among the group members. The result was unanimous: David Botting received 6 votes, while Abdi Korir received none. • Outcome: David Botting was confirmed as the Balclutha area representative.
5. Confirm liaison group members	Confirm Liaison Group Members: 1. Paretai - Craig Sheppard 2. Barnego - Mike Hurring 3. Inch Clutha - Stewart Morrison 4. Kaitangata - Evan Dick 5. Balclutha - David Botting
6. Meeting Close	



Terms of Reference

Lower Clutha Liaison Group Flood Protection & Drainage Schemes

Purpose of Liaison Groups

Liaison Groups are advisory committees established to:

- facilitate effective communication between the scheme ratepayers, key infrastructure providers and Otago Regional Council (ORC);
- be the 'eyes and ears' of the scheme community in relation to scheme performance and stakeholder satisfaction;
- provide feedback to the ORC through the liaison group on proposed scheme operational and capital programmes;
- provide feedback on the scheme levels of service;
- provide feedback on the development of infrastructure strategy, asset management plans and rating/funding proposals as relevant to the schemes.

Liaison Group Status

The Groups shall be established by ORC and shall operate in accordance with these Terms of Reference. Liaison Groups have no authority to make decisions on behalf of ORC. However, issues or recommendations arising from Liaison Group meetings will either be addressed by the ORC or referred to the ORC's Portfolio Lead for Safety and Resilience as appropriate.

Meeting Frequency

As agreed by members of the liaison committee, but no less than twice a year, to coincide with the development of draft annual plan budgets and following the receipt of public feedback on proposals prior to Council adoption. This will generally be between October and December and May and June. The time and location of meetings shall be agreed by representatives of the liaison group.

Limits of Power

Members of the Liaison Group are able to submit on draft work programmes and rating proposals in the ORC's Annual Plan or Long-Term Plan. The Liaison Group has no authority to commit the ORC to any investment path or capital and operating expenditure.

The Liaison Group will operate in such a way as to not compromise the ORC's freedom to deliberate and make such decisions as it deems appropriate.



Records

The Liaison Group shall maintain records including notices of meetings, agendas, reports to meetings, notes/minutes of meetings/site inspections; records of nominations, and election of members of the Liaison Group. This will be available online to the public.

Principles of Participation

All members of the Liaison Group agree to participate in the following ways:

- contributions are made without prejudice – i.e. nothing said within the Group may be used in subsequent planning or legal processes except for any recommendations or agreements reached by the group;
- members shall show respect for others views and avoid promoting discord within the Group;
- Group members and Council staff are expected to act in accordance with the key principles of the ORC's Working Together Better policy. Attachment B sets out the principles of the policy that will apply to the Group;
- any public statements by the Group are to be agreed by the Group and made through an agreed spokesperson;
- members of the Group are expected to support decisions and recommendations reached by consensus by the Group in subsequent public discussions; and
- the Chair is responsible for fostering the principles of participation and is expected to be respected as a leader in their role.
- Membership of the Liaison Group shall not preclude its members from lodging independent submissions or feedback in respect of any Council plan, policy, document etc.

Terms of Reference

1. Each Liaison Group should ideally consist of not less than five and not more than ten members and should provide a broad representation of ratepayers and land uses within the scheme area; geographical extent of the scheme; and major infrastructure providers. Additional or fewer members may be appointed according to the needs of a particular scheme, at the ORC's discretion.
2. It is desirable that there may be regular introduction of new members to ensure that new ideas are brought to the table and that there is some growth of scheme operational knowledge within the community.
3. Key infrastructure owners and lifeline utilities may also seek representation¹.

¹ Infrastructure providers that may seek to participate in the Group may include Dunedin International Airport Limited, Aurora, KiwiRail and NZ Transport Agency Waka Kotahi. In addition, Civil Defence and Emergency Management may also seek participation from time to time.



4. ORC shall appoint a Councillor to be a formal representative on the Liaison Group. Other constituent Councillors from the area in which the scheme is located are entitled to attend Liaison Group meetings.
5. Other members will usually be confirmed or nominated by ratepayers at the Annual Scheme Ratepayers' meetings. Group membership will then be confirmed in writing by the ORC's Manager Engineering within a month following the meeting.
6. The ORC staff will arrange meetings of the Liaison Groups in consultation with the respective Group Chairs. Groups will meet at least twice per year and on other occasions as scheme issues dictate. In addition, a public annual general meeting will be held for each scheme and shall be chaired by the Chair of the Liaison Group.
7. Agendas will be advertised and circulated which will allow for the community to express and interest in speaking at the Liaison Group.
8. Minutes shall be kept of all Group meetings and should record discussion points and agreed actions.
9. The Liaison Group Chair, or in their absence their nominated substitute, will be invited to attend an annual meeting of all Liaison Group Chairs organised by the ORC's Portfolio Lead for Safety and Resilience, where relevant.
10. Attendance by the Public will not have speaking rights, unless requested through the Liaison Group Chair. When the Agenda is set and advertised the matters to be considered must adhere to the timings set for inclusion.
11. The line of communication between Liaison Group members and the ORC will generally be through the ORC's appointed liaison officer.
12. A quorum for the Liaison Group will be 60% of current members. Any unfilled seats will not be factored into this calculation.
13. The term for membership of the Liaison Group will be 3 years until the next triennial election.



Attachment A: Table of proposed future minimum representation

Party	Minimum Representation across Parties
Balclutha	1
Paretai	1
Barnego	1
Inch Clutha	1
Kaitangata	1
Contact Energy Limited	1
ORC Councillor	1
Clutha District Councillor	1
Aukaha	1
Ta Ao Marama Incorporated	1
Total	10

Attachment B: Key Principles of Working Better Together Policy

As a Group, we commit to:

- Respecting the wide range of personal values and character strengths that drive the performance of our Group.
- Focusing on behaviours instead of people, aiming to promote collaborative and constructive working relationships between the Group, the community, and ORC staff
- Ensuring all Group member have clarity on the scope, expectations, and responsibilities of their roles (as set out in the Terms of Reference)
- Identifying and intervening at an early stage if there are beginnings of unreasonable behaviour
- Treating each other with respect
- Reporting all incidences of inappropriate behaviour [whether as a victim or bystander] to the Chairperson or to the Manager Engineering
- Try to “talk it out” before resorting to formal processes

10.3. Integrated Catchment Management Plan Review

Prepared for:	Council
Report No.	ENV2601
Activity:	Environmental Delivery
Authors:	Libby Caldwell, Manager Environmental Implementation; Melanie White, Team Leader Integrated Catchment Management
Endorsed by:	Joanna Gilroy (General Manager Environmental Delivery)
Date:	25 March 2026
Portfolio Leads:	Cr Noone and Cr Byars, Environmental Delivery

PURPOSE

- [1] To present the proposed implementation plan and options to accelerate the Integrated Catchment Management (ICM) programme to Council.

EXECUTIVE SUMMARY

- [2] Integrated Catchment Management (ICM) is a whole-of-ecosystem approach to facilitate the co-development of Catchment Action Plans (CAPs) across Otago in partnership with mana whenua, communities, industry and agencies. The current programme has nine CAPs being delivered by October 2029. Two of these are complete and the third is underway.
- [3] A review of the ICM Programme was initiated by Council in June 2025 to identify options to accelerate delivery ahead of October 2029. Transcend Consulting were engaged to undertake this review. They consulted with parties that engaged with the ICM process, including mana whenua, Councillors, community and ORC staff. The Transcend report was endorsed by Council in September 2025, this report, included as Attachment 1, contains eight recommendations. An Implementation Plan Summary to enact these eight recommendations is included as part of this paper as Attachment Two.
- [4] After analysis of the Transcend Report, and feedback, a streamlined Governance structure that reframes the current ICM Working Group to a Governance Group, with the ability to appoint membership to the groups that develop the CAPs, and reducing the number of remaining CAPs to be developed from six to four is recommended. This approach retains the intent of ICM programme; can be delivered within existing budgets; uses the Conservation Standards approach and allows sufficient time for community participation.

RECOMMENDATION

That Council:

- 1) **Notes** the report on the Integrated Catchment Management Programme
- 2) **Approves** Option B for four further Catchment Action Plans to be delivered by the end of December 2027 to complete the rollout of the ICM programme. This includes the rollout order:
 - a) Dunedin and Coast commencing May 2026
 - b) Upper Clutha/Mata Au commencing June 2026
 - c) Lower Clutha/Mata Au commencing July 2026
 - d) North Otago commencing March 2027

Or

- Approves** an alternative option for the roll out of the remaining Catchment Action Plans
- 3) **Endorses** that all CAPs with a boundary on the coast include consideration of the Coastal Marine Area.
 - 4) **Approves** the updated Governance structure for the ICM Programme including the current ICM Working Group being renamed the Integrated Catchment Management Governance Board
 - 5) **Approves** (with or without amendments) the Terms of Reference for the new Integrated Catchment Management Governance Board
 - 6) **Nominates** Councillors Noone (Chair) / Councillor Malcolm/ XX / XX to be Councillor representatives on the Integrated Catchment Management Governance Board
 - 7) **Nominates** Councillor XX as the representative on the Dunedin and Coast Governance and Delivery Group
 - 8) **Nominates** Councillor XX as the representative on the North Otago Governance and Delivery Group

(depending on the decision made on CAP areas)

- 9) **Nominates** Councillor XX as the representative on the Upper Clutha Mata-au Governance and Delivery Group
- 10) **Nominates** Councillor XX as the representative on the Lower Clutha Mata-au Governance and Delivery Group

Or

- 11) **Nominates** Councillor XX as the representative on the Clutha Mata-au Governance and Delivery Group
- 12) **Notes** the existing roles of Councillor Wilson (Taiari), Councillor Byars (Catlins) and Councillor Hollyer (Upper Lakes) on the respective Governance and Delivery Groups
- 13) **Endorses** the Implementation Plan Summary included as Attachment One.

BACKGROUND

- [5] The ICM Programme comes from the ORC's Long-Term Plan (2021-2031), which commits the ORC to "lead the development, implementation, and review of Integrated Catchment Action Plans in collaboration with iwi and community". ICM is a whole of

ecosystem environmental management approach that uses the catchment as the unit of management. This is a non-regulatory plan and process that integrates all interested parties to work together to develop shared values and agreed actions across the environment.

- [6] The Programme's purpose is for Council to facilitate the co-development of Catchment Action Plans (CAPs) across Otago with mana whenua and the community. Nine catchments across Otago based on Freshwater Management Units (FMUs)/rohe were to be used as the areas for these CAPs. These areas are shown below in Image 1.

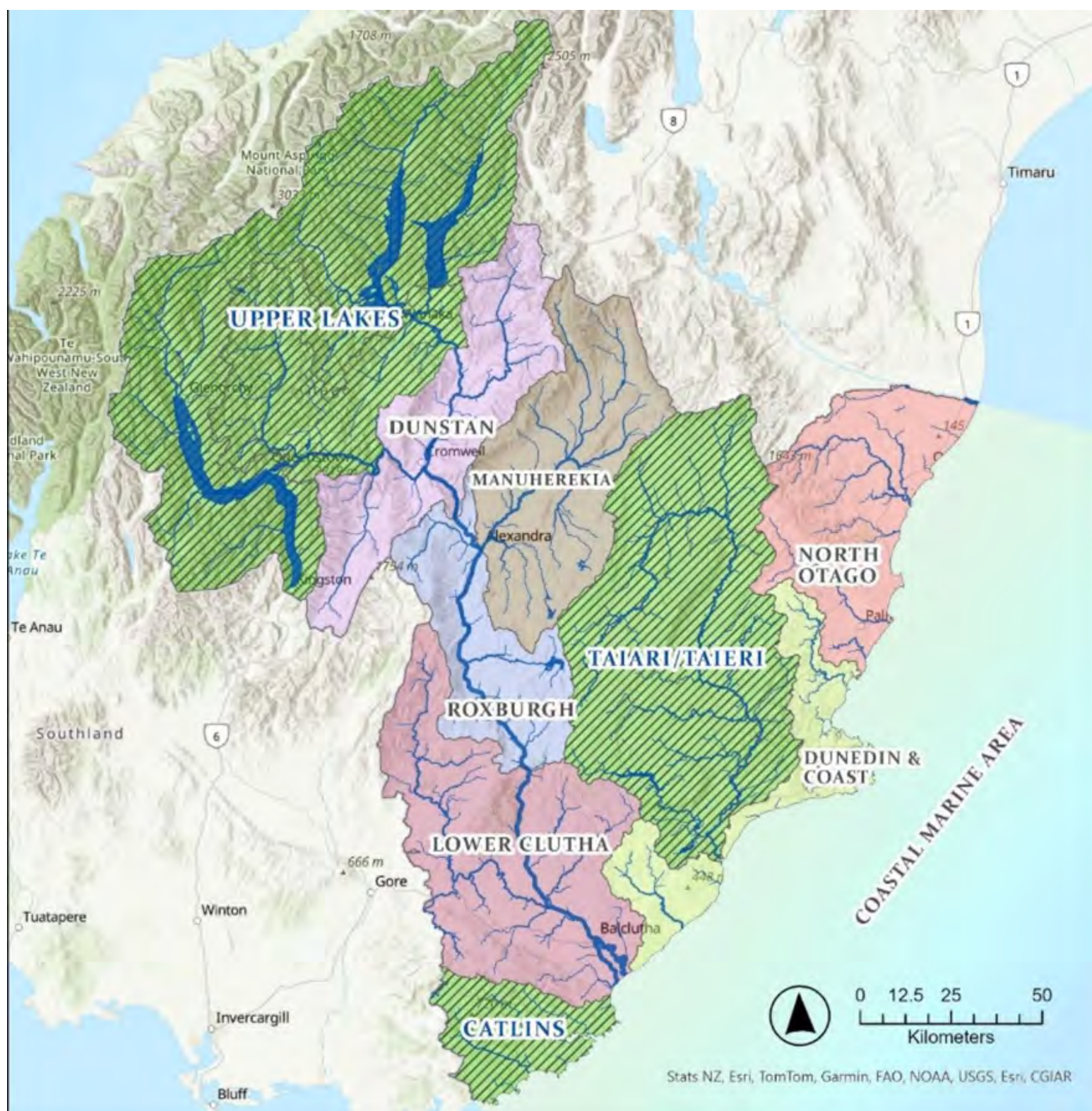


Image 1: Map showing current nine FMU and rohe boundaries across Otago.

- [7] CAPs result in prioritised actions on the ground that are led by the community, mana whenua and supported by ORC and other organisations. The Conservations Standards approach is used to develop shared values, identify the pressures on those values and develop strategies that will either enhance the environmental values or reduce the pressures on those values. This process supports communities in identifying priority actions that will result in environmental protection and enhancement as an outcome in the longer term. Throughout the development of the CAPs, any actions and/or plans

that are already underway and contribute to implementation of CAPs are identified and considered.

- [8] Key benefits of the ICM programme are that it: translates planning into tangible outcomes on the ground; ensures that priorities are locally supported and ownership of actions is shared; reduces duplication and builds capacity for communities and partners to lead implementation. Over time, this collaborative model enables practical environmental interventions – such as habitat recovery, improved land and water management and biodiversity protection that will deliver measurable and enduring benefits across each catchment in Otago.

- [9] Council’s role in the ICM programme is:
 - a. To facilitate the development of the CAPs;
 - b. To support the individual Governance Groups with the implementation of the CAPs;
 - c. To monitor the success of the CAPs and support ongoing review and updating of these to ensure they are fit for purpose and the interventions are delivering the desired environmental outcomes as part of the adaptive management approach.

- [10] Depending on the CAP that is developed, there may also be actions within them that relate to ORC’s core work programmes. Once a CAP is endorsed, a Council specific work plan will be developed including looking at what existing work in the area helps support the CAP delivery and then used to help inform any work programme considerations through Long Term Plan or Annual Plan processes.

- [11] In August 2022 Council endorsed a path forward for the ICM programme, which included the current Governance structure, commencing with the establishment of the ICM Working Group (ICMWG), outlining the Working Group’s key tasks, and selecting the Catlins FMU as the pilot CAP. The current rollout plan went to Environmental Implementation Committee in August 2023 which included that all nine CAPs would be developed and endorsed by Council by October 2029. At the Environment Delivery Committee meeting on 5 June 2025, staff sought approval for a continued rollout. At this meeting it was requested that a review of the programme be undertaken to support the acceleration of the development of CAPs. A further rollout order was not approved to enable the review to be undertaken.

- [12] Work was undertaken independently to review the ICM programme and at the Council meeting 24 September 2025, Council passed a recommendation which; “Endorsed the Transcend report and that staff will work on an implementation plan for the ICM programme based on these recommendations which will be brought back to Council in late 2025 for approval”.

- [13] In developing the options for the accelerated rollout of the final CAPs, ICM staff have worked with staff across Council, the Integrated Catchment Management Working Group which has councillors Noone, Byars, Wilson and Hollyer as well as Aukaha, Te Ao Marama and Otago Catchment Communities representatives on it. A presentation has also been provided to Mana to Mana.

- [14] It is proposed that the Coastal Marine Area (CMA) be included for any remaining CAPs where the receiving environment is the coast, to ensure that if required an assessment

of coastal effects can be included and to support any community ambitions, values and outcomes associated with the coastal environment. Including the CMA aligns best with a ki uta ki tai (mountains to sea) and Conservations Standards ecosystem based approach.

DISCUSSION

Options for Acceleration

[15] In this section the options to accelerate the ICM programme based on the findings of the review will be explored more fully. These are:

- a. Combining Freshwater Management Unit (FMU)/rohe areas and developing fewer Catchment Action Plans; and/or
- b. Adaptation of the Catchment Action Planning development process to shorten the length of time to develop CAPs with fewer workshops and/or allowing less time between workshops; and/ or
- c. Streamline the Governance Structure, with clear Governance roles and responsibilities.

[16] After analysis three options are proposed for the delivery of all CAPs across Otago, which are detailed below:

- a. Option A – combine FMU/rohe areas from 6 to 3, all CAPs completed by December 2027 (see images 2 map & 3 timeline)
- b. Option B – combine FMU/rohe areas from 6 to 4, all CAPs completed by December 2027 (see images 4 map & 5 timeline)
- c. Option C – retain all 6 FMU/rohe areas, all CAPs completed by December 2028 (see images 6 map & 7 timeline).

[17] For all options it is proposed to include the lower portion of the Dunedin and Coast FMU (hashed in Images 2, 4 and 6) be included with the Clutha Mata-au or Lower Mata-au area. This recommendation supports coordination between communities with similar characteristics and interests in the development of the CAP.

[18] Further time efficiencies can be achieved by reducing the time between workshops from six weeks to five or four weeks; streamlining the Governance Structure (see Image 8) and assigning responsibility for approval of the Integrated Catchment Group (ICG) membership (this is the group of community and mana whenua that co-develops the plan) to the new ICM Programme Governance Group.

OPTION A - combine FMU/rohe areas from six to three, all CAPs complete by December 2027

[19] Option A is to combine the remaining FMU/rohe boundaries and include the Coastal Marine Area to reduce the total number of CAPs from **six to three** (Image 2), as follows:

- a. **Catchment Action Plan Area 1** Clutha/Mata-au (purple) includes the remaining Dunstan, Manuherekia, Roxburgh, Lower Clutha/Mata-au rohe and the southern part of Dunedin and Coast FMU (dashed purple area).
- b. **Catchment Action Plan Area 2** Dunedin and Coast (pale green).
- c. **Catchment Action Plan Area 3** North Otago (red).

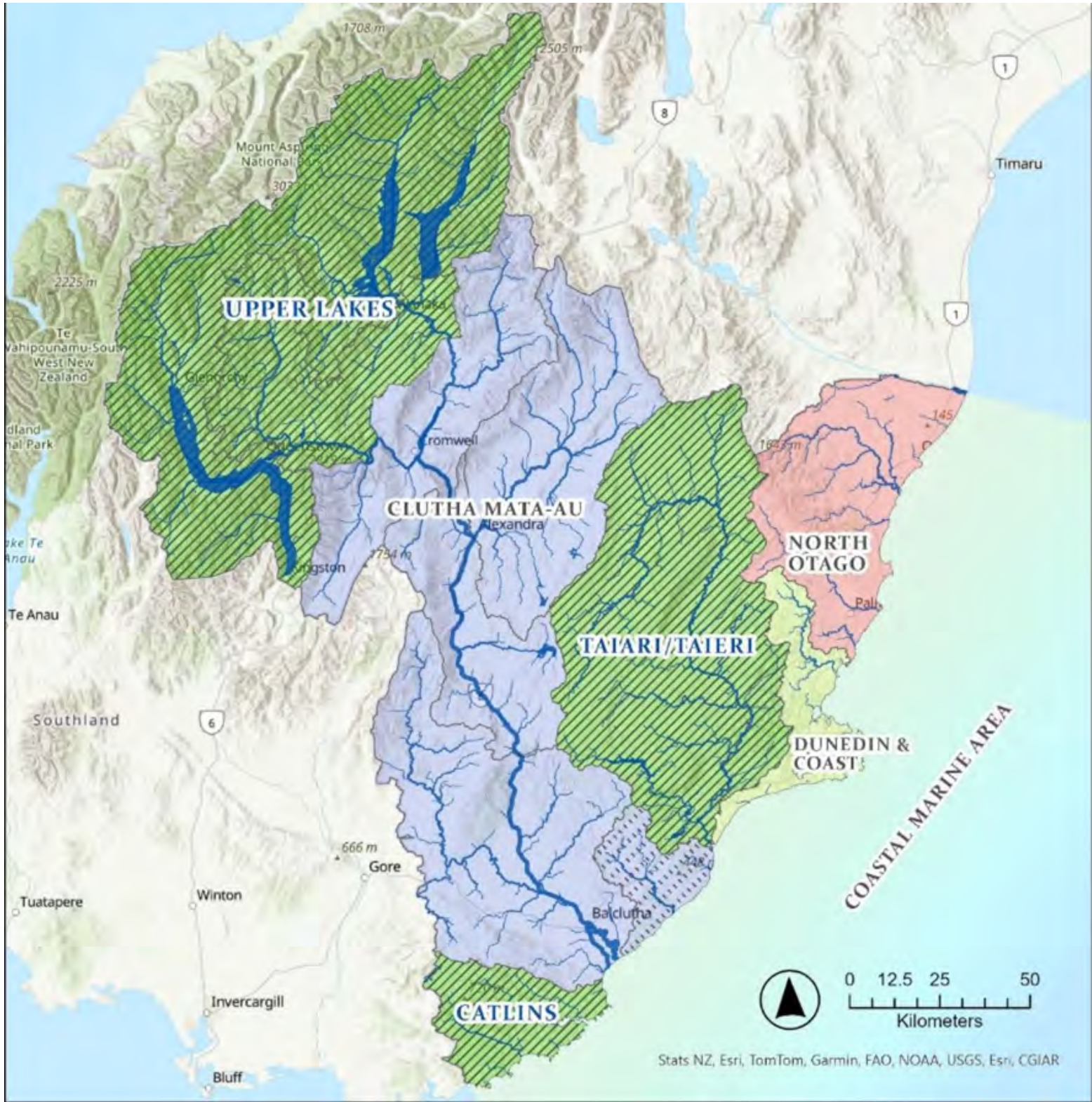


Image 2: Map showing Option A to reduce CAP areas from six to three. Catlins (endorsed), Upper Lakes (endorsed), Taiari/Taieri (underway) Clutha/Mata-au (purple), Dunedin and Coast (pale green), North Otago (red)

[20] The timeline for delivery for this option is shown in Image 3. This option does not have reduced time between the workshops for Clutha/Mata-au due to the scale of the area covered.



Image 3: – Option A timeline

[21] The workshop timeline for the large Clutha/Mata-au area allows more time between workshops to ensure effective data collation, allows for diverse communities and rūnaka to share thinking and coordination for upcoming workshops. If this option is selected, Staff plan to run two parallel workshop processes for upper and lower Clutha/Mata-au communities with joint (upper and lower Clutha/Mata-au) workshops throughout the process to gain shared understanding and knowledge. The standard timeframe, with four weeks between workshops, is planned for Dunedin and Coast and North Otago. This option would result in a 22-month acceleration of the programme.

[22] There are risks and opportunities with Option A. These are shown in the tables below:

Risk	Consequence
Very large, spatially extensive catchment increasing scope and complexity.	This increases the difficulty in bringing all the important baseline information to the Integrated Catchment Group (ICG) succinctly and risks lack of depth of understanding and time to cover all features throughout the process.
Very diverse landscapes, from dryland to lowland and wetland.	This increases the difficulty in bringing all the important baseline information to the Integrated Catchment Group (ICG) succinctly and risks lack of depth of understanding and time to cover all features throughout the process.
Very diverse land use.	The ICG will need to understand a larger number of landuse challenges and opportunities within the standard workshop process.
Very diverse communities.	Risk of dilution of local voices on sub-catchment specific issues. Developing a shared understanding may require more time and pose challenges.
Shared interests among multiple	Mana whenua may face challenges engaging due to the

rūnaka across rohe.	potential need for a larger number of representatives.
Stress on timeframes.	The quality of the work is compromised, engagement is lost or compromised, the quality and ownership of the CAP declines.
Lack of flexibility to adjust for community needs.	ICG members are not able to attend and no flex around dates, the CAP is delayed from estimated timeframes to enable attendance. Loss of engagement.
Compressed ICG set up time for a very large area.	Low engagement, narrowed stakeholder representation resulting in a CAP that is not representative of its communities.
Very large area and therefore less time in each rohe results in less engagement.	Good engagement is built by spending time together working through discussions, building trust, and allowing time for review and feedback. Less time doing these activities could compromise the quality of engagement and could therefore compromise community ownership, depth of understanding of problems and the solutions. This could also have a flow on impact around the delivery of the actions.
Opportunity	Implications
Accelerated delivery of the ICM programme.	All CAPs completed for the whole of Otago by December 2027 with equal opportunity for all groups.
Ensures similar approach to the Taieri/Taiari CAP which covers the entire catchment.	Consistency across CAPs in taking a whole of catchment approach.
Hydrologically a single, connected catchment allowing a shared understanding of the problems to be built between those in the delivering and receiving environments.	Acknowledgement that actions in the upper catchment can affect the health and functioning in the lower catchment, providing the opportunity to plan action in the upper catchment that could enhance lower catchment outcomes.
Aligns with ki uta ki tai (a mountains to sea approach) and recognises ecological interconnectedness.	Acknowledging that the awa (river) connects all the ecosystems of a catchment and cannot be managed separately.
Opportunity to identify landscape scale actions that have multiple benefits to the catchment.	Large scale projects with benefits and challenges that are shared between upper and lower catchment communities
Reduced engagement burden and repetitions.	One process for those who might have interest across rohe boundaries.
Leverage on the successful Upper Lakes CAP for entire catchment strategies.	The Upper Lakes CAP strategies could be relevant to the whole catchment and form the framework for parts of the Clutha/Mata-au CAP.

OPTION B - combine FMU/rohe areas from six to four, all CAPs completed by December 2027 (recommended option).

[23] Option B is to combine the remaining FMU boundaries and include the Coastal Marine Area to reduce the total from **six to four** (Image 4), as follows:

- a. **Catchment Action Plan Area 1** Upper Clutha/Mata-au (purple). This includes the Dunstan, Manuherekia and upper part of the Roxburgh rohe (exact boundary line to be confirmed in consultation with the community and mana whenua).
- b. **Catchment Action Plan Area 2** Lower Clutha/Mata-au (yellow). This includes the lower part of the Roxburgh rohe (exact boundary line to be confirmed in consultation with the community and mana whenua), the Lower Clutha/Mata-au rohe and the southern part of Dunedin and Coast FMU (dashed yellow area).
- c. **Catchment Action Plan Area 3** Dunedin and Coast (pale green).
- d. **Catchment Plan Area 4** North Otago (red).

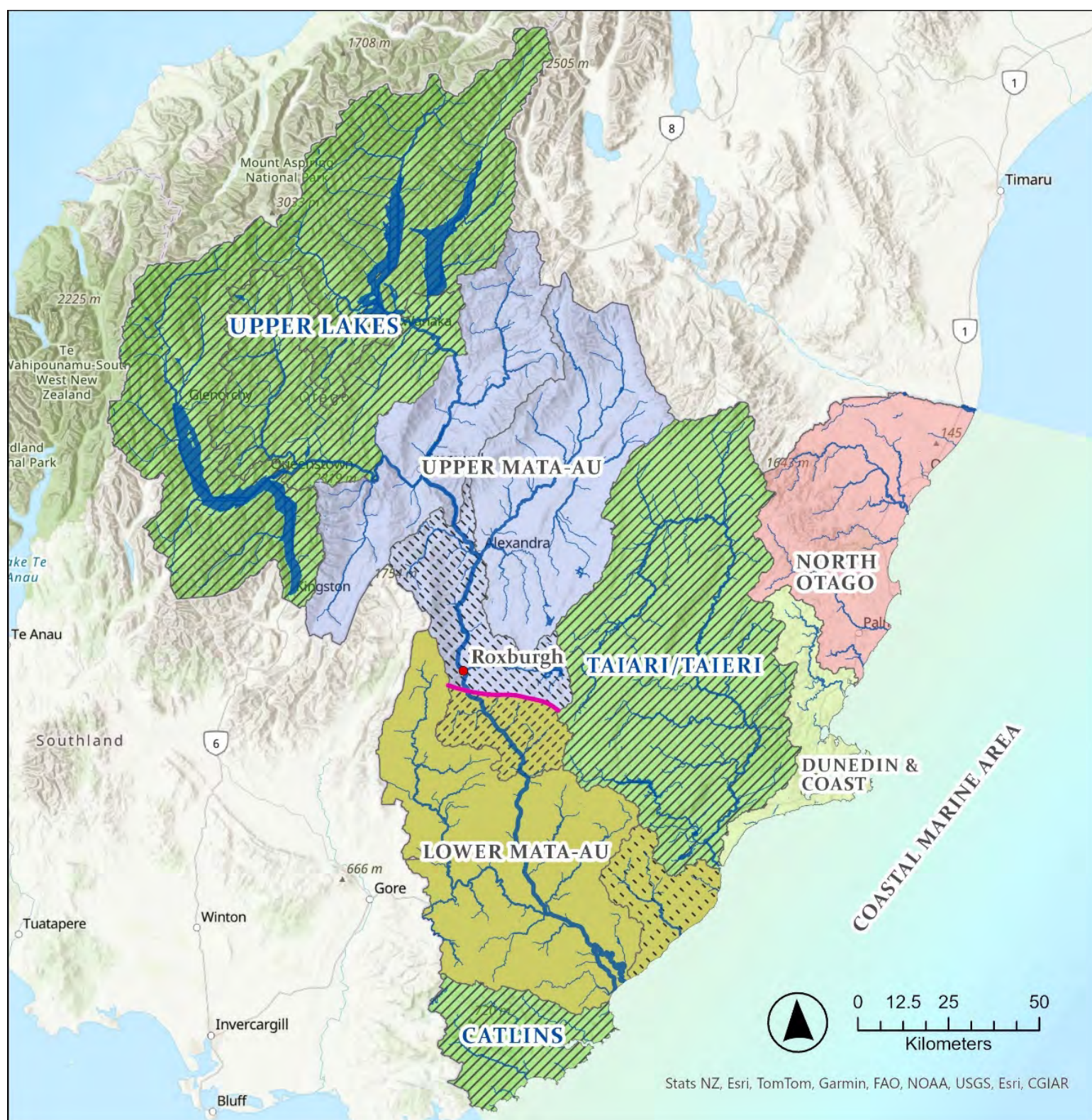


Image 4: Option B - recommended, four CAP areas and proposing an approximate adaptation of the FM boundary (red line) to be confirmed. Catlins (endorsed), Upper Lakes (endorsed), Taiari/Taieri (underway) Upper Clutha/Mata-au (purple), Lower Clutha/Mata-au (yellow), Dunedin and Coast (pale green), North Otago (red).

[24] Option B (four areas) is the recommended option for Council to approve. This is the recommended option as it strikes the most appropriate balance between accelerating delivery and maintaining the integrity of meaningful community engagement. By

retaining two distinct Clutha/Mata-au areas (Upper and Lower), it enables a strong local voice and catchment-specific priorities to be reflected, while still allowing work to proceed simultaneously where appropriate. In practice, elements of the Upper and Lower Clutha/Mata-au processes could be aligned and coordinated to support shared understanding across the wider catchment, particularly recognising the connected nature of the Clutha/Mata-au. Over time, this approach provides the opportunity to build towards a cohesive, strategic framework for the Clutha/Mata-au as a whole.

- [25] Option B also provides a more manageable scope than Option A, reducing the risk that engagement becomes diluted across a very large and complex catchment, while still delivering efficiencies compared to retaining six separate CAP areas. It better aligns with existing community identities and networks, supports clearer representation at the Integrated Catchment Group level, and reduces duplication for stakeholders who may otherwise need to engage across multiple smaller processes. Importantly, it maintains programme momentum and achieves regional coverage by December 2027, while preserving the quality, credibility and long-term ability to implement the CAPs.
- [26] It is proposed that the Integrated Catchment Management Governance Group is delegated authority by Council to confirm the exact boundary line between the two Clutha/Mata-au areas. It is recommended that this boundary line is decided in consultation with the community and mana whenua and therefore further work would be required by staff to inform where this boundary is located.
- [27] The timeline for Option B allows more time for the larger and more complex Upper and Lower Clutha/Mata-au areas (six weeks between workshops) and the standard workshop process (four weeks between workshops) for Dunedin and Coast and North Otago. This option would result in a 22-month acceleration of the programme. This timeline is shown in Image 5.

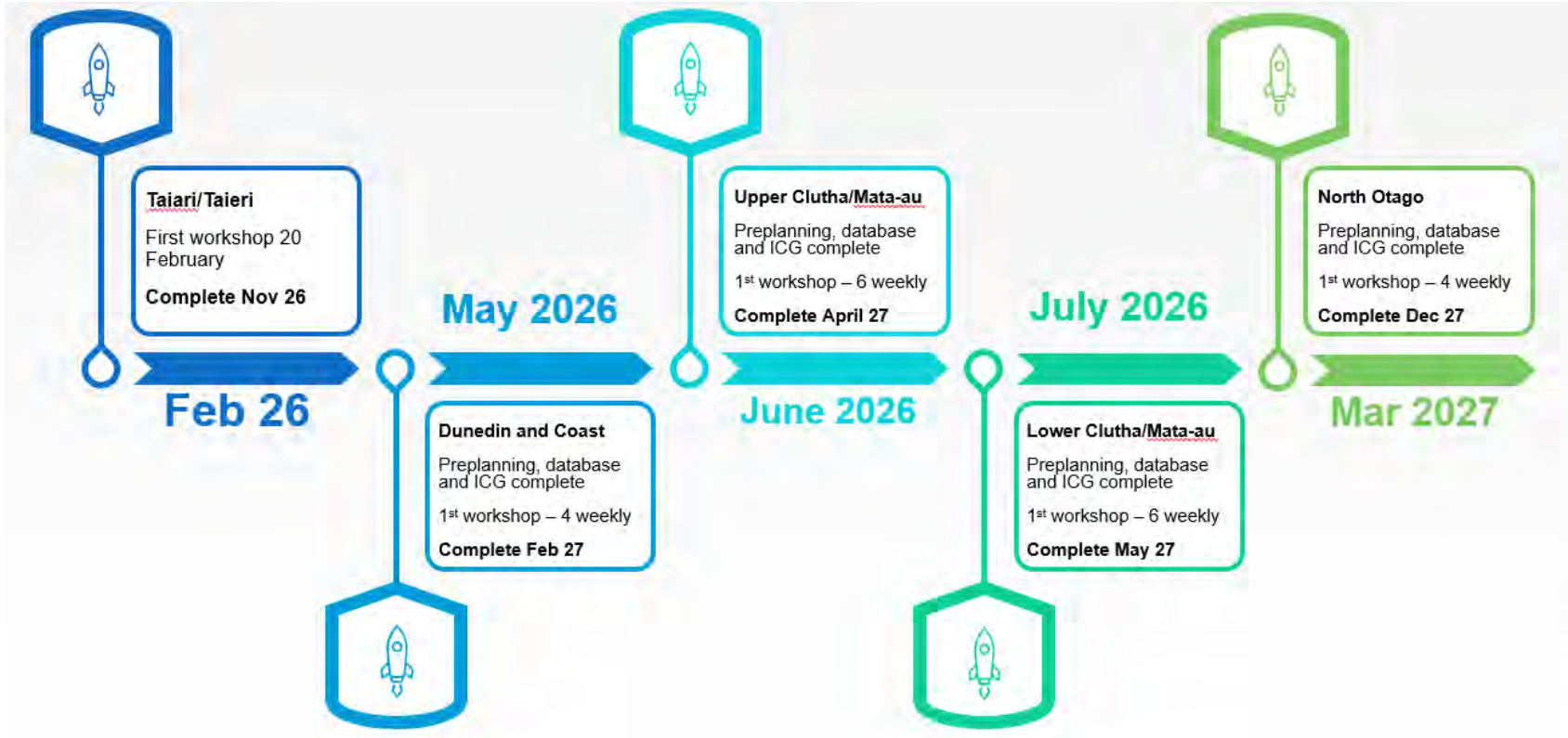


Image 5: Option B timeline

- [28] There are risks and opportunities associated with Option B. These are shown in the below tables:

Risk	Consequence
Spatially extensive catchments moderately increasing scope and complexity.	This increases the difficulty in bringing all the important baseline information to the Integrated Catchment Group (ICG) succinctly and risks lack of depth of understanding and time to cover all features throughout the process.
Diverse land use.	The ICG will need to understand a larger number of landuse challenges and opportunities within the standard workshop process. This challenge exists no matter the scale of the CAP.
Diverse communities.	Risk of dilution of local voices on sub-catchment specific issues. Developing shared understanding may require more time and pose challenges.
Splits the catchment into two areas.	Potential for a disconnect between activities in the upper catchment that have an effect on lower catchment and marine areas. Noting that this was previously going to be split into smaller areas anyway under the status quo option.
Shared interests among multiple rūnaka across the rohe.	Mana whenua may face challenges engaging due to the potential need for a larger number of representatives.
Stress on timeframes.	The quality of the work is compromised, engagement is lost or compromised, the quality and ownership of the CAP declines.
Less flexibility to adjust for community needs.	ICG members are not able to attend, the CAP is delayed from estimated timeframes to enable attendance. Loss of engagement.
Compressed ICG set up time for large areas.	Low engagement narrowed stakeholder representation resulting in a CAP that is not representative of its communities.
Adds to the engagement burden for mana whenua and other organisations or community groups who may have an interest across the wider catchment.	Interested parties may disengage or burn out due to needing to attend two workshop processes.
Larger area and therefore less time in each rohe.	Good engagement is built by spending time together working through discussions, building trust, and allowing time for review and feedback. This could compromise the quality of engagement and could therefore compromise community ownership, depth of understanding of problems and the solutions. This could also have a flow on impact around the delivery of the actions.
Opportunity	Implications
Accelerated delivery of the ICM programme.	All CAPs completed for the whole of Otago by December 2027 with equal opportunity for all groups.

Allows more space for local voice and local issues to be acknowledged than Option A.	Higher engagement and a CAP that is more likely to reflect the aspirations of the local community.
Reduced engagement burden and repetitions compared with separate CAPs for each rohe.	There would be just two processes for those who might have interest across rohe boundaries with some opportunities to reduce duplication.

OPTION C: retaining six areas (see image 6), all CAPs complete December 2028

[29] Option C is to retain the six remaining FMU/rohe areas and include the Coastal Marine Area as follows:

- a. **Catchment Action Plan Area 1** Dunstan (pink).
- b. **Catchment Action Plan Area 2** Manuherekia (brown).
- c. **Catchment Action Plan Area 3** Roxburgh (purple).
- d. **Catchment Action Plan Area 4** Lower Clutha and the southern part of Dunedin (hashed) and Coast FMU (dark red).
- e. **Catchment Action Plan Area 5** Dunedin and Coast (yellow).
- f. **Catchment Plan Area 6** North Otago (light red).

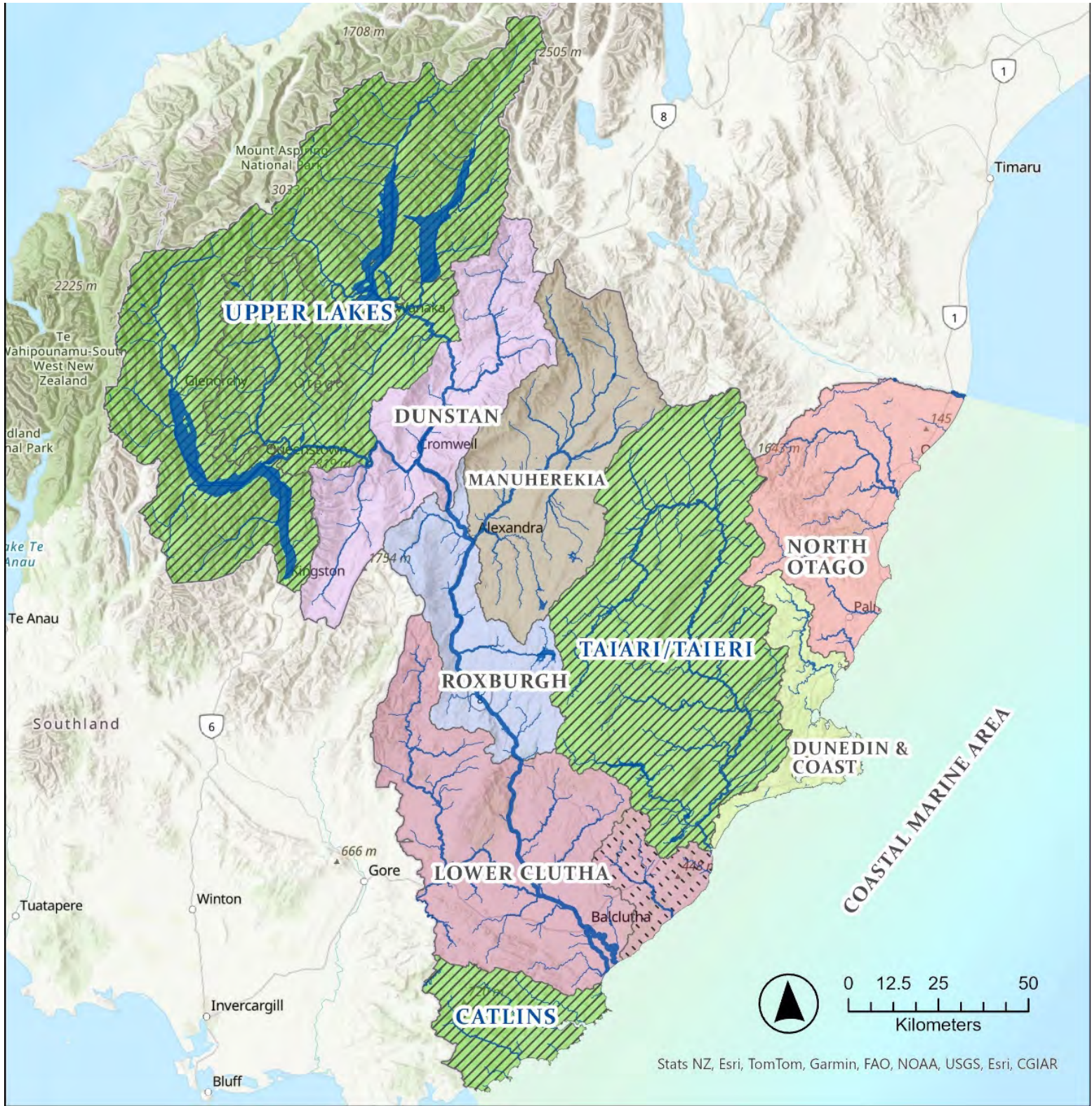


Image 6: Option C, six remaining CAP areas. Catlins and Upper Lakes (endorsed), Taiari/Taieri (underway), Dunstan (pink), Manuherekia (brown), Roxburgh (purple), Lower Clutha/Mata-au (dark red), Dunedin and Coast (pale green), North Otago (light red)

[30] Acceleration for the programme under this option is provided by reducing the time between workshops. The timeline for Option C is based on four weeks between workshops for all CAP areas. This option results in a ten-month acceleration of the programme. This timeline is shown in Image 7.

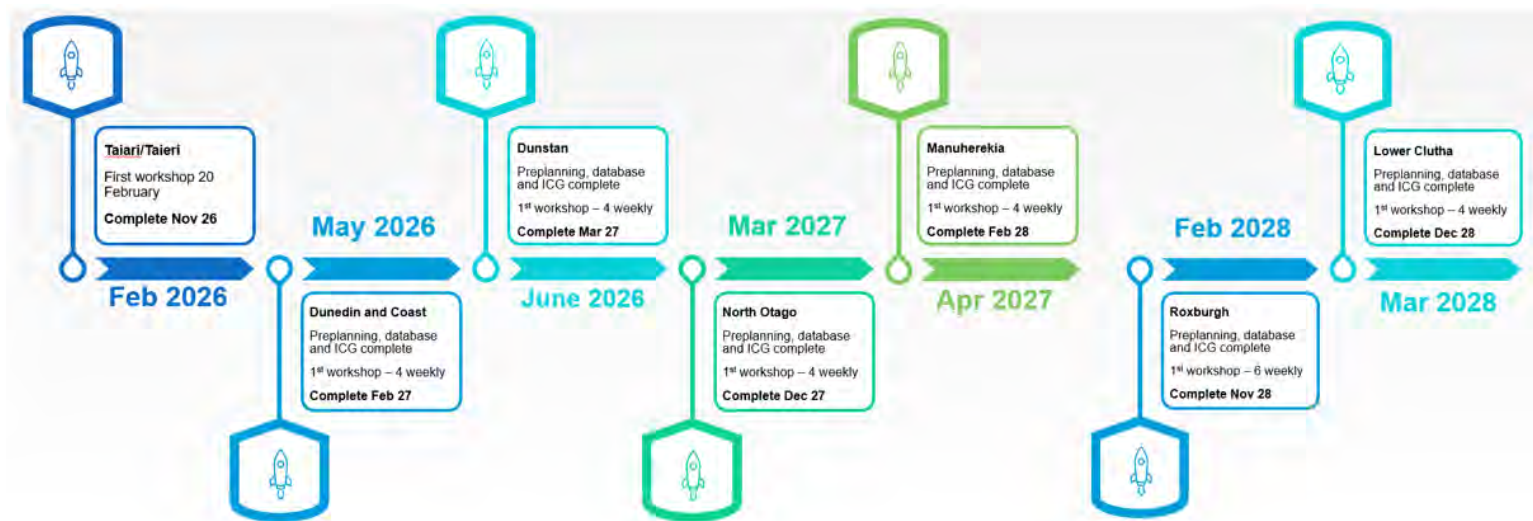


Image 7: Option C timeline

[31] There are risks and opportunities associated with Option C. These are shown in the below tables:

Risk	Consequence
Splits the Clutha/Mata-au catchment into four areas.	Potential for a disconnect between activities in the upper catchment that have an effect on lower catchment and marine areas.
Shared interests among multiple rūnaka across the rohe.	Mana whenua may face challenges engaging due to the potential need for a larger number of representatives. However, engagement is spread over a longer time in this process
Less opportunity to share understanding of impacts of actions in upper catchment on lower catchment and marine areas	CAPs may not include planning that considers impacts generated in the upper catchment that have an effect in the lower catchment and marine areas.
Adds to the engagement burden for organisations or community groups who may have an interest across the wider catchment.	Interested parties with interest across all four areas may disengage or burn out due to needing to attend multiple workshop processes.
Delays to development of a CAP may not meet community expectations.	Community may disengage and lose trust in the process.
Delays in the development of a CAP may disadvantage that area in terms of fundraising opportunities	Community may feel areas with a CAP have an unfair advantage in the shorter term to seek resourcing for catchment actions.
Opportunity	Implications
Allows more space for local voice and local issues to be acknowledged.	CAPs will represent local flavour and aspirations with more detail, landuse and community diversity can easily be heard.
Flexibility to adjust for community needs.	Good engagement is sustained as processes are adapted to meet community and mana whenua needs.

Fewer workshops or reduced time between workshops

- [32] Alternatives were considered to adapt the existing Catchment Action Planning development process to reduce the length of time to develop Catchment Action Plans. There are two main parts that can be considered; fewer workshops and/or less time between workshops than four weeks.
- [33] Feedback from a number of interested and affected parties is that the workshop process should have a strong focus on meaningful engagement. Options A–C for acceleration all retain sufficient time between workshops to enable members of the Integrated Catchment Groups to engage constructively with their wider communities and rūnaka, and to bring that feedback and local knowledge back into subsequent workshops. This approach is considered critical to maintaining transparency, building shared understanding, and ensuring that the outcomes are well-informed and reflect community and mana whenua perspectives.
- [34] Reducing the number of workshops was not considered because each workshop has a distinct purpose within the Conservation Standards process, progressively building understanding, discussing ecosystem values and threats, testing options and refining recommendations. Removing workshops would limit the opportunity for deliberation, reduce the ability of members to test emerging thinking with their communities and increase the risk that key issues or perspectives are not adequately explored before the final CAP is produced.
- [35] Further time efficiencies beyond those proposed in the options could theoretically be achieved by even further shortening the intervals between workshops. However, this would compromise the integrity of the process by limiting opportunities for reflection, engagement, and incorporation of feedback. In particular, it would constrain the ability of Integrated Catchment Group members to consult meaningfully with the wider community.

Governance and Approvals

- [36] Currently Governance for the programme is provided by full Council with a Working Group in place that has: four Councillors; ORC staff; Aukaha and Te Ao Marama Inc staff and an Otago Catchments Collective member. This group operates under a terms of reference, but has no decision making powers. As a result, it currently operates as an advisory group and does not provide Governance to the project. Anything that requires approval, such as confirming CAP group members and delivery timelines is reported to full Council.
- [37] Through the review of the ICM programme, an updated governance structure for the ICM programme has been proposed. Image 8 shows how this would function. Terminology currently used for the groups is as follows:
- a. ICMP Governance Board – current ICM Working Group
 - b. CAP Governance and delivery groups – CAP community led Governance Groups set up after the CAP is approved.
 - c. Leadership Group to share learnings between CAP Governance Groups; skills, ideas, opportunities and challenges.

Proposed ICMP governance model

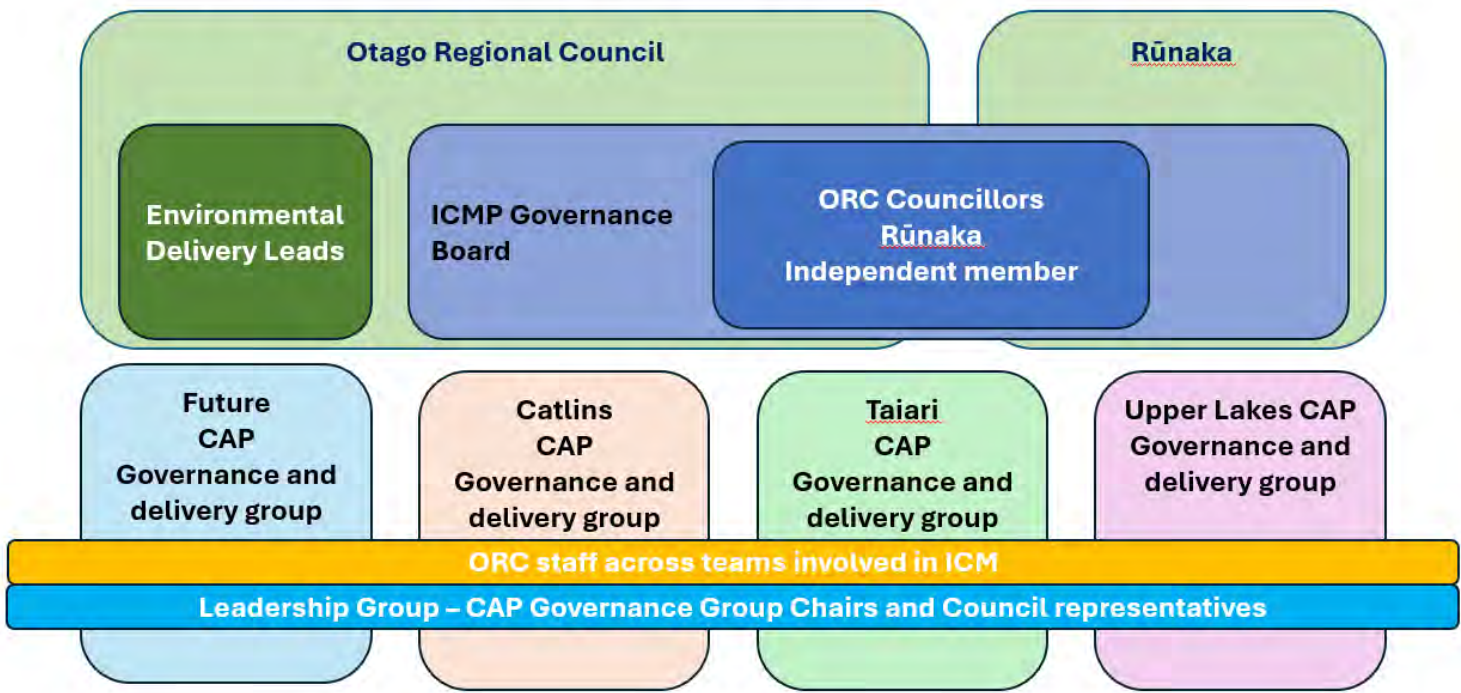


Image 8: Proposed governance structure for the ICM Programme

- [38] It is recommended that Council approve the Governance structure shown in Image 8 retaining the spaces for an independent member and Rūnaka which would be confirmed through invitations. The changes proposed in adopting this model are:
- a. renaming the group;
 - b. Updating the Terms of Reference (see Attachment Three (clean copy) and Attachment Four (tracked change copy) so that group operates as a Governance Board for the ICM programme;
 - c. staff are advisors to the Governance Board and are no longer full members of the group which has been the case previously; and
 - d. that the Group is delegated the authority to approve who is on the groups (Integrated Catchment Group) that develop the CAPS.
- [39] At the November Council meeting Councillor Noone was appointed as Chair of the existing Integrated Catchment Management Working Group. Councillor Malcolm was also appointed to the Group.
- [40] A further proposal is to add a Leadership Group to the structure with membership being the CAP Governance Group chairs and CAP Councillor representatives. The purpose of this group is to enable sharing of skills, ideas, challenges and opportunities across the region via an annual summit forum, for example. This idea was proposed by the current ICM Working Group.
- [41] It is recommended that the Governance Board be delegated the ability to decide who the community members are that are involved in the development of the CAPs. This is an expression of interest process, where people and organisations self- nominate. Under the current process the names go to the ICM Working Group for review and then to Council for approval. All three times the names for CAP group members have been put to Council for approval, these have been approved. The process to take the names to the Working Group and then to Council can add up to six weeks to the process, which

could be used working on the CAPs if delegated to the Governance Board. Under the updated Governance model Council would still endorse all CAPs.

- [42] Additionally the Governance Board will have the ability to finalise CAP boundaries prior to the commencement of each CAP. This will provide the ability for minor boundary changes to ensure CAP's reflect communities of interest.

Implementation Plan

- [43] An implementation plan summary is included as Attachment Two. This has been developed to give effect to the eight key recommendations of the Transcend report and support the accelerated delivery of the ICM programme. The plan is structured across a number of workstreams that focus on strengthening programme governance and decision making, improving internal coordination and communication, developing a whole-of-region baseline assessment refining the CAP design and implementation approach, and establishing a monitoring and reporting framework. It also includes work to maximise programme efficiency, confirm the overall programme approach, and identify long-term funding options. Together these workstreams are intended to provide a clear and coordinated pathway to implement the report's recommendations, strengthen integration across ORC work programmes, and support the accelerated development of Catchment Action Plans across the region.

OPTIONS

- [44] There are three options for the acceleration of the programme. The risks and opportunities of each option are discussed in the report. If other options are considered by Council there may be additional risks and opportunities that are not included in this paper.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [45] This work aligns with the Partnership, Communities, Environment, Resilience and Climate outcomes from the ORC 2024-2025 Strategic Directions and supports the functions of ORC to make progress towards the strategic directions.

Financial Considerations

- [46] The budget for this work was approved through the 2024-2025 Long Term Plan and current Annual Plan 2025-2026. Budget is provided for this work in the 2026-2027 Annual Plan.
- [47] If further acceleration is requested by Council over and above the options presented by staff and assessment would be required on financial and staff resourcing implications.

Significance and Engagement

- [48] The decisions sought in this report are not considered significant when assessed against He Mahi Rau Rika, ORC's Significant and Engagement Policy.

Legislative and Risk Considerations

- [49] Nil.

Climate Change Considerations

- [50] Nil.

Communications Considerations

- [51] Nil at this stage, further communications would be required if the programme is endorsed by Council to accelerate.

NEXT STEPS

- [52] If Council approves the recommended option, or an alternative option, the ICM programme will commence roll out of the plan including the actions contained in the implementation plan.

ATTACHMENTS

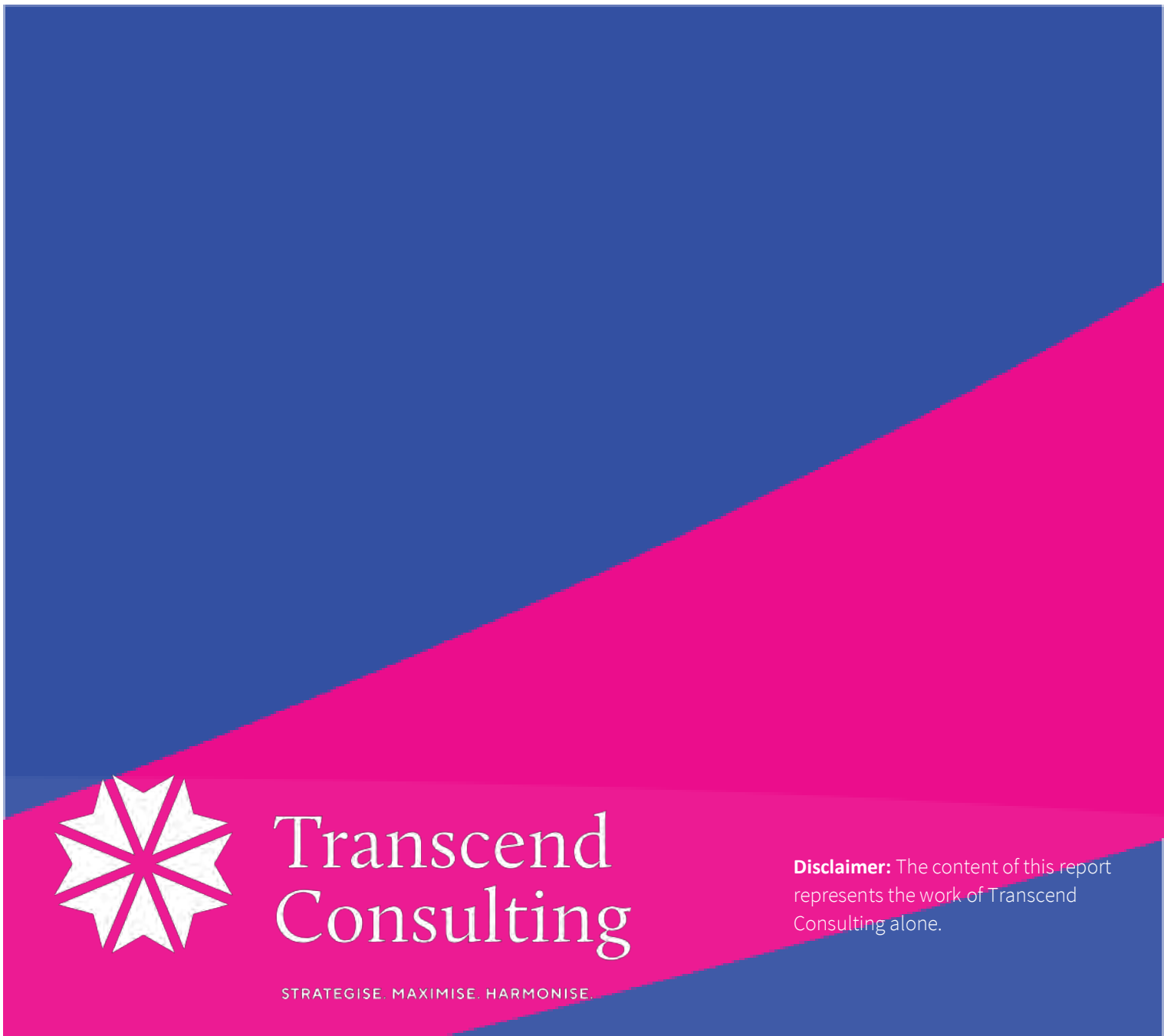
1. Transcend Report September 2025 [**10.3.1** - 34 pages]
2. ICM Programme Implementation Plan Summary [**10.3.2** - 5 pages]
3. ICM Governance Group Updated Terms of Reference - Clean Copy [**10.3.3** - 4 pages]
4. ICM Governance Group Updated Terms of Reference - Tracked Changes [**10.3.4** - 5 pages]

REPORT

Review of Integrated Catchment
Management Programme in Otago

An “in-process” review of effectiveness and efficiency

September 2025



Prepared by:	AJ Millward
Prepared for:	Otago Regional Council
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Executive Summary

The Otago Regional Council (ORC) Integrated Catchment Management Programme (ICMP) is establishing important foundations to improve environmental outcomes through a collaborative and holistic approach to catchment management in Otago. Two Catchment Action Plans (CAPs) have been developed to date, in the Catlins and Upper Lakes, with a third in pre-planning for the Taiari.

Transcend was commissioned by ORC to undertake an independent review of the current ICMP. The purpose of the review was to provide an in-process assessment of the effectiveness and efficiency of the ICMP in Otago, and to offer recommendations to inform future CAP-related work. Transcend undertook the review through a desktop analysis of documents provided; interviews with key councillors, ORC staff, mana whenua, and community representatives; and a targeted survey of participants. Best practice was drawn on to inform the recommendations.

The programme's early direction is encouraging and there are numerous areas of strength to build on. These include the use of the Conservation Standards to underpin the work. This approach is supporting consistency of process across catchments while allowing adaptation to occur for the local context. Communities have responded positively to the CAP process, which participants described as authentic and empowering. In the Catlins, this engagement has translated into strong ownership, continuity of participation between development and delivery phases, and early momentum on priority actions. Community voices are shaping CAPs in ways that reflect both local aspirations and wider catchment priorities. This collaborative ethos is regarded as a decisive strength of the programme that should be celebrated and built on.

The review has identified some areas that would improve the effectiveness and efficiency of each stage in the CAP process, along with some suggested improvements to governance arrangements and integration across ORC. Transcend has also identified eight key recommendations that, if adopted, would substantially enhance the overall effectiveness of the ICMP. Transcend recommends:

1. Clarifying and strengthening governance and decision-making, including a programme-level governance board with mana whenua membership.
2. Ensuring there is long term funding secured and available to all catchments.
3. Maximising future efficiency in developing future CAPs by streamlining CAP processes, scaling geographic scope, and introducing "quick win" actions.
4. Adopting a coordinated programme management approach to ensure scalability and efficiency.
5. Strengthening internal communication and coordination, including alignment within ORC and with partners.
6. Conducting a region-wide baseline assessment to establish a shared evidence base for future CAPs.
7. Ensuring CAP processes and outputs are accessible, streamlined, and outcomes-focused, and
8. Integrating CAP monitoring with ORC's future regional monitoring framework, ensuring CAP monitoring plans collect data that informs a regional monitoring framework.

Transcend commends ORC for reviewing the ICMP now, so the ICMP and CAPs can address current challenges and include new ideas for improvement. Acting on the recommendations at this stage will help ensure current and future ICMP and CAPs are effective, able to grow, and can support Otago's environment and communities so they are healthy and connected ki uta ki tai (from the mountains to the sea).

Background

Relevance of Integrated Catchment Management Planning

The Resource Management Act 1991 (RMA) requires councils to ensure the sustainable management of natural and physical resources (Section 5) and to regulate the use of land and water (Sections 30 and 31). To meet these responsibilities, some councils have adopted ICMP approaches, which provide a comprehensive, collaborative, and adaptive framework for managing natural resources.

ICMP is particularly well suited to addressing complex environmental challenges at the catchment scale. It takes a holistic view of natural resource management, recognising the interconnectedness of land, water, biodiversity, and people. This approach aligns with the Te Ao Māori concept of ki uta ki tai – “from the mountains to the sea”.

International best practice in ICMP is characterised by integrated, participatory, and adaptive management at the catchment scale. Key features include strong governance arrangements, robust community engagement, and a focus on continuous improvement based on monitoring and evidence. International experience shows that ICMP can lead to improved environmental outcomes, more sustainable land and water management, and stronger, more collaborative community relationships.

In New Zealand, the RMA does not mandate catchment-based planning methods. Councils may choose to adopt ICM approaches through:

- Regional Policy Statements (RPS)
- Regional Plans (including freshwater plans under the National Policy Statement for Freshwater Management, NPS-FM), or
- Long Term Plans under the Local Government Act 2002.

Current state of ICMP in Otago

Otago Regional Council received public support for the ICM programme in the 2024–34 Long-Term Plan (LTP) and are delivering ICMP under this mechanism. The Level of Service set out in the LTP is to “develop and maintain an integrated catchment management programme that aligns with national direction and enables sustainable environmental management”.

The overall vision for ICMP is that:

- ICM is an accepted way of operating throughout Otago, and
- It is implemented through catchment action plans developed and delivered in collaboration with mana whenua, community and other stakeholders.

The Otago region has existing Freshwater Management Units and rohe identified for planning purposes. These were the starting point to define CAP boundaries. In August 2023, Council endorsed the first three CAPs to be developed in the region. These are in the Catlins, Upper Lakes and Taiari areas:

- The Catlins CAP has been developed, is available online, and is being implemented
- The Upper Lakes CAP is due for endorsement at the time of writing this report, and
- The Taiari CAP process has recently commenced.

CAPs are intended to be community-owned and supported by ORC. Each CAP outlines long-term goals, describes the current state of the catchment, identifies key pressures, and proposes a range of actions to be undertaken by various stakeholders. CAPs are designed to build on the work already being led by local

communities and are designed to provide a transparent mechanism for tracking progress. Individual CAP's sit within the ICMP and are intended to be managed as a cohesive programme of work.

Currently, developing each CAP takes approximately 12 months. There are other work programmes that interact with the ICMP, particularly the Large-Scale Environmental Projects Fund work programme, science, engineering and planning work.

ORC received funding from the Ministry for the Environment (MfE) to support delivery of the Essential Freshwater reforms. This funding enabled the employment of a Catchment Group Planner (until April 2026), who works directly with established groups to co-develop catchment plans, provide coordination, and support information sharing.

Processes set out in Conservation Standards are being used to create CAPs

The ORC trialled a structured environmental planning methodology known as the Conservation Standards in the Catlins pilot area and subsequently adopted it for the Upper Lakes CAP and the Taiari CAPs. The Conservation Standards methodology supports the consistent design, development, and implementation of CAPs. The standards outline a five-step management cycle for implementing conservation projects (see Figure 1 below).

The Conservation Standards approach promotes ongoing learning from conservation initiatives and is guided by the following overarching principles:

- Collaborate with partners
- Involve interested parties as fully and as early in the process as possible
- Implement conservation equitably
- Appropriately use and contribute to the evidence base
- Use adaptive management to address uncertainty
- Document decisions, and
- Foster a learning environment.

Figure 1. Conservation Standards five-step management cycle



Source: [Conservation Standards 2025](#).

ORC's process for developing CAPs

ORC has developed a four-stage process for developing CAPs, adapted from international Conservation Standards. The process has been expanded and refined for Upper Lakes and Taiari based on learnings from the pilot project in the Catlins (attached as Annex 2). Core steps include:

1. **Pre-planning.** This stage includes reviewing existing work in the catchment, collating relevant data, and creating an online platform to host CAP content. ORC seeks mana whenua and rūnaka representation.

and reaches out to landowners ORC also undertakes stakeholder analysis, plans initial community hui, and establishes an Integrated Catchment Group (ICG) to guide the development stage.

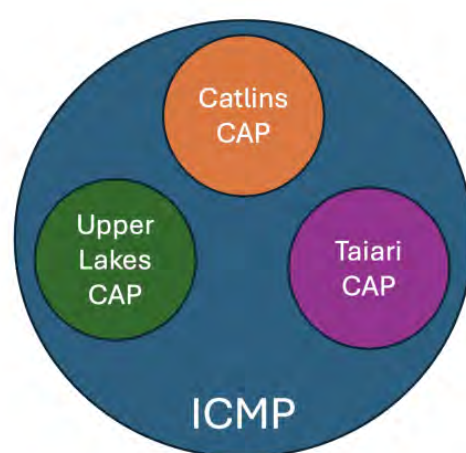
2. **Development.** This stage involves drafting and developing the CAP through workshops with the ICG. Key steps include scoping meetings, workshops, and ongoing rūnaka involvement. A draft CAP is prepared, followed by a mid-point public update. The CAP is then finalised in consultation with mana whenua and presented to Council for endorsement.
3. **Delivery.** Once endorsed, the CAP moves into implementation, with actions being delivered by different groups. ORC supports this through administrative assistance to the CAP governance group, development of the monitoring plan, preparation of an operational plan (which includes a short-term work plan) and providing evidence and advice. ORC may also deliver some CAP actions.
4. **Monitoring and reporting.** A monitoring plan is developed alongside the CAP and finalised early in the delivery stage. The monitoring plan supports tracking the progress of each CAP in delivering its actions and environmental outcomes. Dashboard reporting provides regular updates throughout the year. CAPs are reviewed annually to assess resourcing, capacity, capability and risk. Each CAP undergoes an 18-month health check to review CAP performance within the community, focus strategies, and provide additional information to the CAP. A five-year review evaluates outputs, any associated environmental changes and identifies new opportunities.

Individual CAP projects and the ICMP

Within the ICMP, each CAP is developed as a distinct piece of work with clear purpose, scope, and defined responsibilities. Each CAP delivers actions and initiatives at the local level that collectively contribute to the broader direction of the ICMP.

The programme encompasses all CAPs. When fully operational, it will provide an overarching framework to guide these plans, ensuring consistency in planning, decision-making, funding, and reporting. A programme-wide approach also enables coordinated management of risks and resources, while facilitating the sharing of lessons across catchments. Figure 2 illustrates the distinction between the ICMP and individual CAPs.

Figure 2 – The relationship between ICMP and individual CAPs



The ICMP and CAPs are not standalone activities. They are integral components of a joined-up programme that links local level priorities with the ORC region's strategic direction, broader work programme, and desired environmental outcomes.

Purpose and Scope of the Review

Transcend was commissioned by ORC to undertake an independent review of the current ICMP, including individual CAPs.

The purpose of the review is to provide an in-process assessment of the effectiveness and efficiency of the ICMP in Otago, and to offer recommendations that inform future CAP-related work.

The scope of the review includes:

- Examining the current programme to identify opportunities for improved efficiency and effectiveness
- Assessing existing governance structures and exploring future governance options, including opportunities for mana whenua involvement, and
- Reviewing how the programme could better integrate with other workstreams within council and with initiatives led by external groups

Approach

In conducting the review, Transcend:

- Reviewed and analysed documents provided by ORC staff
- Interviewed key stakeholders involved in the ICMP, including Councillors, ORC staff, community representatives and mana whenua
- Gathered feedback through a targeted survey of contributors involved in developing individual CAPs
- Analysed qualitative data from interviews and surveys to identify common themes, challenges, and opportunities for improvement
- Referred to national and international good practices to establish benchmarks, and
- Developed recommendations aligned with the review's purpose and scope

Limitations and Acknowledgements

Transcend's review was implemented as a discovery exercise, focusing on the processes of the current CPA's and the emerging ICMP.

The review acknowledges that, at the time of writing, only two CAPs have been delivered, with a third (Taiari) is in the pre-planning stage. While this has limited the scope of findings, it has also presented a timely opportunity to identify improvements for future CAPs and for the ICMP Programme as a whole.

The review does not evaluate the professional competence or conduct of any individuals or groups involved.

Transcend extends its gratitude to the individuals who participated in the review. Their insightful, candid, and detailed feedback, shared generously through interviews and surveys, reflects a strong commitment to strengthening the ICMP and individual CAP processes and outcomes.

Detailed insights and findings regarding CAP stages

Pre-planning stage

The pre-planning stage marks the beginning of the CAP development process. It involves reviewing existing work within the catchment, collating relevant data, and establishing an online platform to host CAP content. Key activities during this stage include engaging with landowners, conducting initial meetings and initiating outreach to mana whenua and rūnaka for representation. ORC also undertakes stakeholder analysis, plans the first community hui, and forms an Integrated Catchment Group (ICG) to guide the development stage.

This stage is widely recognised as a critical foundation for the success of the CAP process. Feedback from interviews highlighted that pre-planning is both intensive and formative, requiring careful coordination, trust-building, and a clear sense of purpose.

What is working well

A key strength of the programme team lies in its ability to adapt approaches to suit the unique characteristics of each community. The decision to use an expression of interest process following a public meeting in Catlins, and a self-nomination approach in Upper Lakes, was widely applauded as tailored, appropriate, and responsive.

Interview feedback emphasised the importance of taking time to understand the existing context within each community. There was a strong call to respect prior work and established relationships, recognising that meaningful progress depends on building upon what already exists, rather than assuming nothing has been achieved. Ensuring the right people are engaged and present at the table was seen as essential.

Participants also highlighted the value of conducting stocktakes of existing initiatives, plans, and projects. These stocktakes have proven to be useful resources for both internal teams and community members, helping to build shared awareness of current activity, minimise duplication, and inform planning discussions. In some cases, the development of supporting tools, (such as databases and mapping platforms) has improved administrative efficiency and facilitated knowledge sharing across teams. This capability is a clear strength and presents an opportunity for further development.

Early engagement with Information Technology (IT), Geographic Information Systems (GIS), and Communications teams played a pivotal role in the planning process. Their involvement helped to identify and address the software and communication requirements of the ICM Programme. This included the implementation of tools such as ESRI Hub for online engagement and mapping, Miradi for project management, and the ORC website.

The role of individual staff in building trust was also highlighted, with particular value placed on involving known and trusted facilitators during early engagement and development. Consistency in staffing, especially with existing relationships in place proved influential in generating early buy-in and fostering trust among community members. This was especially important in areas where scepticism existed due to concerns about new planning processes potentially duplicating previous work.

Current challenges

Some interviewees noted that central government agencies within the natural resource sector, such as the Department of Conservation and Land Information New Zealand, were not sufficiently engaged in the CAP process and noted they hold a large volume of information and data they could contribute.

Concerns were consistently raised about internal decision-making, and unclear expectations. In particular, timeframes for identifying mana whenua representatives were often misaligned with rūnaka protocols, resulting in delays and discomfort. In some cases, individuals were informally recruited without clear mandates or adequate support, leading to personal and cultural tensions. One interviewee described a situation in which a representative felt pressured to speak on behalf of all Māori, while being uncertain whether they were acting as a volunteer or consultant.

Some interviewees observed an excessive focus on technical planning at the expense of strategic engagement design. Tools and templates intended to support engagement and planning were not consistently applied early in the process, resulting in missed opportunities to incorporate lessons from previous initiatives.

Several participants noted limited use of existing environmental information during the pre-planning stage. In areas such as the Upper Lakes, where community members were actively engaged in other planning, questions were raised about the added value of CAPs and whether existing plans would be acknowledged or integrated. A lack of clarity sometimes led to confusion and diminished trust.

The unpaid time commitment expected from community participants was also a recurring concern. Interviewees highlighted the need for greater recognition of the time, effort and expertise contributed by community members throughout the CAP process.

Establishing CAPs has involved a heavy administrative burden, including drafting terms of reference, selecting representatives, and coordinating meetings. While efficiency has improved over time, the absence of a forward schedule or overarching regional strategy has hindered early engagement with other council teams and mana whenua.

Recommendations from interviewees included providing mana whenua with up to 18 months' lead time for planning and strategic discussions prior to formal engagement. Early involvement of science and technical teams was also advised to ensure baseline data is available, gaps are identified, and a robust Data Management structure is developed. However, due to competing priorities and limited resources, some CAPs began without this critical input.

Respondents also highlighted demographic engagement gaps, particularly among youth, migrant, Pacific, and Māori communities. Although the CAP process successfully engaged some individuals who typically avoid council consultations, broader and multigenerational outreach remains a key area for improvement.

Opportunities for innovation and improvement

Interviewees emphasised that longer lead-in times would enable earlier engagement with mana whenua, allowing better alignment with their priorities and capacity. Clearer communication about the CAP process (including its objectives and how it differs from previous or parallel initiatives), would help address concerns about duplication and value. Integrating the work of all relevant council teams and functions into the early pre-planning stage is also recommended, to enable access to data, knowledge, and to advise on approaches proactively rather than retrospectively.

The need for an overarching regional plan or CAP schedule was identified as vital for improved integration across internal teams and the community. Such a framework would support stronger governance, forward planning, reduce overlap, and provide external partners with clearer guidance on engagement timing and methods.

Some interviewees advocated for earlier, and more intentional involvement of mana whenua in designing the integrated planning system. This could reshape the framework to better reflect Māori perspectives and deliver meaningful value to rūnaka.

Several respondents also stressed the importance of clarity and follow-through. Given the significant time communities invest in CAP, respect, transparency, and consistency are critical, especially for mana whenua,

who contribute intergenerational perspectives and aspirations. While the current CAP framework does not yet incorporate a tikanga-led or mātauranga Māori foundation, interviewees expressed optimism about the potential for future co-design that more fully embodies Māori values worldviews.

Some interviewees noted there was an opportunity to better integrate the science team's work into the pre-planning stages so that this data and knowledge could be used as a foundation for subsequent CAP work.

CAP level recommendations for the pre-planning stage

1. **Continue adapting engagement approaches** to reflect each community's unique characteristics, ensuring the right stakeholders are involved. Broaden outreach to underrepresented groups (e.g. by utilising a wide range of ORC and community networks) and provide extended lead-in times and a forward schedule of CAPs for mana whenua to align their processes and resource planning.
2. **Strengthen collaboration across council teams** (including science, IT, GIS, communications and policy) during the early pre-planning stage to inform strategies with robust data and minimise duplication of effort. This requires some dedicated resources being assigned from other teams. It may involve some of the work being undertaken by teams across council and/or forming a project team including staff from these teams.
3. **Develop an overarching ICM programme plan and schedule** to clarify roles, responsibilities, timelines, and to ensure consistency in programme management and reporting. Enhance transparency and communication around CAP objectives and progress to build trust and honour community contributions.

Development stage

The Development stage represents the second stage in creating a CAP. Key steps include conducting scoping meetings, planning and facilitating workshops, engaging with mana whenua and rūnaka partners, drafting the CAP, issuing a mid-way public notice, and finalising the CAP in consultation with mana whenua and rūnaka. The completed CAP is then submitted to Council for endorsement.

What is working well

Interviewees consistently valued the in-person workshops. The structured yet adaptable Conservation Standards framework was praised for offering a clear, replicable process that encouraged deep engagement with local issues. Workshops fostered trust, perspective-sharing, and meaningful collaboration. Participants felt the inclusive approach built shared understanding and strengthened community relationships, outcomes considered just as important as the written plan, given that evidence from social and conservation science consistently shows community buy-in is imperative to project success. While the plans are written to enhance environmental outcomes, the success of those projects ultimately depends on people.

The workshops were seen as authentic and empowering. Community members reported feeling genuinely heard, with ORC staff transparently documenting input and integrating it into the CAP, therefore building trust and credibility. For many, this stage provided a rare opportunity to engage locally and influence environmental decisions. Workshop attendance was strong across communities.

ORC ICM programme staff were commended by interviewees for their considered and engaging approach to facilitating workshops. Staff were praised for acting as facilitators and collaborators rather than top-down planners. Interviewees also appreciated the input and expertise of the ORC science team, viewing them as an excellent source of professional support for the programme.

The Conservation Standards framework received broad support as a useful structure that avoids the need to start from scratch, while allowing flexibility to reflect local context. Its emphasis on systems thinking and consensus-building was seen as well aligned with Council values.

As the programme matures, development processes are becoming more efficient through reuse of tools, improved facilitation, and stronger organisational learning. Interviewees noted that building on these technical efficiencies presents a key opportunity for future gains. However, there was strong agreement that while timeframes may be shortened, the collaborative, relationship-based nature of the work must be preserved.

Current challenges

Some interviewees felt that there were too many workshops, and that sessions were too long. Others noted that workshops were overly reliant on pen-and-paper methods suggesting that in some communities, there is an opportunity to be enhance effectiveness and efficiency through the greater use of digital technology (e.g. Miro boards, Microsoft Teams channel). Interviewees emphasised that workshops involve multiple activities, including agenda planning, venue logistics, facilitation, intersessional engagement, and synthesising outputs. ORC planners play a central role, designing sessions, managing participants, capturing content, incorporating feedback, and drafting and publishing the CAP. They often also handle event coordination, catering, and communications. Several interviewees noted that this demands significant staff resources, typically involving four or more Council staff per workshop, alongside contributions from science, communications, iwi engagement, administrative and other council teams.

While there was broad support for the process, some challenges remain. Interviewees noted challenges in identifying appropriate mana whenua representatives, whilst the programme has been in place for some time there are continued time constraints with key agencies that also support mana whenua involvement, and noted the limited formal governance roles for rūnaka within CAPs. Some staff outlined the current governance structure was implemented with the support of mana whenua. Positions were held for mana whenua representatives, and TAMI and Aukaha were asked to provide nominations.

Science integration emerged as a key concern. Many interviewees felt the process was insufficiently science-informed, with technical teams engaged late in the process to “fact check” rather than shape CAPs from the outset. This was largely due to competing organisational priorities at the time. Staff noted that community-generated pressure and value lists often contained gaps or misunderstandings that could have been addressed through earlier science input.

Internal coordination posed additional challenges. Several staff described the interface between the ICM and science teams as cumbersome and indirect. Rather than co-designing CAPs collaboratively, handover processes slowed progress and weakened integration. More broadly, unclear role definitions during CAP development - covering facilitation, engagement planning, content review, and governance advice - often left planners carrying an unsustainable workload.

Engagement planning was identified as a gap. Although workshops found a rhythm by the third session, some interviewees indicated that early facilitation was somewhat improvisational and less structured. This may reflect that relationship building was a key part of the initial workshops. There was limited upfront planning for managing group dynamics, resolving conflicts, or maintaining energy among diverse participants. While relationship-building was recognised as critical, it was also time-intensive, especially for newly formed groups. Some interviewees suggested early-stage engagement planning and facilitation training to help teams focus quickly and foster more inclusive participation from the start.

Concerns about equity and representation were also raised. While the process successfully engaged passionate community members, gaps remain. For example, the Upper Lakes Integrated Catchment Group lacked

development and industry representation. Program-wide, participation from Pacific communities, migrant groups, and young people was limited. Several respondents noted equity issues: community contributors often volunteer substantial unpaid time, with no travel or income reimbursement. This risks excluding those unable to participate, undermining trust and long-term engagement.

Finally, the link between CAPs and environmental funding raised concerns about potential inequities. Stakeholders observed that regions with CAPs appear to access funding, while others do not, creating perceived geographic imbalances that may not reflect relative needs. At the time of writing this report, the intention is that CAPs will be supported through the Large-Scale Environmental Projects Fund, but that funding is not limited to CAP delivery. The aim is for other environmental projects to be eligible for funding even in the absence of a CAP. One suggestion was to explore interim funding for non-CAP areas or to invest partially outside the CAP framework to avoid reinforcing these inequities.

Opportunities for innovation and improvement

Interviewees expressed support for streamlining the development stage, provided that quality and participation are maintained. Several suggested extending the six-month workshop period to nine months, as long as better-structured review processes and the incorporation of feedback loops from the start. The growing library of reusable tools was seen as a valuable asset for reducing development time. Suggestions included enhancing coordination across CAPs, minimising duplication, and applying lessons from past processes to boost efficiency. It was also recommended that ORC resourcing levels be reviewed to support these improvements.

There was strong support for earlier and more intentional integration of science and mana whenua input. Interviewees recommended establishing a shared baseline at the outset, combining technical data, mātauranga Māori, and community perspectives to create a well-informed foundation and identify any gaps.

Interviewees advocated for rūnaka engagement at the governance level from the outset, with clearly defined roles, adequate resourcing, and formal representation. One concrete proposal was the formation of a CAP-specific subcommittee of rūnaka representatives and ward councillors, designed to provide shared oversight and formalise partnership in the endorsement and implementation of CAPs.

Several interviewees recommended building on the hybrid delivery model, including both in-person workshops with online engagement. This approach was seen as a way to reduce the time burden on participants and enable more flexible, inclusive participation. There was a clear preference for digital tools that support real-time contribution between workshops, such as Miro boards to enhance collaboration and maintain momentum.

Others called for stronger upfront engagement planning, including clearer scheduling, conflict resolution processes, and well-defined expectations for both respondents and staff. Facilitation was identified as a critical skill requiring further development, particularly to foster early group cohesion and inclusive dialogue.

Finally, respondents recommended reviewing the length and format of final CAP documents. Current plans were viewed as overly lengthy and resource-intensive to produce. Suggestions included creating shorter, more accessible plans, supported by digital content to improve usability without compromising rigour. Clearer internal roles and responsibilities around writing, editing, and sign-off to reduce bottlenecks and accelerate delivery.

Additional observations from the reviewers

Funding for CAPs remains a critical issue. There is a clear need to clarify how actions outlined in the CAPs will be funded. Without this clarity, there is a risk that planned actions may not be delivered, undermining CAPs ability to achieve their intended outcomes. Further commentary is included in subsequent sections.

Outside of workshops, staff engage with respondents one-on-one, support them in preparing or responding to materials, and facilitate contributions from those unable to attend in person. As the CAP programme has progressed, ORC has developed a growing library of reusable tools, including slide decks, templates, and guidance materials. These resources have helped reduce duplication and improve consistency across CAPs and should be further developed and applied in future CAP work.

Feedback from the Catlins CAP process highlighted that some communities are less confident or comfortable with digital platforms. At the outset, participants were surveyed about their IT preferences, with nearly half indicating limited confidence in their technology skills. This suggests the need to balance digital engagement with community comfort levels, ensuring accessibility and inclusiveness. While some interviewees expressed interest in expanding the use of technology, doing so will require additional hardware and support, which carries budget implications.

Some interviewees noted the need to clarify ownership and accountability for each CAP. While ORC has stated that CAPs are community owned, some community members continue to view them as “ORC plans”. ORC is actively working to address this perception in the Catlins at the time of writing this report.

The development stage of the CAP process represents the core of the Council’s collaborative approach to catchment planning. It enables meaningful engagement, fosters trust, and generates robust, locally grounded plans. This stage brings diverse voices together to co-create shared strategies that are both practical and enduring. However, it is also labour-intensive and complex, requiring significant coordination and resource.

CAP level recommendations for the Development stage

1. **Leverage the strengths of in-person workshops** and the Conservation Standards framework to support authentic and empowering engagement: This includes streamlining workshop frequency and duration (a High-Level Plan for accelerating CAP implementation is included in Annex 3) and integrating digital tools where appropriate. Strengthen facilitation skills with emphasis on early-stage engagement planning to foster inclusive participation and effectively manage group dynamics. Consider outsourcing facilitation.
2. **Provide dedicated resources from the science and technical teams from the outset to support co-design.** This includes promoting early collaboration between ICM, science, and other council teams. This will reduce handovers and clarify roles, along with distributing workload more sustainably across staff. This may involve some of the work being undertaken by teams across council and/or forming a project team including staff from these teams.
3. **Broaden outreach to underrepresented groups and adopt hybrid delivery models.** This includes providing financial support for participants’ time and travel costs to reduce barriers, clarifying CAP funding arrangements, and exploring options to prevent geographic inequities in resource allocation, building trust and ensuring successful plan delivery.
4. **Support rūnaka engagement at the governance level from the outset.** This includes providing clearly defined roles, adequate resourcing, and formal representation.

Delivery stage

The Delivery stage represents the third stage in developing a CAP. Key steps include establishing and supporting a CAP governance group, developing a monitoring plan and an operational plan, managing contracts for ORC-funded projects, and incorporating evidence and advice from across Council teams.

Currently, the Catlins CAP is the only plan in the delivery stage. As this stage is still emerging, it is not yet settled into a consistent or clearly defined model due to its early implementation.

In Upper Lakes, a delivery model has yet to be finalised, and there is limited clarity around leadership responsibilities or how priorities will be resourced at this stage.

What is working well

Where delivery is underway, it is being shaped organically in response to local context and interest. The Catlins CAP is the most developed example. A governance group—comprising the same individuals involved in CAP development—was formed to oversee implementation. Notably, of the 15 respondents involved in the CAP's development, 10 have stayed on for delivery, indicating a high level of community ownership and continuity.

The governance group recommends how council-allocated funding should be spent and selects projects for support. ORC has supported this approach by providing a modest funding pool and administrative support to the project. It remains uncertain whether a similar approach will be available for other CAPs until more is known about the Large-Scale Environmental Projects Fund.

Interviewees noted that where community relationships are strong, delivery is gaining momentum. The Catlins example shows that genuine engagement enables a smooth transition from planning to implementation. Continuity between the development and delivery stages supports ownership and builds on established relationships, shared language, and aligned priorities. These are key strengths of the CAP model that should be preserved.

Some delivery activity is being supported through informal partner meetings, celebratory launch events, and internal governance groups. An internal ICM internal reference group has recently been formed at ORC, with a new terms of reference to support programme-wide coordination. These are early but positive steps.

The collaborative CAP process has also fostered new thinking. Several interviewees described how workshops encouraged systems thinking, enabled deliberate conversations around trade-offs, and facilitated broader collaboration. This mindset shift is beginning to drive project activity on the ground.

For the Catlins CAP, a contract manager from ORC's Environmental Delivery team has been appointed to oversee the implementation of projects supported through the \$100,000 discretionary allocation provided by Council. To date, this funding appears to have been a one-off arrangement and is not expected to be replicated for other CAPs. At this stage, it also remains unclear what role the Large-Scale Environmental Projects Fund will play in supporting CAP delivery, as decisions are pending.

Current challenges

Interviewees noted that the pre-planning and development stages do not meaningfully consider what will be needed to successfully deliver on the actions in the CAP. Delivery was absent from workshop design and timelines. Consequently, some CAPs have moved into delivery without clear processes, defined roles, or internal alignment. Several interviewees reflected that delivery should have been planned with all CAP participants from the start, alongside engagement and development, with clear pathways identified for implementation, funding, and accountability. It was noted planning delivery from the outset can be challenging when it is unknown what actions will be included in the CAP.

The most consistent issue for delivery is a lack of committed long-term funding. It is not known what will be funded, by whom, or when. Interviewees also highlighted missed opportunities to link CAPs more directly with ORC's existing funding and work programmes, especially through the LTP and Annual Plans.

In the Catlins, project delivery specialists were brought in after the CAP was finalised, by which point it was unclear what could be funded, or which actions were delivery-ready. ORC staff noted that for subsequent CAPs, project delivery specialists will be brought in earlier where appropriate.

There is also a lack of structure in delivery. No shared templates, project planning tools, or agreed frameworks exist across the programme for this stage. Key questions, such as leadership of implementation, decision-making, and delivery monitoring need to be addressed. Some interviewees suggest a delivery toolkit or handbook outlining models, funding pathways, reporting templates, and governance guidance would be a good way to solve this for future CAP's.

Scientific and technical input during delivery was identified as a gap. While work in this area is underway, currently, no mechanism prioritises actions based on ecological or cost-benefit analysis. As one respondent put it, "We have the plan but don't know what will be funded or which projects will yield the greatest environmental impact." Without valuing actions monetarily or ecologically, delivery risks lacking strategic alignment with investment priorities.

Internal resourcing at ORC was raised as a concern. Despite high staff commitment, respondents doubted that two Council staff could realistically support a 12-month delivery cycle for each CAP. Clearer workstream design and defined roles are needed as the number of active CAPs grows. Suggestions were made on taking a team approach to move through upcoming CAP's (an "all hands-on deck" model) rather than assigning resources to each project individually, noting this would require ORC to first scope what remains to be delivered.

Community capacity varies. While some governance groups can develop and deliver projects, others need more support, especially in proposal development, funding identification, and navigating Council processes. Without targeted assistance, communities may struggle to activate CAP actions despite good intentions.

Equity concerns were also raised. There is a perception that areas with operational CAPs may have better funding access, while those without may risk missing out. Interviewees warned that delivery resourcing might reinforce geographic inequities and suggested interim funding pathways or partial investments in non-CAP areas to promote regional balance.

Finally, interviewees urged Council to consider not just what is delivered, but how it is delivered and with whom. There was concern that a focus on "getting the job done" could undermine deeper partnerships. Delivery offers an opportunity to build community skills, transfer leadership, and support mana whenua in leading implementation—requiring deliberate effort and dedicated resourcing beyond goodwill alone.

Opportunities for innovation and improvement

Interviewees consistently emphasised the need for a more deliberate, structured approach to delivery. This should involve embedding delivery planning within the CAP process from the start, with clearly defined implementation pathways, funding models, roles, and governance frameworks. A delivery toolkit—including project templates, reporting forms, governance options, and guidance on partnership models—was strongly endorsed.

There is an opportunity to implement quick win/no-regrets actions (eg pest control) as soon as the CAP process begins.

Internal alignment is vital. ORC's implementation of CAPs must be fully integrated into planning, budgeting, and organisational prioritisation so CAP delivery is treated as a core function, embedded within work programmes and annual budgets rather than being managed separately.

There is also scope to better integrate science and data into delivery. Interviewees proposed developing tools to evaluate the environmental, social, and economic values of CAP actions, to support prioritisation and inform decision-making.

Targeted community support is needed, with governance groups benefiting from hands-on assistance in project planning, fundraising, and delivery coordination. Delivery support should also include resourcing for capability-building, especially for mana whenua partners and communities with limited project experience.

Finally, consistent monitoring and evaluation systems across CAPs are essential. This includes tracking progress, assessing outcomes, and capturing lessons learned. Sharing case studies and celebrating delivery successes was seen as key to maintaining momentum and spreading best practice region-wide.

Additional observations from the reviewers

Funding is the most critical issue going forward. Governance should be used strategically to explore and secure funding pathways, funnelling it into the most critical CAP activities across all CAPs horizontally rather than vertically.

The delivery stage of the CAP process is still forming, but early experience shows significant potential. Where community ownership is strong, governance is clear, and support is available, CAPs are beginning to catalyse tangible environmental outcomes. However, the delivery stage of the programme must address critical gaps in working with mana whenua and should seek clarity on funding as early as possible. Governance and ORC internal integration will also be integral to these stages in future.

Embedding delivery planning from the outset, resourcing staff and community partners appropriately, and designing delivery systems that reflect partnership with mana whenua will be key to turning CAPs from collaborative plans into enduring action.

CAP level recommendations for the Delivery stage

1. **Integrate clear delivery frameworks from the start of each CAP process.** This includes embedding delivery planning within the CAP delivery stage. Define implementation pathways, funding mechanisms, governance structures, and monitoring systems. Ensure clarity, coordination, and decision-making authority throughout the delivery stage.
2. **Provide targeted support to build community capacity.** Assist governance groups with project planning, funding access, and capability-building. Empower mana whenua membership through dedicated resourcing and capability-building. Tailor support to communities with less experience in project delivery.
3. **Improve internal coordination across Council teams.** Assign a dedicated project manager to carry out detailed delivery planning for each CAP. Establish dedicated delivery teams with clear workstreams. Use shared tools and templates to streamline processes. Align CAP delivery with broader Council strategies and budgets for greater efficiency and impact.

Monitoring and reporting stage

Monitoring and reporting is the final stage of the CAP process. A monitoring plan, developed alongside the CAP and finalised early in the delivery stage, supports tracking of the CAP. Dashboard reporting provides regular updates, and each CAP is reviewed annually, undergoes an 18-month health check, and a five-year review to evaluate outputs and identify opportunities.

ORC intends to develop a whole-of-region monitoring framework. CAPs will be one of the key programmes measured within this monitoring framework. Information collected as part of individual CAP monitoring will need to be integrated and aggregated into the monitoring framework to inform one picture of Otago.

The Catlins' CAP has a draft monitoring plan. A consistent approach to monitoring and reporting has not yet been embedded across the ICMP programme. This will need to be done in a way that can be integrated and aggregated with the ORC whole-of-region monitoring framework.

What is working well

Interviewees supported the development of a centralised monitoring and reporting system using ArcGIS, which is currently underway. The platform is being designed to provide a region-wide view of CAP implementation

progress. It will enable spatial mapping of actions, integration of monitoring data, and reporting against shared indicators. Respondents saw potential for this system to support transparency, internal learning, and community engagement over time.

Interviewees supported the intent to use a consistent set of output and outcome indicators that can be used across CAPs. Proposed metrics include short-term delivery outputs (e.g. number of trees planted, kilometres of fencing completed) and long-term environmental outcomes (e.g. water clarity, bird populations, habitat restoration). Several stakeholders also valued the aspiration to use monitoring for storytelling, demonstrating the impact of CAPs and reinforcing community commitment.

Some interviewees noted that ORC's existing environmental monitoring systems, such as State of the Environment reporting, may provide useful baseline data for CAPs, particularly where they align with catchment boundaries. The ORC CAP team aims for ICM monitoring and reporting to use existing datasets where possible.

The ORC CAP team has worked closely with members of the Science Team and the Environmental Delivery Data Team who have been able to provide their expert knowledge on specific ecosystem monitoring (e.g. Wetlands, Freshwater, water quality). Their feedback has been incorporated into the Catlins draft monitoring plan.

Current challenges

Monitoring and reporting is currently the least developed aspect of the CAP process due to the stage each CAP is at. In most cases, monitoring was not designed in pre-planning and development stages, meaning it couldn't be finalised in the early parts of the delivery stage. This has resulted in a perception that the monitoring and reporting approach and is being introduced retrospectively which has led to uncertainty about the purpose, scope, and ownership of monitoring and reporting. Some interviewees described it as an "add-on," rather than an embedded element of the CAP lifecycle.

There is no shared understanding of how monitoring data will be used, including whether to inform funding decisions, guide Council priorities, or track environmental outcomes. Some interviewees noted a lack of programme logic linking CAP actions to desired outcomes, but others noted this was excellent in the Catlins CAP.

Interviewees also identified delays in the development of the ArcGIS platform, which have limited its usefulness to date. Communities that contributed to CAPs, such as those in the Catlins, reported not seeing monitoring updates or outcome reporting since their plans were endorsed. There are no routine mechanisms for feeding information back to governance groups or participants.

There is currently no consistent way for communities to contribute their own observations or data. While many supported the idea of citizen science and community monitoring, these are not yet integrated into ORC systems or expectations.

Interviewees reported that the process began with limited evidence base due to unavailable key teams and data infrastructure, which constrained early analysis. They emphasized the spirit of analysing and adapting-starting with the best data and expanding the evidence base over time. While strong insights came from community perspectives and experts, the current challenge is integrating improved reporting and monitoring. This would strengthen the evidence base by adding more Western science and, if gifted, mātauranga Māori, to better inform the process going forward.

Opportunities for innovation and improvement

Interviewees emphasised the importance of embedding monitoring from the outset of future CAPs. Establishing shared indicators, clear programme logic, and feedback loops will improve learning, transparency, and programme impact.

Interviewees also emphasised the importance of clearly distinguishing between delivery tracking and environmental outcome monitoring. It is important to monitor which projects are being funded or completed, while also assessing the environmental impact those projects are having.

Establishing baselines should be a priority, drawing on a mix of technical data, mātauranga Māori, and community knowledge. These baselines will help measure progress and inform future priorities.

There is also strong interest in involving communities more deliberately in monitoring. Community-led monitoring that is supported by appropriate systems, recognition, and resourcing could enhance ownership and increase the relevance of data collected. Interviewees also supported the use of monitoring for ongoing reflection and adaptation, with suggestions for annual reporting, case study sharing, and regular review forums to supplement the five-year CAP review process.

Interviewees saw an opportunity to clarify roles and expectations across Council teams. Defining responsibilities for delivery tracking, environmental monitoring, and data analysis would improve consistency and ensure monitoring supports the full CAP lifecycle.

There is also an opportunity to work closely with other central agencies to gather the information they hold and use this information in a data lake to assist both baseline information gathering and monitoring and reporting. As outlined above, the ORC CAP team aims for ICM monitoring and reporting to use existing datasets where possible. ORC has good information in relation to freshwater indicators. However, ORC has limited data about terrestrial biodiversity indicators, which will need to come from central government agencies, NGOs and the community.

ORC is responsible for defining clear outcomes, monitoring progress, and measuring results against these outcomes. This requires a single, integrated monitoring framework that can assess performance across a broad set of indicators. CAP monitoring should complement, and not duplicate, Council monitoring. ORC intends to develop a whole-of-region monitoring framework. CAPs will be one of the key programmes measured within this monitoring framework. Information collected as part of individual CAP monitoring will need to be integrated and aggregated into the regional monitoring framework. There may need to be some changes to the Catlins' draft CAP monitoring plan, which has been acknowledged by the team. Future CAP-specific monitoring plans must be developed in a way that it allows integration into the ORC monitoring framework.

CAP level recommendations for the monitoring and reporting stage

1. **Ensure CAP monitoring plans collect data that informs ORC's future regional monitoring framework.**
The framework will identify what data needs to be collected across CAPs to inform the future regional monitoring framework. This may require some changes to the Catlins' CAP draft monitoring plan. Future CAP monitoring plans should be designed so they can collect the right data to inform the regional monitoring framework.
2. **Clarify roles and responsibilities across Council teams** for delivery tracking, environmental monitoring, and data analysis. Define how monitoring data informs funding decisions, shapes programme priorities, and assesses environmental impact.
3. **Accelerate the development and rollout of the ArcGIS platform** for spatial mapping and reporting. Strengthen support for community-led monitoring and citizen science initiatives through appropriate systems, recognition, and resourcing to improve data relevance and foster community ownership.

Detailed insights and findings regarding supporting features

Governance arrangements

The Programme's existing governance arrangements include a programme-level ICM Working Group with community-led governance groups for each CAP's development and delivery stages.

The ICM Working Group was set up to establish the 'groundwork' upon which the pilot CAP will be developed, including who would be involved, how the process would unfold, and what would be developed. The ICM working group includes Councillors, ORC staff, Aukaha, Te Ao Marama, and community representatives. The term for the Working Group ran from 1 February 2023 until the wider collaborative forum for developing the Catlins CAP was in place. This was revisited once the Catlins CAP development was underway and will be reviewed again ahead of the Taiari CAP ICG membership appointments in October.

During the development stage, each CAP has an Integrated Catchment Group (ICG). The primary focus of the ICG is to develop a CAP that builds on the strong foundation of work and engagement that is already happening in the catchment, and to shape a vision that reflects the aspirations of the local community.

In the delivery stage, each CAP has a Catchment Action Plan Governance Group (CAPGG) to oversee the delivery of the CAP. The primary focus of the Catlins CAPGG is to monitor and support the delivery of the CAP.

What is working well

Interviewees considered the ICM Working Group to play a bridging role between the CAP team and Council. Respondents valued the collaborative and informal nature of the group, particularly during the early establishment of the programme. It has provided continuity, advice, and problem-solving during the programme's establishment.

Mana whenua involvement in the ICM Working Group is acknowledged and valued. Respondents noted the positive contribution made by partners such as Aukaha and Te Ao Marama, who play an important role on the Working Group, offering a Te Ao Māori perspective.

At the CAP level, interviewees noted that community-led governance groups are a strength because they strengthen the sense of community ownership, contributing to trust and a shared sense of purpose, which has enabled strong collaboration. Interviewees noted that in the Catlins, the governance group successfully transitioned from development to delivery, with membership being relatively consistent between the groups. This continuity was seen as invaluable. The same approach is intended for the Upper Taiari CAP.

Current challenges

There is currently no shared understanding of what governance is in the context of the ICMP and for individual CAP's. Interviewees noted confusion, both within ORC and externally, about whether governance refers to decision-making, oversight, delivery, or community leadership. Respondents were also unsure of the role of governance in implementation.

The ICM Working Group primarily focuses on operational aspects of the programme, rather than fulfilling a programme-wide governance role. It does not have a formal mandate or links to Council's decision-making processes. As the programme shifts from design to delivery, its role is becoming less clear. Without defined authority or resourcing, the group may struggle to influence strategic decisions or oversee the broader CAP portfolio.

CAP-level governance groups vary in function and formality. Several interviewees described groups as reliant on individual goodwill for participation. Groups lack capacity, training, or administrative support to engage meaningfully in delivery-focused governance. Interviewees highlighted that CAP delivery requires more structured decision-making, financial oversight, and alignment with Council investment systems, noting that these are capabilities many current groups do not yet possess.

There is a perception that mana whenua are not consistently treated as partners in governance. While representation exists, it is limited to policy or technical staff rather than senior leaders. Whilst this structure was agreed at the outset of the programme, the room for growth is acknowledged as is the resourcing constraints at the policy or technical staffing level. There are few formal pathways for rūnaka chairs or governance-level leaders to participate, and limited visibility between CAP processes and iwi decision-making forums. Some interviewees raised concerns that mana whenua are still viewed more as stakeholders to consult, rather than governance partners with shared decision-making responsibilities.

A key issue identified across interviews was the lack of integration between governance layers. There is little flow of information between CAP-level groups, the ICM Working Group, and Council. Some described governance as being disconnected horizontally, with decisions made in silos and with minimal strategic alignment. This fragmentation makes it difficult to scale delivery, align investment, or track performance across the programme as a whole.

Opportunities for innovation and improvement

Interviewees would like to move towards a more intentional, structured, and inclusive governance model. The current model suited the programme while it was being developed, but now that two plans are in place and the programme is maturing there is a need to make changes to continue to support the operational effectiveness that is emerging. While local flexibility should be retained, a shared set of principles, roles, and support systems is needed to improve consistency and legitimacy across the programme.

At the programme level, there is support for a formal governance body comprising councillors, senior mana whenua leaders, and independent members with governance experience. They would be responsible for the governance of the ICM programme as a whole.

At the CAP level, groups should be supported to transition into delivery-focused working groups or oversight bodies with clear roles, decision-making tools, and reporting. Guidance, templates, and administrative support would help ensure consistency without undermining local nuance.

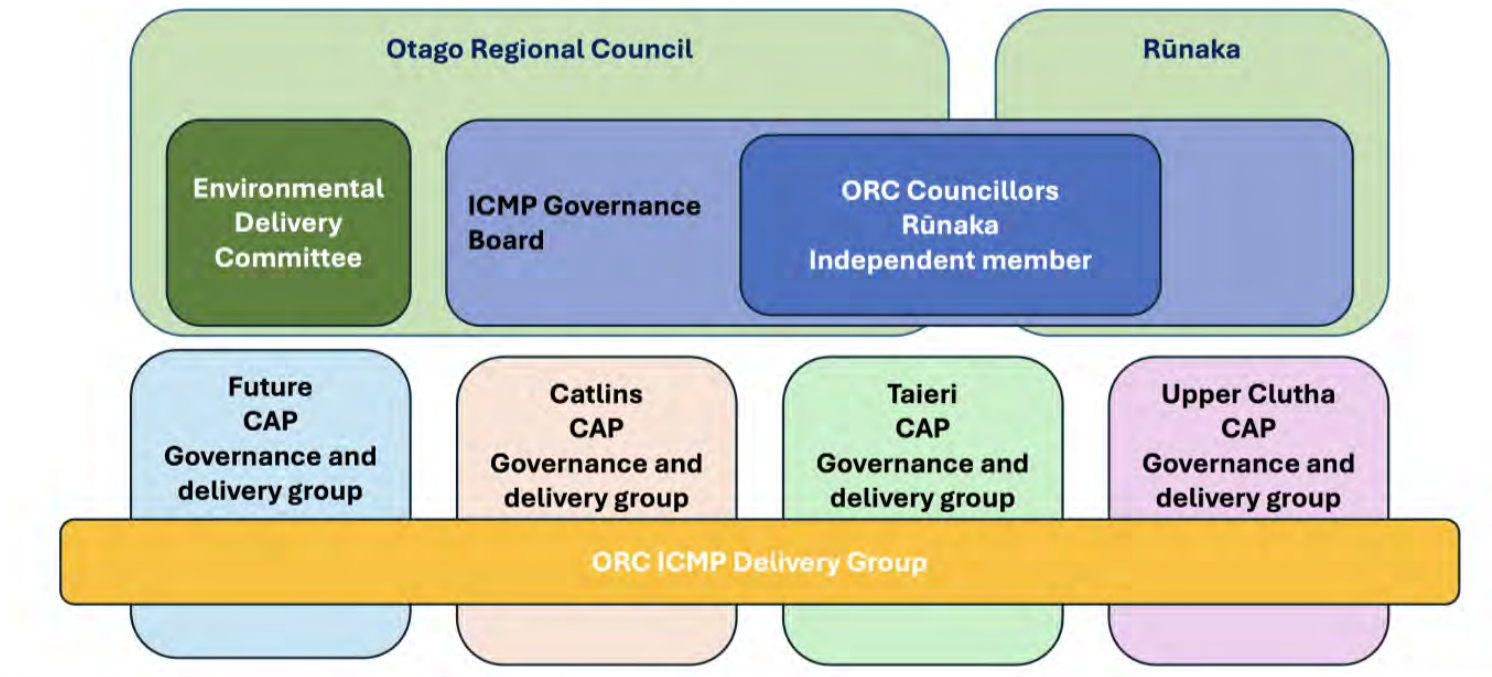
Suggestions to strengthen governance included creating a dedicated mana whenua governance forum, and resourcing iwi to lead their own governance approaches. A small number of respondents noted that ORC's internal capability to support such partnerships is limited, and staff require further training to work effectively with iwi and hapū, including in governance settings.

Governance models must reflect mana whenua partnership, and the overall system must recognise rangatiratanga, enable iwi leadership, and ensure shared accountability and decision-making.

Additional observations from the reviewers

Based on the interviews and survey results and drawing on past ORC examples that were cited positively, Transcend has drafted a strawperson future ICMP governance model. This should be treated as a suggested starting point for further consultation. The proposed model includes a ICMP governance board, individual CAP governance groups and an internal ORC ICMP delivery group. This is shown in figure 3 below.

Figure 3. Draft proposed ICMP governance model



The proposed role of the programme-level ICMP governance board could be to:

- Define and provide strategic and system-level direction, governing the overall programme, and collectively securing and prioritising future funding.
- Provide high-level oversight of CAP programme delivery, including monitoring progress, timelines, and risk management.
- Give effect to ORC's partnership commitment to mana whenua by enabling iwi to resource meaningful engagement and ensuring policy decisions support shared aspirations for Otago's environment.
- Strengthen the partnership between iwi, ORC, and the community through clear, direct, and accountable governance arrangements.
- Work with council and council committees to guide and advise decision-making.
- Support direct engagement between iwi, councilors and communities to maintain alignment of CAP direction with agreed strategic outcomes.

Individual CAP governance groups would govern and oversee implementation of individual CAP's. These would report to the ICMP governance group.

The ORC ICMP Internal Delivery Group would provide resources, support and leadership for each CAP and to the ICM programme.

Recommendations relating to governance arrangements

1. [Update the ICMP governance model, including forming a programme-level governance board, comprising councillors, senior mana whenua leaders, and independent experts, with clear authority to provide strategic oversight and decision-making for the entire ICM programme. A suggested starting point to guide further consultation is outlined in figure X above.](#)
2. [Establish a shared understanding of governance across the ICMP and CAPs, clearly defining decision-making, oversight, delivery, and community leadership roles. Provide consistent guidance, principles, and support to enhance legitimacy and coherence within governance.](#)
3. [Support CAP governance groups to transition into delivery-focused bodies, with structured decision-making, financial oversight, and alignment with Council systems. Provide training, administrative resources, and decision-making tools, while maintaining respect for local flexibility.](#)

Outcomes

The ORC Long-Term Plan 2024-34 specifies the service statements, measures, and targets for the Integrated Catchment Management Programme. The service statement from the LTP is to “Develop and maintain an integrated catchment management programme that aligns with national directions and enables sustainable environmental management.” The specified performance measure is CAPs “give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community.” ORC has a target to develop a CAP each financial year in the LTP period.

What is working well

Many interviewees stressed that trust, respect, shared ownership, and other relational outcomes are as important as environmental results. Some interviewees indicated that CAPs aimed to improve ORC’s environmental outcomes, including enhanced protection for priority values, while at the same time supporting local community initiatives that contribute to these desired outcomes.

ORC communicated that the plan was focused on environmental outcomes. This has been carried through, while also recognising that there are social and infrastructure issues in the region that need addressing and could contribute indirectly, over the longer term, to more positive environmental outcomes.

Interviewees saw the CAP process as a shift to a more inclusive way of working, where who is involved, how decisions are made, and the values guiding them are central to long-term success. CAPs have helped build stronger local partnerships, planning capability, and a sense of ownership and momentum, with value placed on centring mana whenua and community voices.

Current challenges

Some interviewees outlined that it was unclear what outcomes ORC aimed to achieve through the ICM programme and individual CAPs. These interviewees typically noted that it was difficult to understand whether they were focused on environmental improvements at the catchment level, building community relationships and buy-in, or both. It is also unclear whether the desired outcomes in CAPs reflect ORC’s priorities or those of the community.

Interviewees also highlighted that it is not yet clear how ORC or communities will monitor whether outcomes are being achieved and noted that this direction is likely to emerge through the delivery of the Monitoring Plan.

Opportunities for innovation and improvement

Interviewees outlined that further clarity is needed on the programme’s purpose, scope, and expectations.

Interviewees also noted the ORC monitoring framework should specify the data to be collected through CAPs and should measure the overall progress in achieving outcomes. Those responsible for CAPs within Council should ensure they are set up to collect the right data and should work directly with the community to gather the KPI information required for effective monitoring.

Building on existing ORC work programmes would be one way to increase the likelihood of outcomes being delivered. (For further information, see the section below.)

CAP level recommendations relating to outcomes

1. **Define and communicate the desired outcomes of ICMP and CAPs.** The primary outcomes of ICMP and CAPs is to deliver improved environmental outcomes through community partnerships and delivery

channels. In defining ICMP and CAP outcomes, ensure there is alignment between ORC's objectives and community aspirations to foster shared understanding and ownership of goals.

Integration of CAPs with related Council work

The success of the CAP programme depends on its ability to align with other work, both across ORC and with partners in the community.

What is working well

Interviewees noted a cross-ORC management group has recently been established to support alignment between the CAP and ORC's functions. While still evolving, interviewees considered that there is potential for the group to improve alignment between CAPs and ORC's functions.

In catchments with an existing history of community collaboration, such as Upper Lakes, the CAP process is helping to consolidate existing strategies, broaden visibility, and attract new resources. Where relationships were strong, integration with community and mana whenua-led work was viewed as constructive and mutually reinforcing.

Some staff also pointed to the value of the CAPs in translating high-level planning into action on the ground. By working at the catchment level, CAPs have the potential to give practical effect to Council priorities.

Current challenges

Many interviewees considered that the ICM programme is not yet fully integrated with ORC's core planning and delivery systems, including the LTP and Annual Plan processes, ORC investments, and internal performance frameworks. This is largely as a result of the timing of the programme, being out of sync with these larger processes. As a result, delivery is limited and often ad hoc driven by individual staff relationships or short-term funding rather than structured implementation plans.

Some staff from outside the CAP team reported not knowing what CAPs aim to achieve, how they relate to their own work, or when and how to engage in the CAP process. Some interviewees considered that, at present, CAPs cannot influence internal priorities. While interviewees supported the creation of the internal management group, they noted that to date integration with other workstreams often comes too late, resulting in duplicated effort and missed opportunities.

Some interviewees also noted the CAPs are currently disconnected from regulatory levers and interventions. They noted there is significant overlap between CAPs and the requirements under the National Policy Statement for Freshwater Management (NPSFM). Some considered it was not clear whether CAPs are intended to be action plans under NPSFM. These interviewees considered there is a risk that these two instruments are set differently, which may undermine both processes.

Some interviewees indicated the introduction of CAPs has caused confusion due to overlapping plans developed by other agencies or funders. Respondents described situations where "mini-CAPs" were commissioned independently of local governance groups, creating reputational risks and undermining trust. Several interviewees highlighted the need for ORC to coordinate more proactively across agencies and to involve local partners early when new planning work is commissioned.

Opportunities for innovation or improvement

Some interviewees noted the scope of CAPs should not be limited to non-regulatory actions, which was the case with existing CAPs. These interviewees indicated CAPs could be improved if they could also make recommendations to Council and any other relevant party about regulatory actions that could be taken to

improve outcomes. A good example of where this has been done is through Greater Wellington Regional Council's whaitua processes.

There is a need to clarify how the tasks assigned to ORC are going to be resourced. As part of this, clarity is needed around how managers are supposed to prioritise actions identified in CAPs in comparison to other work programmes and demands.

Some interviewees mentioned there are opportunities to integrate CAPs with ORC's investment work programme, including the Large-Scale Environmental Projects Fund. Some interviewees considered that the fund could be a funding mechanism to support actions within CAPs, helping to deliver on CAP outcomes. These interviewees noted the need to take an equitable approach across different areas of Otago, so that those without a CAP are not excluded from funding.

There is an opportunity to provide staff across ORC with clarity around the purpose, process and desired outcomes of CAPs, along with how CAPs fit within different ORC teams and work programmes. There was support for more internal communication on CAPs, including a diagram showing how CAPs fit into the ecosystem of other plans and strategies that ORC leads or is involved in.

There is an opportunity to strengthen integration between the CAPs and a range of ORC teams, including Marketing & Communications, Data & Systems (Environmental Delivery), GIS, Consents, Compliance, Environmental Monitoring, Natural Hazards, Engineering, Strategy and Policy.

Some interviewees outlined that there is an opportunity to break down communication barriers between regions to streamline approaches to catchment governance. They mentioned that having a system in place to work collaboratively with Environment Southland and other government agencies would ensure a Catlins-wide approach moving forward. Others mentioned opportunities to build connections with central government agencies, including DOC and LINZ, to make sure related work is joined up. Positioning CAPs as locally grounded frameworks could help attract long-term support, provided ORC actively brokers these connections.

Interviewees stressed the need for reciprocal partnerships, particularly with mana whenua. Shared hui, information exchange, and joint planning processes were recommended to improve visibility and alignment between work programmes. Any integration must respect mana whenua rangatiratanga and support independent planning pathways.

CAP level recommendations for the integration of CAPs

1. **Strengthen coordination across ORC teams by clarifying the purpose, processes, and expected outcomes of CAPs.** Improve internal communication through tools like diagrams that illustrate how CAPs fit within ORC's plans, strategies, and work programmes, in order to reduce duplication and increase engagement.

Principal recommendations to strengthen the ICMP

Transcend has identified eight key recommendations that, if adopted, would substantially enhance the overall effectiveness of the ICMP. These recommendations draw directly from the analysis and guidance provided in the preceding sections. There is some overlap between these eight central recommendations and the more detailed recommendations outlined earlier, as improvements made at the ICMP-wide level are closely linked to the success of each individual CAP.

1. Governance and Decision-Making

It is recommended that governance arrangements be clarified and strengthened to ensure consistency, authority, and effective oversight across the programme. This includes:

- Establishing clear mandates and role definitions across all governance layers.
- Developing a programme level governance board, comprising councillors, senior mana whenua leaders, and independent experts, with clear authority to provide strategic oversight and decision-making for the entire ICM programme
- Creating an ORC ICMP Delivery Group to provide resources, support and leadership for the programme and each CAP.
- Creating CAP-specific subcommittees to govern and oversee implementation of individual CAPs.
- Updating governance bodies such as the ICM Working Group and governance groups to clarify roles, responsibilities, and strategic oversight.
- Strengthening mana whenua participation by resourcing rūnaka and enabling senior leadership representation within governance forums.

2. Long term Funding

It is recommended to ensure delivery outcomes are achievable and sustainable, long-term funding must be secured and applied consistently and made available to all catchments. Actions include:

- Working within Council and with others (including central government, philanthropists and investors) to secure long-term, dedicated and innovative funding sources to give certainty to CAP implementation.
- Ensuring cohesion between CAPs and the Large-Scale Environmental Projects Fund work.

3. Maximising Efficiency

It is recommended to build on lessons learned and to maximise future efficiency:

- Consider scaling up CAP areas to encompass larger geographic zones, potentially consolidating remaining CPA zones into two remaining areas.
- Implement quick win/no-regrets actions (e.g. pest control) as soon as the CAP process begins.
- Streamline the workshop process by reducing the number of workshops to four key half day sessions (with some preparation work before the workshops) - focusing on values and pressures, existing work, collaborative opportunities, and action planning - with stages run concurrently (supported by online tools and drop-in sessions) where possible. A suggested high-level plan for accelerating CAP implementation is attached in Annex 3.

4. Moving to a Programme-Wide Approach

It is recommended that the ICM programme should adopt a coordinated programme management approach to ensure scalability, efficiency, and alignment of investment. The role of the programme includes:

- Implementation of standardised CAP templates
- Programme-level management and reporting to prioritise actions across CAPs rather than treating them in isolation.
- Establish programme-wide principles to guide consistent decision-making.

5. Internal Communication and Coordination

It is recommended to strengthen coherence of the ICMP and CAP processes, internal communication and alignment within ORC and with partners requires greater focus. To action this:

- Clarify the purpose and desired outcomes of the ICMP and CAPs.
- Make sure teams understand where they fit in with the programme and the interface with other work programmes.
- Establish formal communication channels and cascades of information between ORC teams, ICM governance, CAP governance groups, and partners.
- Form internal working groups for each CAP to support coordination across internal teams.

6. Whole-of-Region Baseline Assessment

It is recommended to conduct a region-wide baseline assessment to establish a shared evidence base for all future CAPs. This includes all information from ORC, mana whenua, central government agencies, and the community. This should be undertaken in advance of further CAP development, taking a comprehensive “gather as much as possible” approach to provide a common foundation for future CAP planning. To action this:

- Co-design with mana whenua to ensure tikanga and mātauranga Māori are embedded.
- Consolidate all existing datasets, stocktakes, and mapping as well as obtaining and integrating information held centrally by DOC, LINZ, MBIE and other government departments.
- An approach that supports the development of centralised data platforms that are accessible to all partners and communities.

7. CAP Design and Implementation

It is recommended to enhance community engagement and sustain delivery momentum, CAP processes and outputs must be accessible, streamlined, and outcomes-focused. To action this:

- Conduct a rapid review of ORC’s internal resourcing model to ensure it is fit-for-purpose and as efficient as possible. The scope of this review should include a focus on how to support staff with tools and technology to reduce manual processes and workflow.
- Provide dedicated resources from science and other technical teams from the outset.
- Consider providing support from the planning team to help write CAP drafting.
- Create a standard CAP base case that all contributors can use and agree on from the outset, along with a standard toolkit that builds on existing work.
- Produce shorter, concise and plain-language CAP documents, complemented by good practice in creating summaries and brochures to maximise accessibility.
- Publicly celebrate achievements and highlight successes in CAP actions and progress to sustain engagement and ownership.

8. Monitoring and Reporting Framework

It is recommended that ORC integrate CAP monitoring with ORC's future regional monitoring framework, ensuring that CAP monitoring plans collect data that informs a regional monitoring framework. To action this:

- Future CAP monitoring plans should be designed so they can collect the right data to inform the regional monitoring framework.
- Ensure existing CAP monitoring plans collect data that will align with and inform ORC's future regional monitoring framework. The framework will identify what data needs to be collected across CAPs to inform the regional monitoring framework.

Annex 1: Key questions used to inform the review

Feedback on the CAP Process

We are keen to get your views on the current process for developing a Catchment Action Plan (using the Conservation Standards approach) from inception through to delivery.

Pre-planning stage

1. Please share your thoughts on the pre-planning stage of the CAP approach. As part of this you might want to comment on:
 - What are the key activities that you take part in the pre-planning stage? How long does this take? What activities take up the most time?
 - What is working well with the pre-planning stage? What should we keep?
 - What are the pain points in pre-planning?
 - How can we make pre-planning activities happen more effectively and efficiently?

Development stage

2. Please share your thoughts on the development stage of the CAP approach. As part of this you might want to reflect on:
 - What are the key activities that you take part in the development stage? How long does this take? What activities take up the most time?
 - What is working well with the development stage? What should we keep?
 - What are the pain points in development?
 - How can we make development activities happen more effectively and efficiently?

Delivery

3. Please share your thoughts on the delivery stage of the CAP approach. As part of this you might want to comment on:
 - What are the key activities that you take part in the delivery stage? How long does this take? What activities take up the most time?
 - What is working well with the delivery stage? What should we keep?
 - What are the pain points in delivery?
 - How can we make delivery activities happen more effectively and efficiently?

Monitoring and reporting

4. Please share your thoughts on the monitoring and reporting stage of the CAP approach. As part of this you might want to comment on:
 - What are the key activities that you take part in or will take part in the monitoring and reporting stage?
 - How is monitoring and reporting requirements set up in the development and delivery stages?
 - How can we undertake monitoring and reporting activities in the most effective and efficient way?

Feedback on CAP Governance

5. We are keen to get your views on how the governance of ICMP is going – at the programme level and for individual CAPs. As part of this you might want to comment on:
- What is the governance model across the programme and individual CAPs?
 - How are mana whenua engaged? What would work better for mana whenua?
 - What are the things that are working well with governance?
 - What are the pain points?
 - What could a more effective and efficient governance model look like?

Feedback on CAP Outcomes

6. We are keen to get your views on the outcomes CAPs are seeking to achieve and the extent to which the process is supporting the delivery of these outcomes. As part of this you might want to comment on:
- From your perspective, what are the desired outcomes of the CAPs?
 - Do you feel that the CAP process has been set up to deliver on these outcomes?

Links to other work

7. We are keen to get your views on how CAPs can be better integrated with related work – both within the Council and being undertaken by mana whenua and community groups. As part of this you might want to comment on:
- What are the opportunities to integrate CAPs with other work?
 - How could these be better integrated?

Supporting and Accelerating ICM work (ORC staff only)

8. We'd like to understand what you think would help accelerate the ICM work if more resource or momentum were available. As part of this, you may like to consider:
- What additional tools, support from other teams, opportunities for collaboration would be ideal to enable this?
 - What is your ideal meeting frequency for ICM work, from regular team catch ups to internal working groups?
 - Have you used, or know of any other models that could achieve the same outcome as the conservation standards?
 - Do you have any ideas on how we can make plans shorter and reflect known information and issues?

Any other feedback

9. We are keen to get your thoughts on anything else we haven't covered. As part of this you might want to comment on:
- What does a successful ICMP model look like from your perspective?
 - What else do we need to think about or consider?

Annex 2: CAP process for Upper Lakes and Taiari

The expanded and refined CAP process for Upper Lakes and Taiari is based on learnings from the pilot project in The Catlins.

Pre-Planning stage

- Undertake interested parties (stakeholder) analysis
- Review existing work in the catchment (stocktake)
- Reach out to large landowners (DOC, LINZ, territorial authorities)
- In The Catlins, this was desk-based and included meet-and-greets sessions with key stakeholders in Upper Lakes and Taiari, this included:
 - Consultation by Anne Duncan to assess appetite for ICM in the area
 - Site visits and engagement with all interested parties
- Seek mana whenua and rūnaka representation
- Collate relevant data
- Create an online platform to host CAP content
- Plan initial community hui
- Develop Terms of Reference for the Integrated Catchment Group (ICG)
- Advertise and promote Expressions of Interest to join the ICG for each CAP
- Establish the ICG

Development stage

- Conduct scoping meetings
- Facilitate workshops (645 contact hours in The Catlins, 640 contact hours in Upper Lakes), covering:
 - Vision and values
 - Value health, goals and objectives
 - Pressures
 - Situation analysis
 - Strategies (specific activities to achieve goals and objectives)
 - Results chains (a road map providing programme logic to link actions to outputs, outcomes and environmental goals)
- Maintain ongoing rūnaka involvement
- Prepare draft CAP
- Provide a mid-point public update
- Finalise CAP in consultation with partners
- Present CAP to Council for endorsement

Annex 3: High-Level Plan for accelerating CAP implementation

Month	Key Activities — CAP stages run concurrently	Tools and techniques to be developed to assist this
0-1	Pre-planning - Define boundaries of the project and the biodiversity to be conserved. - Identify threats and their root causes. - Refine and agree on a shared vision. - Conduct a comprehensive stocktake of all existing information, carry out stakeholder analysis, engage mana whenua / rūnaka, and establish the ICG. - Provide an overview of the stocktake to the community. - Share a draft vision, scope, targets and identified threats to the community. - Consult with mana whenua / rūnaka partners. Development - Begin scoping meetings and initial drafting of the CAP where existing information is available and agreed. - Initiate early stakeholder engagement, mana whenua / rūnaka involvement, and stocktaking of existing work, in parallel with setting up the Implementation and Coordination Group (ICG).	<i>Focus initial efforts on building foundational relationships and understanding the context, so that subsequent stages have a solid base. Establish and maintain communication channels between pre-planning leads and future development teams.</i> Toolkit: <i>Provide the community with drafts or starting points for the vision, scope, targets and threats. Follow with drafts of values and pressures, and take a “what is the same and what is different” approach. The toolkit should include values and goals.</i> <i>Fewer workshops, more tools to enable participation electronically and in real time/online. Consider one introductory hui and three workshops with intervening work done fortnightly via online sessions or through a shared workspace in participants’ own time. This would span approximately four months.</i> 1. <i>Introductory hui and pre-reading</i> 2. <i>Workshop 1 (WS1): Alignment and agreement on vision, values, pressures, ecological attributes, situation diagrams</i> 3. <i>Online/offline phase: identify action placement, goals, pressure points, interventions and possible actions.</i> 4. <i>Workshop 2 (WS2): Action placement, goal setting, pressure analysis, points of intervention, and strategy development.</i>

Month	Key Activities — CAP stages run concurrently	Tools and techniques to be developed to assist this
	Conduct stakeholder analysis and ICG establishment concurrently to streamline the process.	5. Online/offline phase: identify potential impacts, assess feasibility, and draft a high-level work plan. 6. Workshop 3 (WS3): Review impact, feasibility, affordability, and results chains, agree on the high-level work plan. 7. Online/offline phase: Collate and distribute detailed plans for reading and review. 8. Workshop 4 (WS4): Review the detailed work plan, monitoring plan and communications plan for comment, consideration and real-time feedback. Final draft to be agreed. Tools or techniques that could facilitate this include: Microsoft Teams channels, Miro boards, booking time with staff for one-on-one support or clarification.
2-3	Governance: Begin establishing CAP governance group and develop the operational plan framework. Development: Facilitate workshops and evolve the draft CAP based on proposed actions. Describe assumptions about how actions will lead to results. Identify ‘quick wins’ for immediate implementation. Define indicators for tracking progress. Consider and plan for risks. <i>Start drafting the CAP and planning workshops, while continuing ongoing engagement with mana whenua / rūnaka partners and conducting scoping meetings. Begin public notification.</i>	Integration and early delivery setup: Integration stakeholder input into the CAP and begin early delivery planning. Toolkit: include assumptions, quick wins, and a communications plan to support immediate implementation. <i>Ensure that insights and outcomes from workshops are consistently incorporated into the CAP draft. Development teams should liaise closely with pre-planning teams to maintain alignment with stakeholder priorities and expectations.</i> <i>Develop a quick wins toolkit to support early delivery activities and demonstrate progress.</i>
4-5	Development: Finalise the CAP draft; public notice period and consultation.	Public feedback is incorporated; the governance group is actively engaged; the monitoring system is initiated.

Month	Key Activities — CAP stages run concurrently	Tools and techniques to be developed to assist this
	Monitoring: define how the ORC monitoring framework will track CAP activities. Delivery: Operational planning and project management begin to ramp up. Implement quick win actions. <i>As the governance group is established, begin developing the operational plan and initiating project management in parallel with CAP finalisation. Early delivery activities- such as setting up governance structures- can overlap with later development tasks.</i>	<i>Governance and operational teams require timely information from development teams to prepare for implementation. Use iterative feedback loop: as the CAP evolves, delivery planning should adjust accordingly.</i>
6-7	Delivery: Full governance oversight in place over CAP delivery. Begin implementing project actions as outlined in the operational plan. Monitoring: Ongoing monitoring and reporting continues.	Project execution and continuous monitoring with adaptive feedback loops. <i>Embed monitoring feedback mechanisms early, so that data is timely and can influence ongoing delivery and potential policy adaptations. Monitoring teams should maintain continuous engagement with delivery teams to ensure real-time insights are captured and acted upon.</i>
8-9	Delivery: Continue to implement project actions. Consolidate early outcomes and prepare for medium-term reviews. Monitoring: Ongoing monitoring and reporting continues. Share progress dashboards with Council to support transparency and strategic oversight. Begin to prepare for annual CAP review.	Position the project for annual review and 18-month health check and long-term adaptive management.

ICM Programme Implementation Plan Summary for Acceleration

Workstream	Purpose & Key Tasks	Timeline
Maximising Efficiency	Purpose: Finalise the updated CAP process and boundaries for new CAPs. Streamline delivery through updating templates and improving technology and communication channels. Tasks completed: - Revised CAP templates from best practices (e.g., Upper Lakes). - Integrate mana whenua input across CAPs to respect their time demands. - Update CAP process and determine boundaries for new CAPs. - Review tech tools (file sharing, AI transcription, workshops) to streamline delivery. - Improve internal/external channels (formal/informal, regular updates); track ORC/external monitoring to leverage and avoid duplication.	February-August 2026

Governance and Decision Making	Purpose: Confirm programme scope and integrate ICM into key ORC work areas. Clarify roles through a RASCI, strengthen mana whenua partnerships and establish clear governance structures. Key tasks: • Re-confirm ICM scope with ELT; develop RASCI to clarify roles and responsibilities, Terms of Reference. • Integrate an ICM plan across ORC with resourcing/FTEs; create reference group for CAP alignment. • Mana whenua partnerships: Work with mana whenua to define and strengthen governance partnership in the programme. • Develop a base CAP model based on the Catlins/Upper Lakes CAP model and adapt per catchment • Set up a regional monitoring framework working group connected with ICM.	February - August 2026
Long Term Funding	Purpose: Identify sustainable funding options and develop economic measures and frameworks to support long-term financial planning aligned with CAP delivery schedules. Key tasks: • Investigate and communication funding options for CAP/ICM funding options. • Create economic measures for investment benefits and sustainable ORC funding aligned with CAP timelines.	February-July 2026

Programme Approach	Purpose: Create a programme wide framework linking CAPs, defining principles, priorities, and milestones. Establish a programme-level RASCI and tracking system to ensure consistency. Key tasks: • Create an outputs/outcomes schematic and define programme-wide principles (negotiable/non-negotiable). • Develop programme-level RASCI; identify CAP linkages to other ORC work programmes. • Create delivery schedules with short/medium/long-term milestones and tracking; develop prioritisation frameworks for local/regional needs. • Use workshops for shared CAP understanding; integrate tailored programme management methodology.	February-August 2026
Internal Coordination and Communications	Purpose: Form cross-ORC CAP delivery teams and clarify internal roles. Strengthen communication channels, data sharing, and staff awareness to foster collaboration and programme ownership. Key tasks: • Establish cross-ORC delivery teams for each CAP, with defined RASCI roles and targeted involvement of ORC experts based on specific information needs. • Develop and implement internal and external communication systems and plans to support staff awareness, horizontal information flow, secure file sharing, and regular multi-channel engagement.	February-August 2026

Whole of Region Baseline Assessment	Purpose: Accelerate GIS and data platform development to build comprehensive regional baselines. Integrate existing datasets, fill gaps, and link catchment information with wider ORC and national frameworks. Key tasks: • Accelerate GIS platform development and strengthen community-led monitoring, while assembling Otago-wide datasets, filling gaps using central government data, and conducting baseline assessments for each CAP area. • Integrate policies across district, regional, and national levels into CAP templates, and link baseline data with Catchment Context, Challenges and Values (CCCV) for Freshwater Farm Planning.	February- July 2026
CAP Design and Implementation	Purpose: Translate ICM objectives into measurable CAP outcomes. Enhance engagement with mana whenua and the community through tailored models, updated materials, and celebrating local progress. Key tasks: • Clarify ICMP and CAP strategic objectives, translating them into measurable outcomes aligned with ORC frameworks. • Work with Kāi Tahu to develop cultural narratives reflecting Kāi Tahu aspirations. • Update CAP/ICM templates, brochures, hybrid engagement models with tailored support for underrepresented groups; celebrate progress via project visibility and community recognition.	February- August 2026

Monitoring and Reporting Framework	Purpose: Align CAP and ICM monitoring with ORC’s potential future regional monitoring and reporting framework, establish clear KPIs, and integrate data from internal teams and external partners to track performance and progress. Key tasks: • Define ICM monitoring parameters aligned with the future regional monitoring framework and connect CAP monitoring with ORC’s monitoring framework. • Maintain awareness of regional-level monitoring by ORC teams and external citizen science/open-source data. • Develop KPIs aligned with programme, regional, and national targets, track delivery progress accordingly. • Develop reporting frameworks for CAP and ICM progress monitoring.	February-August 2026

OTAGO INTEGRATED CATCHMENT MANAGEMENT (ICM)

GOVERNANCE BOARD

TERMS OF REFERENCE

1. ICM PROGRAMME VISION

The overall vision for the ICM programme is that:

- ICM is an accepted way of operating throughout Otago, and
- ICM is implemented through catchment action plans (CAPs) developed and delivered in collaboration with mana whenua, community and other stakeholders.

2. SCOPE OF THE ICM PROGRAMME

The ICM Programme comes from the ORC's Long-Term Plan commitment to "lead the development, implementation, and review of integrated Catchment [Action] Plans (CAPs) in collaboration with iwi and community".

The programme encompasses the development, implementation and review of CAPs across Otago. To date, two CAPs have been endorsed by the ORC and are in their delivery phases (the Catlins and Upper Lakes) while the Taiari/Taiari CAP is currently in development.

The programme also includes planning for the rollout of future CAP areas, ensuring alignment with ORC's strategic objectives, and community and mana whenua priorities.

3. PURPOSE OF THE ICM GOVERNANCE BOARD

This document sets out the Terms of Reference that ORC Council, in partnership with mana whenua, has adopted for the purpose of supporting the ICM Programme.

The Governance Board's purpose is to set and monitor the strategic direction of the ICM programme and provide effective oversight of its delivery.

4. TASKS OF THE GOVERNANCE BOARD

The key tasks for the Governance Board are to (but may not be limited to):

- Provide strategic direction and oversight for the ICM programme.
- Review Catchment Action Plans (CAPs).
- Approve the membership of Governance and Delivery Group for each CAP
- Confirm final CAP boundaries prior to the commencement of each area
- Monitor progress, outputs and outcomes of CAP delivery.
- Support engagement with mana whenua, communities, and stakeholders.
- Ensure mana whenua and communities have an equal voice in decision making.
- Identify and manage strategic risks and issues.

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- Ensure alignment with relevant policies, regulations, and ORC objectives.
- Promote innovation, learning, and continuous improvement across the programme.

5. RESPONSIBILITIES OF GOVERNANCE BOARD MEMBERS

Individual Governance Board members should:

- Support the ICM programme within and outside areas of work.
- Review and analyse any documents or material provided in advance of Governance Board meetings.
- Actively participate in meetings through attendance, informed discussion, and collaborative engagement with other members.
- Communicate the objectives, decisions and progress of the ICM programme to their internal and external networks, where appropriate.
- Provide strategic input relevant to their area of expertise or experience to inform the work and decisions of the Governance Board.
- Nominate an alternate representative to attend meetings where required or appropriate.
- Identify risks or issues that may affect the achievement of the programme’s objectives and contribute to agreed risk mitigation approaches.

6. RESPONSIBILITIES OF THE PROGRAMME COORDINATOR

The Programme Coordinator is the Team Leader- Integrated Catchment Management. The Programme Coordinator is responsible for:

- Coordinating and supporting the activities of the Governance Board.
- Developing draft proposals, plans or deliverables for Governance Board consideration and input.
- In collaboration with the Chair, setting the agenda and purpose for each Governance Board meeting incorporating input from the Governance Board where appropriate.
- Reporting on progress of the Governance Board to Council.
- Concluding each meeting with a summary of decisions and actions and assigned responsibilities.
- Ensuring that Governance decisions are documented and communicated to relevant delivery teams.

7. GENERAL

7.1 MEMBERSHIP

The table below lists the core membership of the Governance Board.

Organisation	Role	Name
Otago Regional Council	Councillor- Chair	Andrew Noone
Otago Regional Council	Councillor – Deputy Chair	Kevin Malcolm
Otago Regional Council	Councillor	TBC
Otago Regional Council	Councillor	TBC
Mana whenua	TBC	TBC
Otago Catchment Community	Independent Community Representative	Simon O’Meara

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7.2 CHAIR

The chair of the Governance Board is the Councillor Andrew Noone, Environmental Delivery Group portfolio co-lead. The chair's role is to:

- Set the agenda for Governance Board meetings in collaboration with the Programme Coordinator.
- Lead meetings and encourage broad participation and discussion from all members.
- Maintain the Governance Board's focus on its purpose, strategic priorities and key decisions.
- Review and endorse meeting papers, where appropriate.

7.3 QUORUM

A quorum for the Governance Board meeting is five members. No decision or recommendations may be made unless a quorum is present.

FREQUENCY AND LOCATION OF MEETINGS

The Governance Board will meet every two months at a time and place agreed to by the Governance Board members. Additional meetings may be convened where required to address urgent or significant matters.

Meetings will aim to be held in person where possible, with an online attendance option available.

7.4 AGENDA, MINUTES, AND SUPPORTING PAPERS

Where possible, meeting papers will be sent to members at least three business days in advance of a Governance Board meeting. This package will include:

- The agenda for the upcoming meeting.
- Minutes of the previous meeting.
- Any other documents or information to be considered by the Governance Board.

7.5 ALTERNATES

Governance Board members may send alternates to meetings in their place. Alternates are entitled to participate in discussion and provide expert advice. Members should inform the Programme Coordinator as soon as possible if an alternate will attend.

The chair may also appoint an alternate to represent them in their absence.

7.6 TERM OF THE GOVERNANCE BOARD

The Governance Board is established from its first meeting on in April 2026 until such time as CAP delivery is completed. Following this, the continued need, purpose, and membership of the Governance Board will be reviewed by ORC.

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OTAGO INTEGRATED CATCHMENT MANAGEMENT (ICM)

GOVERNANCE BOARD

~~UPDATED~~ TERMS OF REFERENCE – ~~NOVEMBER 2023~~

1. ICM PROGRAMME VISION

The overall vision for the ICM programme is that:

- ICM is an accepted way of operating throughout Otago, and
- ICM is implemented through catchment action plans (CAPs) developed and delivered in collaboration with mana whenua, community and other stakeholders.

2. SCOPE OF THE ICM PROGRAMME

The ICM Programme comes from the ORC's Long-Term Plan commitment to "lead the development, implementation, and review of integrated Catchment [Action] Plans (CAPs) in collaboration with iwi and community". ~~While this is the LTP text, the intent of the ICM Programme is for ORC and iwi, in partnership, to work with the community and stakeholders to develop a plan of action for the long-term management of the catchment. This is broadly grouped into three phases:~~

- ~~———— 2021/22 – commence development of an integrated catchment planning programme and report to Council on progress by 30 June.~~
- ~~———— 2022/23 – commence spatial systems and analysis to inform and define ICP programme by 30 June.~~
- ~~- 2023/24 – Prepare Integrated Catchment [Action] Plan.~~

~~The pilot CAP process began in the Catlins Freshwater Management Unit (FMU) in October 2023, the next CAP will begin in the Upper Lakes rohe in April 2024, followed by the Taiari FMU in October 2024. Further discussion and approval will be sought from Council for the other areas of Otago where CAPs are to be developed and the order this will occur.~~

~~The programme encompasses the development, implementation and review of CAPs across Otago. To date, two CAPs have been endorsed by the ORC and are in their delivery phases (the Catlins and Upper Lakes) while the Taiari/Taiari CAP is currently in development.~~

~~The programme also includes planning for the rollout of future CAP areas, ensuring alignment with ORC's strategic objectives, and community and mana whenua priorities.~~

3. PURPOSE OF THE ICM WORKING GOVERNANCE GROUPBOARD

~~The new ICM Working Group's purpose is to implement and review the ICM framework and to provide guidance on place and community specific issues as they pertain to the CAP rollout.~~

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This document sets out the Terms of Reference that ORC Council, in partnership with mana whenua, has adopted for the purpose of supporting the ICM Programme.

The Governance Board's purpose is to set and monitor the strategic direction of the ICM programme and provide effective oversight of its delivery.

4. TASKS OF THE ~~ICM WORKING~~GOVERNANCE GROUP BOARD

The key tasks for the ~~new ICM Working~~ Governance Group Board ~~include are to~~ (but may not be limited to):

- ~~a. Review and input to a stocktake of current and planned iwi, catchment and community group, and ORC initiatives before Catchment Action Plans are begun in each FMU or rohe.~~
- ~~b. Review and recommend an appropriate collaborative group format for each new CAP area as it rolls out.~~
- ~~c. Review and discuss CAP development (including the appropriate collaborative format as above) across the region.~~
- ~~d. Be involved in the evaluation of the Catlins Pilot CAP including reviewing evaluation questions with the ICM Team and external evaluator and providing evidence where appropriate.~~
- ~~e. Making recommendations to Council for the ongoing implementation of the ICM Programme (as relevant to the ICM Working Group's purpose).~~

~~The ICM Working Group's role will be revisited once the Taiari CAP development is underway in October 2024.~~

- Provide strategic direction and oversight for the ICM programme.
- Review Catchment Action Plans (CAPs).
- Approve the membership of ~~Integrated Catchment Groups (ICG)~~ CAP Governance and Delivery Group for each CAP
- Confirm final CAP boundaries prior to the commencement of each area
- Monitor progress, outputs and outcomes of CAP delivery.
- Support engagement with mana whenua, communities, and stakeholders.
- Ensure mana whenua and communities have and equal voice in decision making.
- Identify and manage strategic risks and issues.
- Ensure alignment with relevant policies, regulations, and ORC objectives.
- Promote innovation, learning, and continuous improvement across the programme.

5. RESPONSIBILITIES OF ~~ICM WORKING~~GOVERNANCE GROUP BOARD MEMBERS

Individual ~~ICM Governance~~Working Group Board members should:

- Support the ICM programme within and outside areas of work.
- Review and analyse any documents or material provided ~~for ICM Working~~in advance of Governance Group Board meetings.
- Actively participate in meetings through attendance, informed discussion, and collaborative engagement bringing ideas and working with other members.
- Communicate the objectives, decisions and progress of the ICM programme to their internal and external networks, ~~internally and externally~~ (where appropriate).
- Provide strategic input relevant to their area of expertise or experience to ~~support the tasks of the inform the work and decisions of the Governance~~ ~~ICM Working~~ Group Board.
- ~~Provide for~~ Nominate an alternate representative to attend meetings whereif required or appropriate.

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- ~~Advise if~~Identify any risks or issues that may affect the achievement of the programme’s objectives and contribute to agreed risk mitigation approaches. arise that are likely to affect delivery of the tasks above and to be part of the risk reduction process.

6. RESPONSIBILITIES OF THE PROGRAMME COORDINATOR

The Programme Coordinator is the Team Leader- Integrated Catchment Management~~Principal Advisor~~
Environmental Implementation. ~~The responsibilities of the Programme Coordinator are to~~
reponsible~~responsible for~~:

- Coordinating and supporting the activities of the ICM Working~~Governance~~ Group~~Board~~.
- Developing draft proposals, plans or deliverables ~~for ICM Working Group~~ for Governance Group~~Board~~
review consideration and input.
- In collaboration with the Chair, setting the agenda and purpose for each ICM Working~~Governance~~
Group~~Board~~ meeting ~~based on~~incorporating input from the ICM Working~~Governance~~ Group~~Board~~
where appropriate.
- Reporting on progress of the Governance ICM Working Group~~Board~~ to ~~the appropriate~~ Council
Committee.
- ~~End~~Concluding each meeting with a summary of decisions and actions and assigned ~~confirm~~
responsibilities.
- Ensuring that Governance decisions are documented and communicated to relevant delivery teams.

7. GENERAL

7.1 CORE MEMBERSHIP

The table below lists the core membership of the ICM Working~~Governance~~ Group~~Board~~.

Organisation	Role	Name
Aukaha	Principal Planner – Mana Taiao	Sandra McIntyre
Te Ao Marama	Kaitohutohu Matua	Maria BartlettDean Whaanga
Otago Regional Council	<u>Councillor- Environmental — Delivery</u> <u>portfolio co-lead</u> <u>Chair</u>	Andrew Noone
~~Otago Regional Council — Staff~~	General Manager <u>Environmental</u> <u>Delivery</u>	Jo Gilroy
~~Otago Regional Council — Staff~~	Manager Strategy	Hilary Lennox
<u>Otago Regional Council</u>	<u>Councillor – Deputy Chair</u>	<u>Kevin Malcolm</u> <u>TBC</u>
<u>Otago Regional Council</u>	<u>Councillor</u>	<u>TBC</u>
<u>Otago Regional Council</u>	<u>Councillor</u>	<u>TBC</u>
<u>Mana whenua</u>	<u>TBC</u>	<u>TBC</u>
Otago Catchment Community Inc.	<u>Farmer – rep – Independent Community</u> <u>Representative</u>	Simon O’Meara

7.2 ~~FMU/ROHE~~ SPECIFIC MEMBERSHIP

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Additionally, approximately six months before work begins in a new FMU/rohe, community members and a councillor from that FMU/rohe will be invited to join the ICM Working Group to provide FMU/rohe-specific advice. These FMU/rohe-specific members will remain on the ICM Working Group until an Integrated Catchment Group (if appropriate) is established in that FMU/Rohe.

7.37.2 CHAIR

The chair of the ~~ICM Working Group~~Governance Board will be nominated and agreed to by core members of the ICM Working Group at their first meeting. The Chair roles will be re-nominated and agreed every 12 months. ~~Is the Environmental Delivery Group portfolio co-lead, Andrew Noone.~~

The ~~Chair of the ICM Working Group's~~chair's role is to:

- Set the agenda for Governance Board meetings ~~(in collaboration with the Programme Coordinator).~~
- Lead meetings and encourage broad participation and discussion from all members.
- Maintain the Governance Board's focus on its of the ICM Working Group on key tasks and purpose, strategic priorities and key decisions.
- Review and endorse meeting papers, where appropriate.
- ~~Liaise with the Integrated Catchment Group Chairs if/as required.~~

7.47.3 QUORUM

A minimum number of four core ICM Working Group members are required for effective advisory purposes. A quorum for a Governance Board meeting is fiveX members. No decision or recommendations may be made unless a quorum is present.

7.57.4 FREQUENCY AND LOCATION OF MEETINGS

The ~~ICM Working Group~~Governance Board will meet every two months X bimonthly at a time and place suitable to agreed to by the Governance Group Board members. Additional meetings ~~will be canvassed with the Group's members if extra meetings are required.~~may be convened where required to address urgent or significant matters.

Meetings will aim to be held in person where possible, with an online attendance option available.

7.67.5 AGENDA, MINUTES, AND SUPPORTING PAPERS

Where possible, ~~a package~~meeting papers will be sent to members at least three business days in advance of ~~an ICM Working Governance Board~~ meeting. This package will include ~~the following:~~

- The aAgenda for the upcoming meeting.
- Minutes of the previous meeting.
- Any other documents or/ information to be considered ~~at the meeting~~by the Governance Board.

7.77.6 ALTERNATES

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~~Core members of the ICM Working Group~~ Board members ~~may~~ can send alternates to meetings in their place. Alternates are entitled to participate in discussion and provide expert advice. ~~ICM Working Group Members~~ will ~~should~~ inform the Programme Coordinator as soon as possible if ~~they intend to send an alternate to a meeting~~ an alternate will attend.

The chair may also appoint an alternate to represent them in their absence.

7.87.7 TERM OF THE ICM WORKING GOVERNANCE GROUP BOARD

~~The term for the ICM Working Group is from the first meeting (provisionally December 2023) and the need, purpose and/or membership for the ICM Working Group will be reviewed by ORC once the Taiari CAP process is underway (estimated to be in October 2024).~~

The Governance Board is established from its first meeting in April 2026 until such time as CAP delivery is completed. Following this, the continued need, purpose, and membership of the Governance Board will be reviewed by ORC.

Document Version: 1.1

Date: ~~30 October~~ 10 March 2026

10.4. Q1-Q2 Public Transport Performance Report

Prepared for: Council
Report No. TRN2606
Activity: Public Transport
Author: Julian Phillips, Implementation Lead - Transport
Endorsed by: Anita Dawe (General Manager Regional Planning and Transport)
Date: 25 March 2026
Portfolio Leads: Cr Hollyer & Cr Somerville, Transport

PURPOSE

- [1] To update Council on the performance of Public Transport and Total Mobility for Q1 and Q2 of the 2025/26 Financial Year, July 2025 - December 2025.

EXECUTIVE SUMMARY

- [2] Dunedin bus patronage for Q1-Q2 2025/26 is 1,728,936 trips – a decrease of 0.5% from Q1-Q2 2024/25.
- [3] Dunedin fare revenue for the corresponding period is \$2,300,106, an increase of 11%.
- [4] Queenstown bus patronage for Q1-Q2 2025/26 is 1,031,075 trips – an increase of 6% from Q1-Q2 2024/25.
- [5] Queenstown fare revenue for the corresponding period is \$1,847,171, an increase of 19%.
- [6] Queenstown ferry patronage for Q1-Q2 2025/26 is 41,514 trips – an increase of 29% from Q1-Q2 2024/25.
- [7] Queenstown ferry fare revenue for the corresponding period is \$418,757, an increase of 20%.
- [8] Across the whole network, 99.6% of scheduled services were operated (235,739 trips).
- [9] 85% of trips departed their start terminus on time, a decrease of 1% on the previous period. 72% of trips arrived on time, an increase of 35%.
- [10] Total Mobility patronage for Q1-Q2 2025/26 is 76,026 trips – an increase of 5.3% from Q1-Q2 2024/25.
- [11] Network changes were implemented for both networks in Q1 2025/6, including an On-Demand service in Mosgiel and a revised Jacks-Point/Arrowtown service via Malaghans Roads in Whakatipu.
-

[12] Implementing infrastructure improvements for the Dunedin bus network is also underway.

[13] Early analyses of the Oamaru community transport trial is also detailed in the report.

RECOMMENDATION

That the Council:

1) **Notes** this summary of public transport activity in Otago for Q1-Q2 2025/26.

DISCUSSION - DUNEDIN

[14] This is the first report brought to Council in this triennium, reporting on data formerly before the Public and Active Transport Committee. This report sets out data from the first six months of the current financial year in relation to public transport data, as well as some general public transport issues and opportunities. Staff anticipate these reports coming to Council twice a year.

[15] Monthly and annual patronage, revenue, and fare breakdown is set out in Figure 1 below. Broadly, the data shows a slight reduction in patronage over the first half of the current year, compared to the previous year, noting that Dunedin had been recording year on year increases in patronage and staff had been forecasting a potential flattening of patronage numbers.

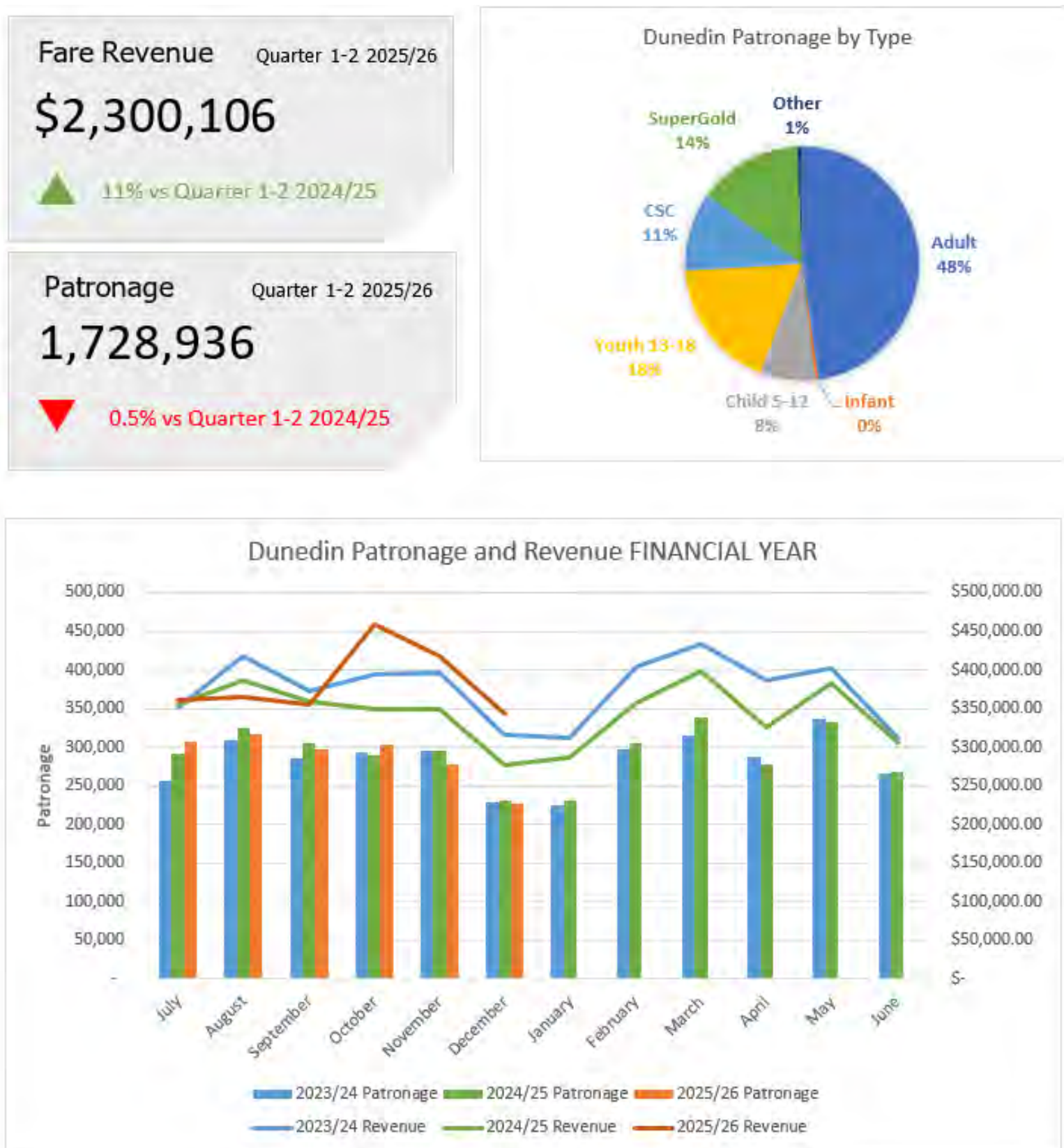


Figure 1: Dunedin Q1-Q2 2025/26 Patronage and Revenue

- [16] Despite the slight reduction in patronage, revenue has increased compared to the previous six-month period. This reflects the increase in fares introduced in September 2025 and is the first increase in revenue for some time. The fare changes were an increase in the adult Bee Card fare from \$2 to \$2.50, and the reintroduction of child Bee Card fares of \$1.50, a set out in Figure 2 below.

Concession	Prior to 30 September 2025	30 September onwards
Child (5-12)	Free	\$1.50
Youth (13-18)	\$1.20	\$1.50
Adult	\$2.00	\$2.50
SuperGold (Peak)	\$2.00	\$2.50
Community Services	\$1.00	\$1.25

Figure 2: Changes to Bus Fares introduced in September 2025

- [17] Monthly and annual patronage from 2018/19 to date is set out in Figure 3. Despite the slight reduction in the six months patronage data, current boardings are sitting at 49.5% of boardings for the previous year, which was a record year. In short, we are on track for another good year for boardings.

Dunedin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
2018/19 Patronage	195,272	235,930	221,438	212,965	223,894	177,520	172,142	213,992	246,593	198,745	245,477	204,362	2,548,330
2019/20 Patronage	220,652	235,666	230,329	224,285	226,692	182,910	181,525	228,477	175,526	26,802	68,709	197,681	2,199,254
2020/21 Patronage	293,294	278,162	209,278	224,799	223,263	190,821	160,848	201,611	250,266	195,795	243,550	234,783	2,706,470
2021/22 Patronage	231,082	144,505	170,397	196,538	223,952	185,219	156,857	190,746	213,639	185,831	246,438	221,895	2,367,099
2022/23 Patronage	194,544	242,825	229,954	213,011	237,385	189,812	181,899	244,977	291,825	208,030	294,188	268,850	2,797,300
2023/24 Patronage	256,596	310,050	285,998	293,805	294,909	229,261	224,020	297,223	314,954	286,690	337,078	266,661	3,397,245
2024/25 Patronage	291,655	323,847	304,480	290,240	296,306	231,031	230,317	305,828	338,983	277,643	333,326	268,904	3,492,560
2025/26 Patronage	307,820	316,577	297,201	302,647	278,023	226,668							1,728,936

Figure 3: Dunedin patronage, 2018/19 to 2025/26, year to date

- [18] Patronage in Q1 2025/26 was higher than Q1 2024/25, but declined in Q2, resulting in the slight year-to-date decrease, which is set out in Figure 4 below.

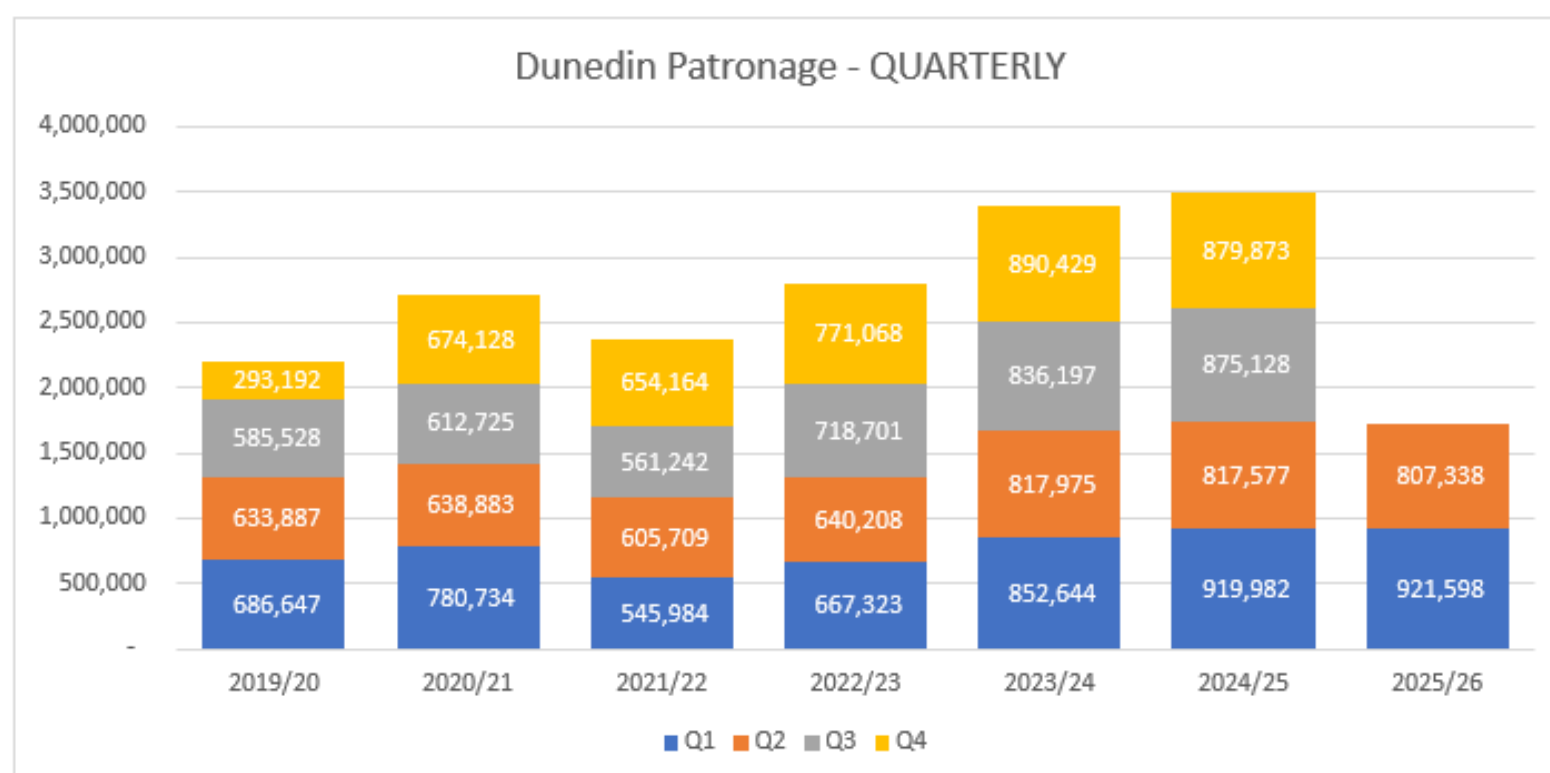


Figure 4: Quarterly Dunedin patronage performance

- [19] Across Q1–Q2 2025/26, child concession patronage in Dunedin is down 2% compared with the previous year. It is likely some of this reduction is due to the reintroduction of child fares.
- [20] In Q2 alone, coinciding with the removal of free child fares, child concession patronage fell 22% year-on-year, as set out in Figure 5.

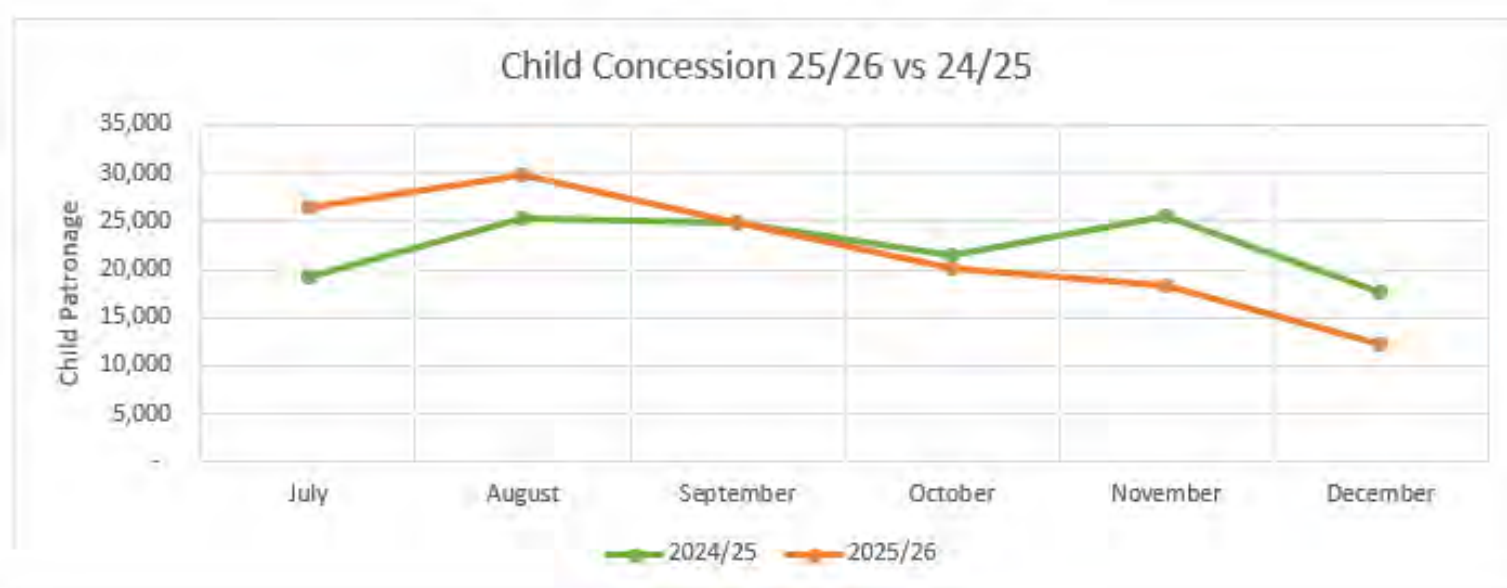


Figure 5: Child concession trend, 25/26 vs 24/25

- [21] The 0.5% year-to-date overall patronage decline follows three consecutive years of record annual patronage and represents only a modest adjustment from historically high levels.
- [22] The Q2 softening aligns with the timing of the fare increase - particularly the introduction of child fares - indicating it is more likely to be a short-term behavioural response rather than a structural decline.
- [23] Revenue performance remains strong, with higher fares delivering an 11% increase in revenue across the first half of the financial year.
- [24] Looking ahead, patronage is expected to strengthen from Q3 as a new cohort of schoolchildren begins using bus services for the first time, creating a realistic opportunity for full-year patronage to match or exceed last year's results.

Orbus On-Demand

- [25] Orbus on Demand was introduced for Mosgiel in July 2025 as a bookable, rideshare service with an improved coverage area compared to the old Mosgiel Loop routes 80 and 81. The service is by request only, with passengers able to book using the Orbus on Demand app or by phoning ORC Customer Services. Drivers use the app for routing to specified pick up and drop off locations and customers pay on board with Bee Card or cash, with the same fares, concessions and transfers applying as the broader Dunedin network.
- [26] Virtual stops (unmarked, with no infrastructure) have been created since the service was introduced, in new service areas including Wingatui, East Taieri and Kinmont, offering passengers more choice.
- [27] Figure 6 below, is a stop utilisation heatmap, with the size of each circle indicating the relative usage of that stop. There is also a list of the top 25 stops in use, with eight of those as new virtual stops.

The maps, and additional stops created since its inception, highlight the benefits of an on-demand system, which has enabled flexibility in design and location of new stops, which has, in turn enabled the expansion of the service reach.

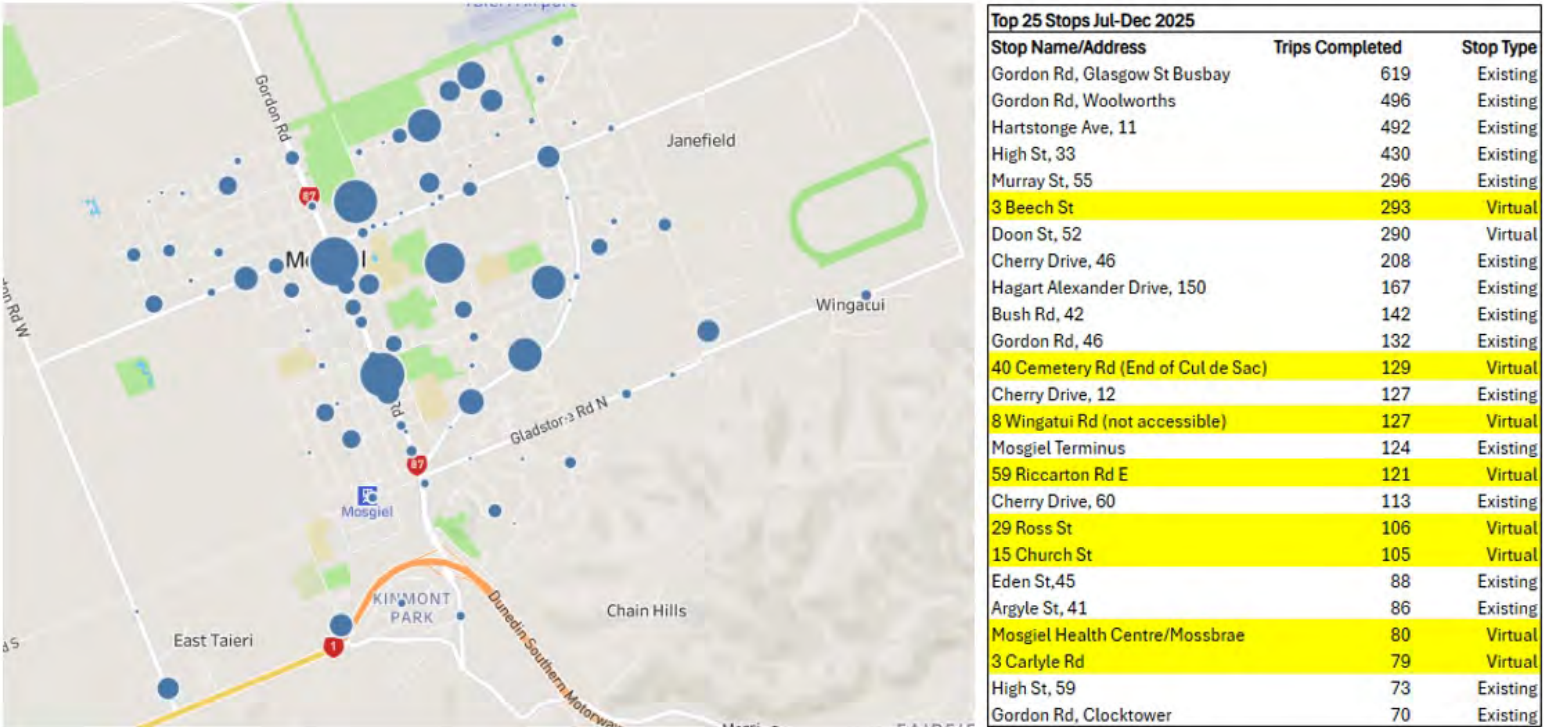


Figure 6: On-demand utilisation heat map

[28] Staff have been comparing on-demand figures to patronage on the former fixed routes 80 and 81. The patronage data is set out in Figure 7 below.

Passenger Type	Q1-Q2 2024/25 - loop route	Q1-Q2 2025/26 On-Demand	Change
Adult	862	752	-13%
Child 5-12	72	497	590%
CSC	669	708	6%
Infant	58	47	-19%
SuperGold	2296	1236	-46%
Youth 13-18	129	211	64%
Total	4086	3451	-16%

Figure 7: On-Demand patronage

[29] The figures show that overall patronage is down by 16%, predominantly due to the significant drop in the number of Supergold passengers. Excluding Supergold, patronage has increased by 24%, with significant increases in children on peak time services, which coincides with getting to and from school.

[30] Despite the reduction in patronage overall, the fare changes introduced in September 2025 have seen revenue on the On-Demand service increase by 9%, as set out in Figure 8, which reflects the change in composition of passengers using the service.

Passenger Type	Q1-Q2 2024/25 Revenue	Q1-Q2 2025/26 Revenue	Change
Card Adult	\$2,312.00	\$1,763.50	-24%
Card CCC	\$966.50	\$1,140.00	18%
Card Child	\$-	\$651.00	100%
Card SGC Peak	\$474.00	\$224.00	-53%
Card Youth	\$120.00	\$406.20	239%
Cash Adult	\$150.00	\$183.00	22%
Cash Youth (13-18 yrs)	\$9.00	\$12.00	33%
Cash Child (5-12 yrs)	\$-	\$3.00	100%
Grand Totals	\$4,031.50	\$4,382.70	9%

Figure 8: On-Demand revenue

- [31] Transport staff are working with the Engagement team to find the best way to re-engage the Supergold customer group for Mosgiel on-demand. Some measures already implemented include creating additional stops at key areas of interest, including medical centres, and rest homes.

DISCUSSION - QUEENSTOWN

- [32] Monthly and annual patronage, revenue, and fare breakdown is set out in Figure 9 below. Overall, the data shows an increase in patronage over the first half of the current year, compared to the previous year, noting that Queenstown has continued to record year on year increases in patronage.

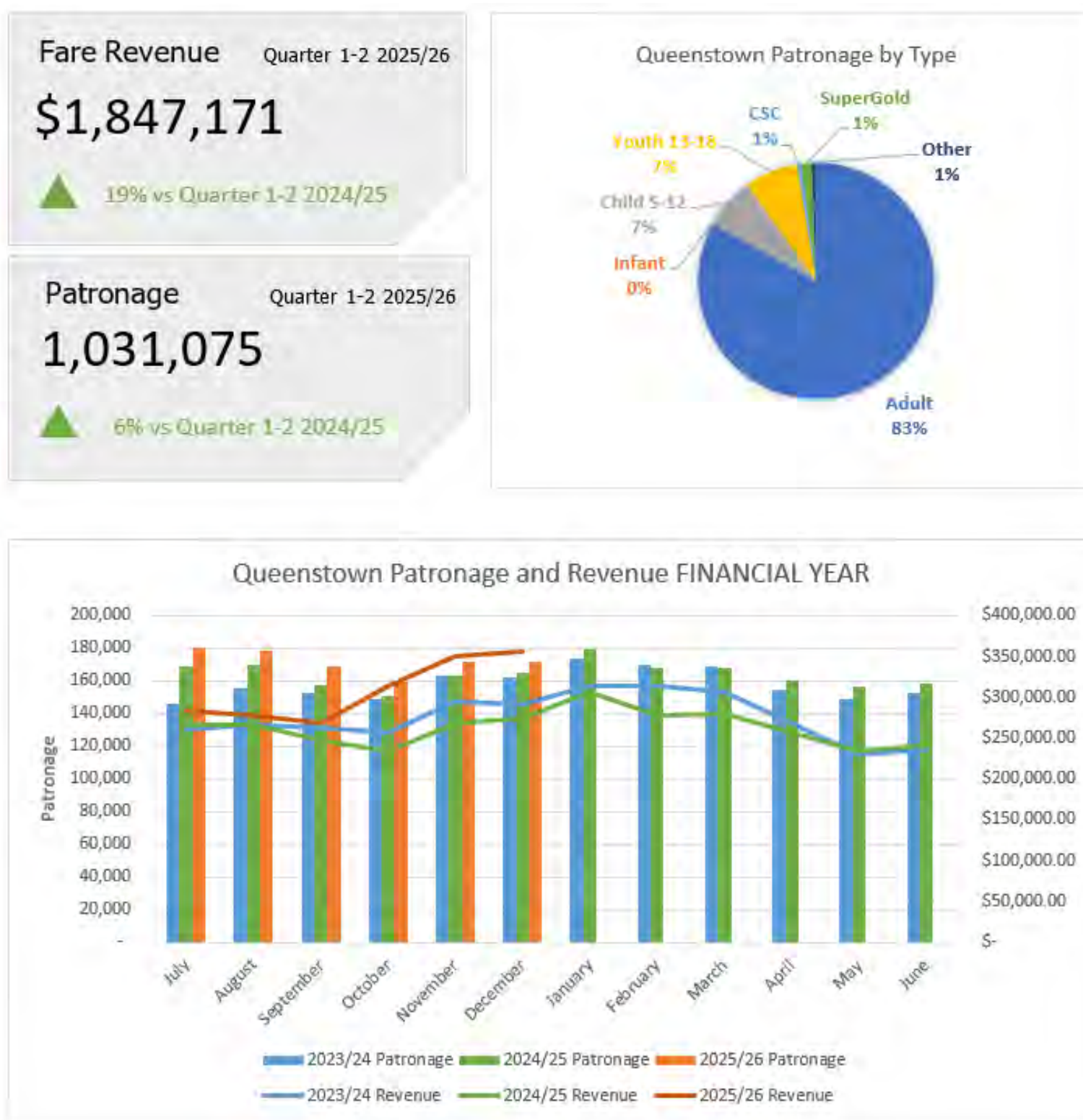


Figure 9: Queenstown Q1-Q2 2025/26 Patronage and Revenue

- [33] Revenue has increased compared to the previous six-month period. This reflects the increase in fares introduced in September 2025 and, like Dunedin, is the first increase in revenue for some time. The fare changes were an increase in the adult Bee Card fare from \$2 to \$2.50, and the reintroduction of child Bee Card fares of \$1.50, a set out in Figure 10.

Concession	Prior to 30 September 2025	30 September onwards
Child (5-12)	Free	\$1.50
Youth (13-18)	\$1.50	\$1.50
Adult	\$2.00	\$2.50
SuperGold (Peak)	\$2.00	\$2.50
Community Services	\$1.00	\$1.25

Figure 10: Queenstown fare changes

- [34] Monthly and annual patronage from 2018/19 to date is set out in Figure 10. Current boardings are outperforming the previous year, which was a record year. In short, we are on track for another strong year for boardings, with a high likelihood of a record annual total. July 2025 returned the highest ever monthly patronage of 180,526 trips (highlighted in orange in Figure 11).

Queenstown	July	August	September	October	November	December	January	February	March	April	May	June	Totals
2018/19 Patronage	122,752	117,442	103,974	111,657	125,600	118,997	136,055	129,439	134,084	125,244	118,077	124,736	1,468,057
2019/20 Patronage	136,766	129,011	121,416	120,662	128,440	128,282	136,985	131,102	90,746	9,919	42,577	73,597	1,249,503
2020/21 Patronage	100,951	98,102	72,143	73,385	71,464	69,096	68,550	60,717	62,613	65,928	66,863	79,251	889,063
2021/22 Patronage	95,248	51,010	51,987	66,690	64,895	66,507	69,147	52,471	53,524	68,158	73,786	93,367	806,790
2022/23 Patronage	100,966	100,668	88,268	91,277	100,579	91,940	89,306	102,118	116,667	118,955	117,645	134,593	1,252,982
2023/24 Patronage	145,759	155,936	152,621	148,964	163,182	161,886	173,398	170,018	168,881	154,766	148,606	153,183	1,897,200
2024/25 Patronage	168,957	169,976	157,061	150,977	163,273	165,252	179,781	167,539	168,371	160,052	156,102	158,745	1,966,086
2025/26 Patronage	180,526	178,780	168,979	159,164	171,621	172,005							1,031,075

Figure 11: Queenstown patronage, 2018/19 to 2025/26

- [35] Figure 12 breaks down patronage into quarterly comparisons, noting a slight drop in the rate of growth for Q2:

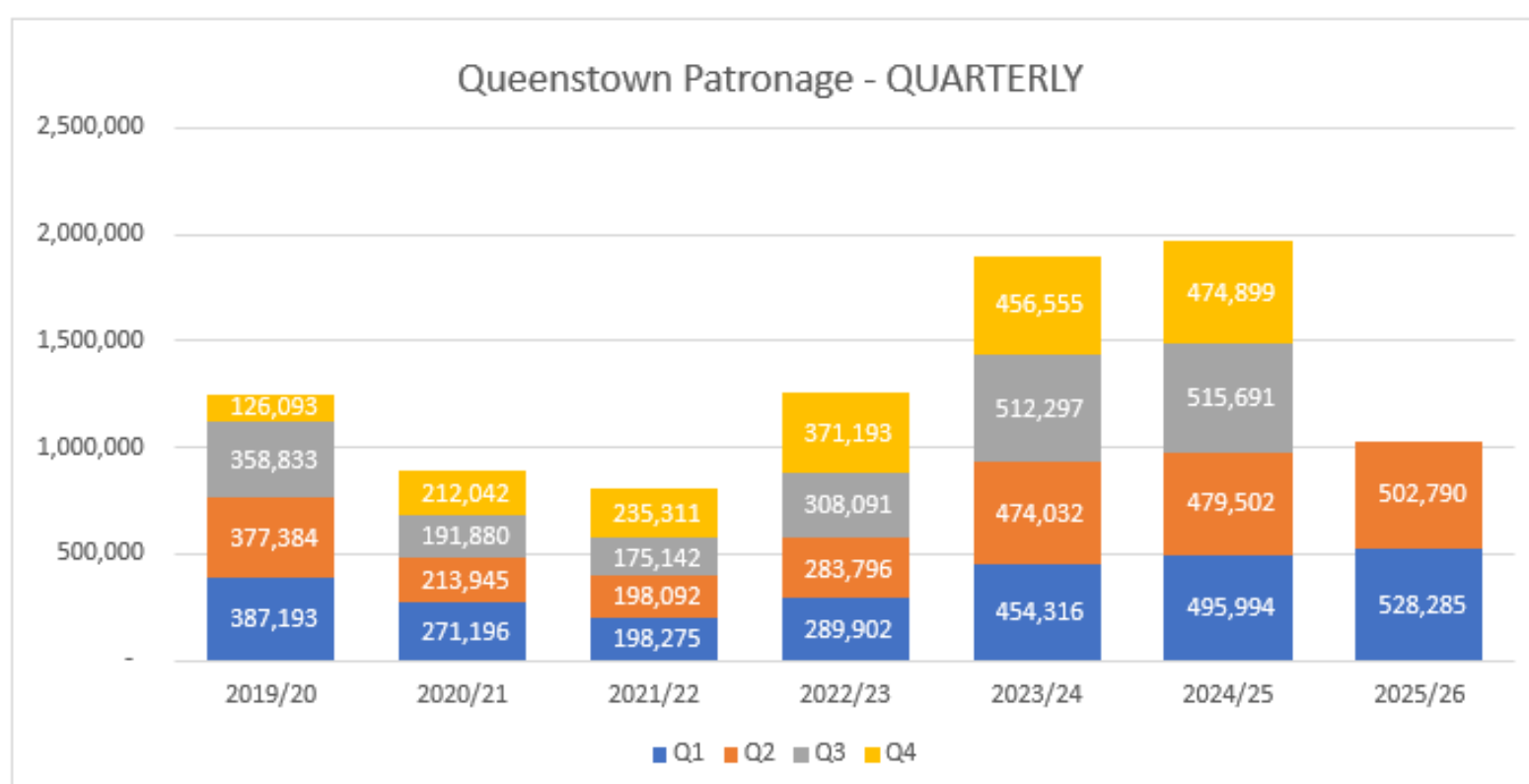


Figure 12: Quarterly Queenstown patronage performance

- [36] Across Q1–Q2 2025/26, child concession patronage is up by 0.1% compared with the previous year.
- [37] In Q2 alone, coinciding with the removal of free child fares, child concession patronage fell 22% year-on-year, as set out in Figure 13 below.

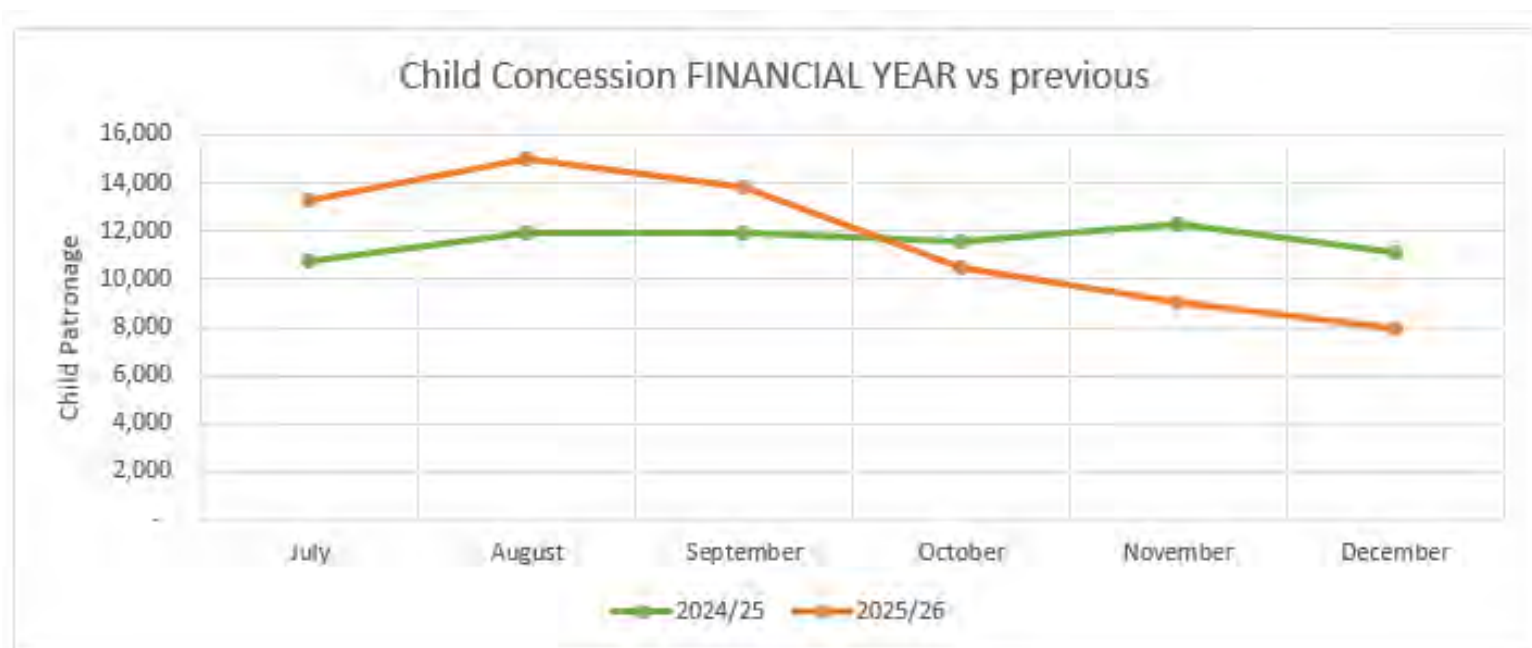


Figure 13: Child concession trend, 25/26 vs 24/25

- [38] Despite the impact of increased fares - particularly on child concessions - public transport patronage in Queenstown has continued its strong upward trajectory, with a further 6% increase recorded in Q1–Q2 2025/26 compared with the same period in 2024/25.
- [39] This growth has been achieved despite 2024/25 representing an all-time annual high for patronage, following three consecutive years of sustained increases. The continued uplift from an already elevated base demonstrates ongoing demand for public transport services and reflects the network's resilience and growing role in supporting transport outcomes for the district.
- [40] Overall, the data indicates that patronage growth is building on historically strong performance levels.

Network Changes – Malaghans Road Trial

- [41] In July 2025, significant changes were made to Whakatipu Routes 2 and 4. Prior to July 2025, Route 2 operated between Arrowtown and Arthurs Point via Frankton, whilst Route 4 operated between Jacks Point and Frankton.
- [42] Route 4 was extended to beyond Frankton to run to Arrowtown, via a trial utilising Malaghans Road, as set out in Figure 14. The service now travels via Stanley Street and Arthurs Point, at a higher peak 30-minute frequency.



Figure 14: Jacks Point to Arrowtown via Malaghans Road.

[43] Route 2 Arrowtown services continue on a shortened version of the old route, travelling to and from Frankton Hub, as set out in Figure 15.



Figure 15: Revised Arrowtown route

[44] Figure 16 compares total patronage for routes 2 and 4, before and after the July 2025 changes. There has been a 22% increase in patronage comparing Q1-2 2025/6 to the previous year. Comparing the same routes pre-July 2025, patronage had only increased by 1% year-on-year.

Total Patronage - Total routes 2 and 4			
Month	2024	2025	Difference
Jan	39,198	41,323	5.42%
Feb	39,137	37,030	-5.38%
Mar	38,260	38,389	0.34%
Apr	37,975	38,887	2.40%
May	34,719	37,430	7.81%
Jun	35,764	35,264	-1.40%
Jul	37,212	44,323	19.11%
Aug	37,436	45,082	20.42%
Sep	33,868	43,789	29.29%
Oct	34,595	42,120	21.75%
Nov	37,154	45,910	23.57%
Dec	37,992	44,896	18.17%
July-December 2025 vs 2024	218,257	266,120	21.93%

Malaghans Road
service introduced
July '25

Figure 16: Combined performance of routes 2 and 4

- [45] Staff have also extracted the data for passenger trips that have been generated in Arthurs Point and Arrowtown, i.e. excluding passengers boarding at Frankton or elsewhere on the route outside of the two areas now connected by Malaghans Road. This is set out in Figure 17 below and shows there has been an increase of approximately 14% in boardings, year on year from July to December 2025. Pre-July 2025, boardings in these areas had declined by 2%.

Boardings - Arthurs Point & Arrowtown			
Month	2024	2025	Difference
Jan	13,504	13,342	-1.20%
Feb	12,579	11,213	-10.90%
Mar	12,450	12,355	-0.80%
Apr	12,897	13,367	3.60%
May	11,052	11,306	2.30%
Jun	11,175	10,811	-3.30%
Jul	11,963	13,110	9.60%
Aug	11,814	12,959	9.70%
Sep	11,008	12,788	16.20%
Oct	10,819	12,106	11.90%
Nov	11,704	13,787	17.80%
Dec	11,563	13,535	17.10%
July-December 2025 vs 2024	68,871	78,285	13.67%

Malaghans Road
service introduced
July '25

Figure 17: Arthurs Point and Arrowtown boardings

- [46] The Malaghans Road trial is currently included in our Low-Cost Low Risk funding pool from NZTA and will run until July 2027. If the trial is considered to be successful, staff will look to make it permanent by including it in our Continuous Funding bid. That bid is subject to funding through the National Land Transport Plan.

DISCUSSION – QUEENSTOWN FERRY

[47] Since a change in operator and the introduction of more services, both patronage and revenue for the Queenstown Ferry have increased. The data is set out in Figure 18 below.

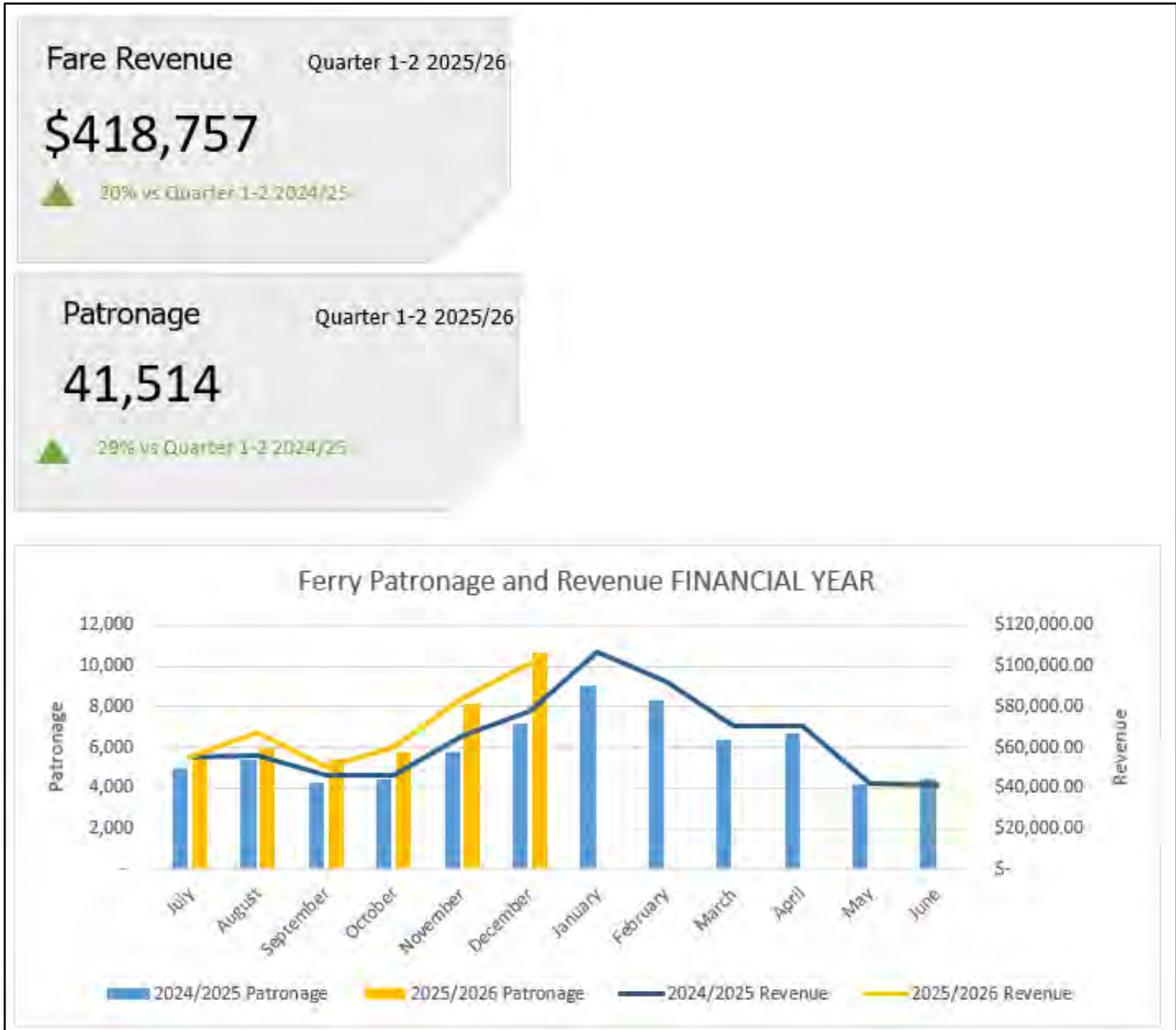


Figure 18: Queenstown Ferry patronage and revenue

- [48] Fare revenue for Q1–Q2 2025/26 is up 20% on the same period in 2024/25, and total patronage for the reporting period is up 29%.
- [49] The Lake Whakatipu ferry contract, awarded in 2025 to new owners Watersports Ltd, provided an opportunity to expand services, specifically by maintaining a consistent weekly timetable.
- [50] In July 2025, late-night services were extended from three nights per week to seven nights per week, and daytime services were increased to run on an hourly frequency between approximately 8:15 am and 9:45 pm.
- [51] The impact of these service level increases, together with some rebranding of the service (figure 19) to clearly associate it with the Orbus public transport network, puts the ferry on track for potentially substantive increases in performance by year

end. In addition, a new vessel is being introduced to the service in April 2026, which will be the first to be branded in Orbus Ferries livery.

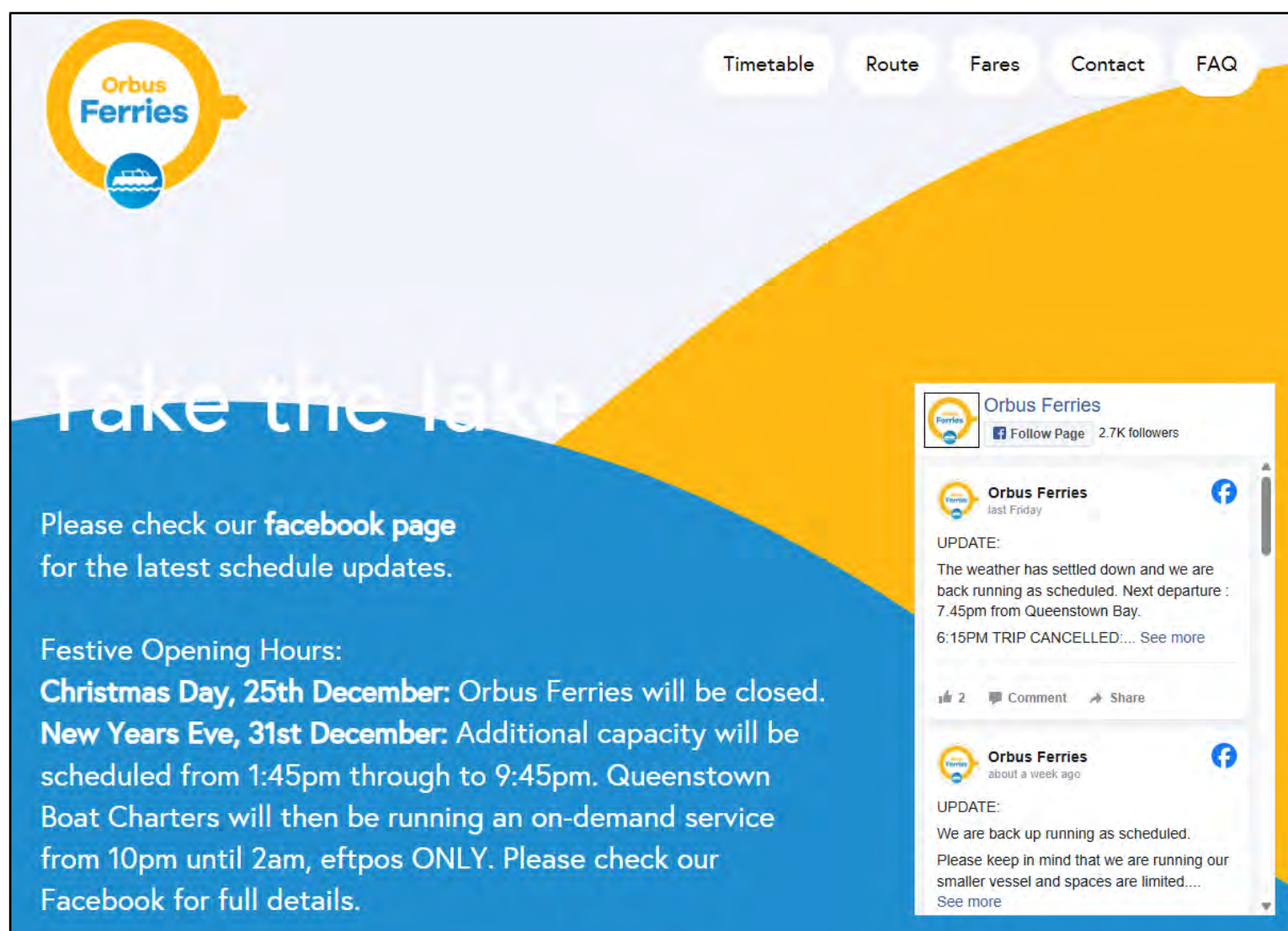


Figure 19: Rebranded Orbus Ferries webpage

DISCUSSION - SUPPORT SYSTEMS

- [52] As part of Councils ongoing efficiency initiatives, transport staff have reviewed existing software systems and identified opportunities to replace third-party tools with internally developed solutions.
- [53] A network mapping and contract planning tool previously procured externally is being replaced with a custom tool developed by Council's GIS team. This will allow Transport staff to display and modify route maps and infrastructure for use in network planning and customer facing information. The GIS team has already created the Orbus On-Demand interactive map which has been well received.

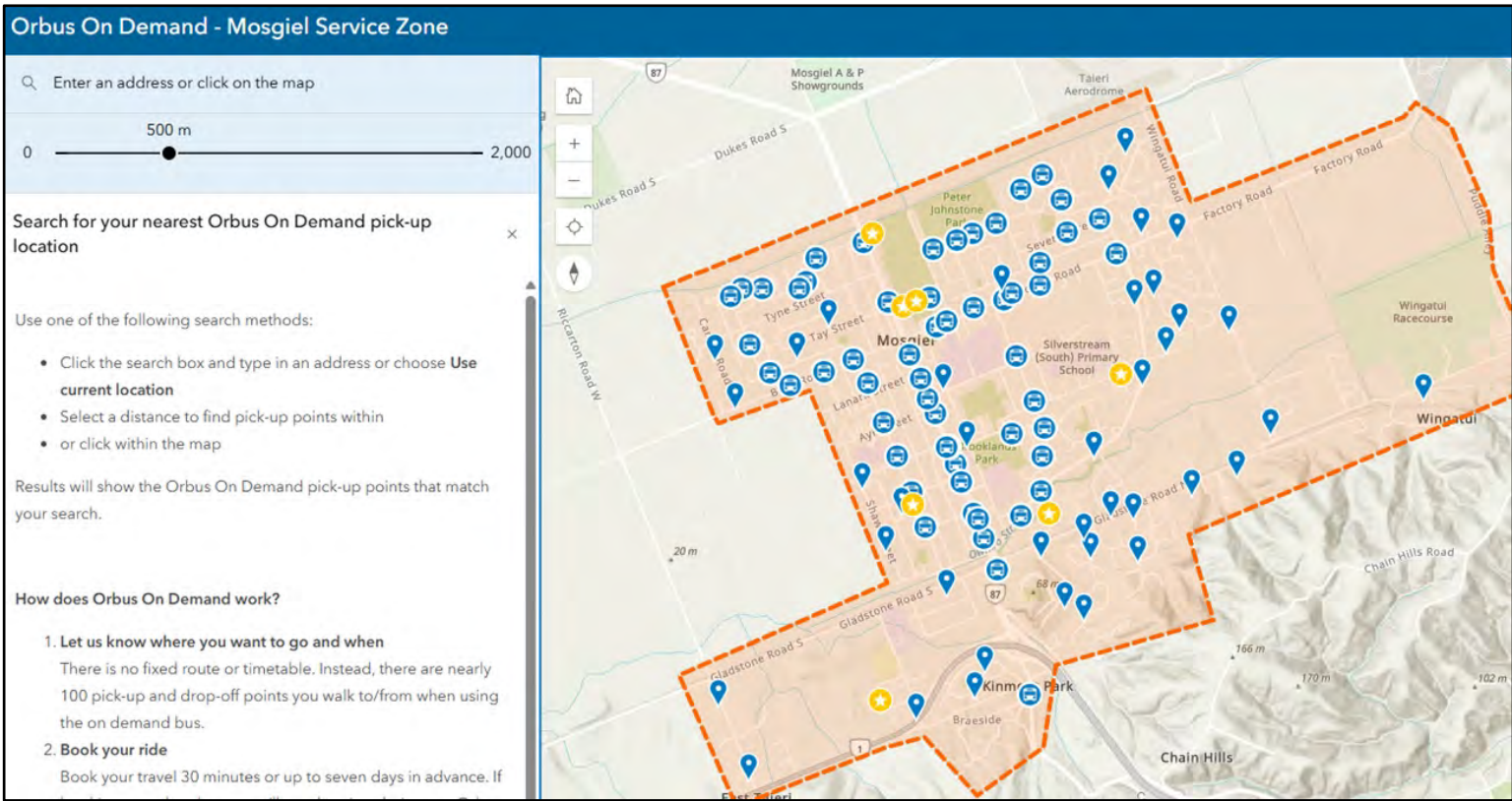


Figure 20: Orbus On-Demand map developed by Council GIS Team

- [54] Monthly reporting processes have been streamlined by replacing commercial reporting software with tools created and maintained by transport staff. Work is also underway to modernise the service alerts system, moving from manual updates to an automated push system.
- [55] The new alerts system will provide consistent, automated real-time updates across multiple channels, including on-street signage (e-stops and wayfinding screens), the Transit app, and the Orbus website.
- [56] These initiatives will collectively deliver total savings of approximately \$120,000 per annum, with further efficiencies anticipated as system enhancements continue.

DISCUSSION - INFRASTRUCTURE IMPROVEMENT PLAN

- [57] In 2024, ORC commissioned ViaStrada to conduct a comprehensive audit of Dunedin’s bus stops. The Bus Stop Audit contains details about each of Dunedin’s 849 bus stops, including its key features, patronage and level of conformance with NZTA Public Transport Design Guidance.
- [58] Transport staff have been using the results of this audit, together with feedback from Dunedin City Council and transport operators, to refine a program of infrastructure investments through 2025/26.
- [59] There is a range of infrastructure improvements, ranging from low cost to more expensive, including adding seats and shelters, painting bus boxes on the road, and moving the location of bus stops.
- [60] The tables below show:
- a. Figure 21 - 9 completed bus stops.
 - b. Figure 22 – 14 bus stops for which work is in-progress and 2 stops awaiting DCC Hearings Committee decisions before progressing.

- c. Figure 23 – 10 further stops which have been identified for future improvements as part of wider DCC projects, such as the Princes Street improvements. These are generally not funded by ORC.

[61] In the South Dunedin area, some temporary stops will be made permanent and infrastructure from disestablished stops, such as modern glass/metal shelters, is to be reused elsewhere, lowering costs.

INFRASTRUCTURE COMPLETED	
Stop address	Notes
George St, Knox Church garden	
Hospital North	
SH88, Logan Park	
George St, 472	
Harington Point Rd, 2 (Portobello)	
Hospital South	
Princes St, 265	
King Edward St, 134	
St Clair Terminus	

Figure 21: Completed infrastructure

INFRASTRUCTURE IN PROGRESS	
Stop address	Notes
Green Island Super Stop (inbound)	Engineering and design plans underway, testing completed, awaiting pricing
York Place, 31	Improvements to be consulted on
Princes St, 138	Substantive improvements, construction May 2026
Taieri Rd, Nairn St	Entry/exit tapers to be lengthened
Green Island Super Stop (outbound)	Additional shelters to be installed
Mornington Rd terminus	Improvements being funded by developer
Stuart St OBHS	Entry/exit tapers to be lengthened
Taieri Rd 117	Entry/exit tapers to be lengthened
Musselburgh Rise	Shelter adjacent to DCC safety improvements area
North Road	Awaiting March Hearings Committee
Chain Hills	Awaiting March Hearings Committee
King Edward 101	install shelter
King Edward 203	make permanent
King Edward 250	Entry/exit tapers to be lengthened

Figure 22: Infrastructure improvements in progress

INFRASTRUCTURE IMPROVEMENTS VIA FUTURE DCC/NZTA PROJECTS	
Stop address	Notes
Princes St, 151	To be considered through Princes Project
George St, 984	To be considered through George/Bank project
Princes St, 268	To be considered through Princes Project
Princes St, 449	To be considered through Princes Project
Princes St, cnr Manor Pl	To be considered through Princes Project
George St, 888	To be considered through George/Bank project
George St, 664	To be considered through George/Bank project
Princes St, 575	To be considered through Princes Project
George St, 788	To be considered through George/Bank project
Malcolm/Fredrick St Intersection	To be considered through SH1 project

Figure 23: Future infrastructure improvements to be delivered via longer term City projects

[62] The most substantive project within the program is the improvement to the Green Island Inbound Super Stop. This stop had previously been earmarked to be completed with the Super Stop in Union Street, for improvement via the Climate Emergency Relief Fund. However, it was unable to progress at that time due to funding being insufficient to cover both sites.

- [63] The Super Stop serves as a popular midway point between Mosgiel and Dunedin. It is the transfer point for connections between route 70 Brighton and the rest of the Dunedin network (Brighton is the only timetabled Dunedin service which does not have a direct connection to the City), and importantly it is the key interchange for multiple services which travel directly to schools - and for route 77 services which transport high volumes of school pupils in and out of the city during term time. It also connects Green Island and Abbotsford to the South Dunedin area via route 77.
- [64] The existing stop is compromised in terms of footpath space and shelter, as well as limited space for bus manoeuvres, which is particularly problematic as there can be two extra-large buses utilising the stop at any one time. The proposed new stop, which utilises an existing stop adjacent to the recently constructed McDonalds, is designed to have an extended waiting area, sufficient space for two large buses, and additional shelter. The draft design, which is subject to procurement funding and is currently being costed, is shown in Figure 24.
- [65] The return stop outside the Green Island Memorial Gardens will also be improved, by the addition of an extra shelter.

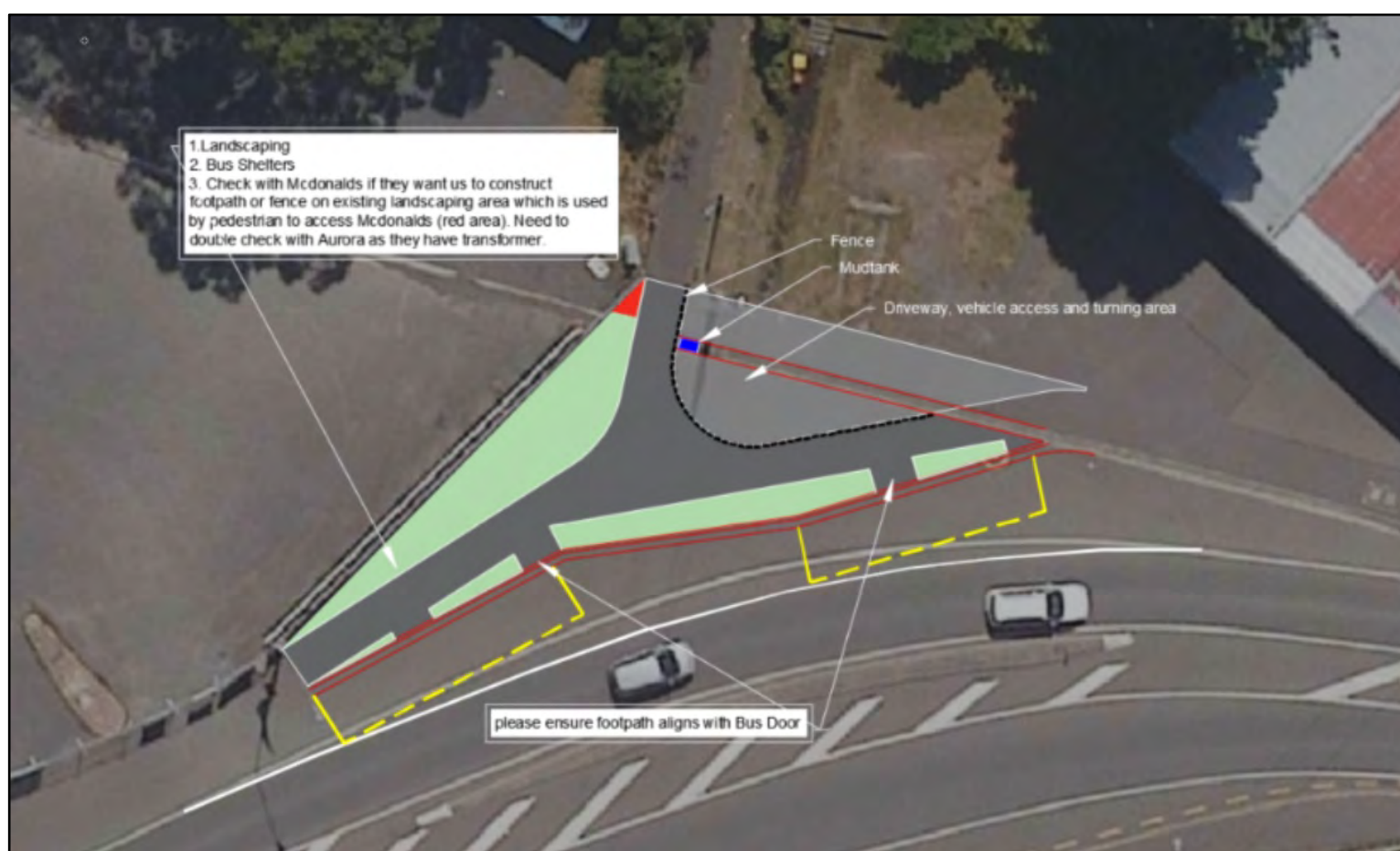


Figure 24: Draft Green Island Super Stop design

DISCUSSION - TOTAL MOBILITY

- [66] Total Mobility provides subsidised door-to-door transport through contracted small passenger services for those with long-term impairments who are unable to safely and reliably use conventional public transport.
- [67] For Q1-Q2 2025/26 a total of 76,026 trips were recorded, of which 11,026 were wheelchair hoist trips, reflecting a 5.3% increase overall from Q1 and Q2 2024/25.
- [68] While the total number of trips has increased, there has been a reduction in average trip length, from 8.28km in Q1-Q2 2024/25, down to 6.93km for Q1-Q2 2025/26.

[69] Figure 25 tracks the number of trips, split by hoist and non-hoist, alongside average trip length.

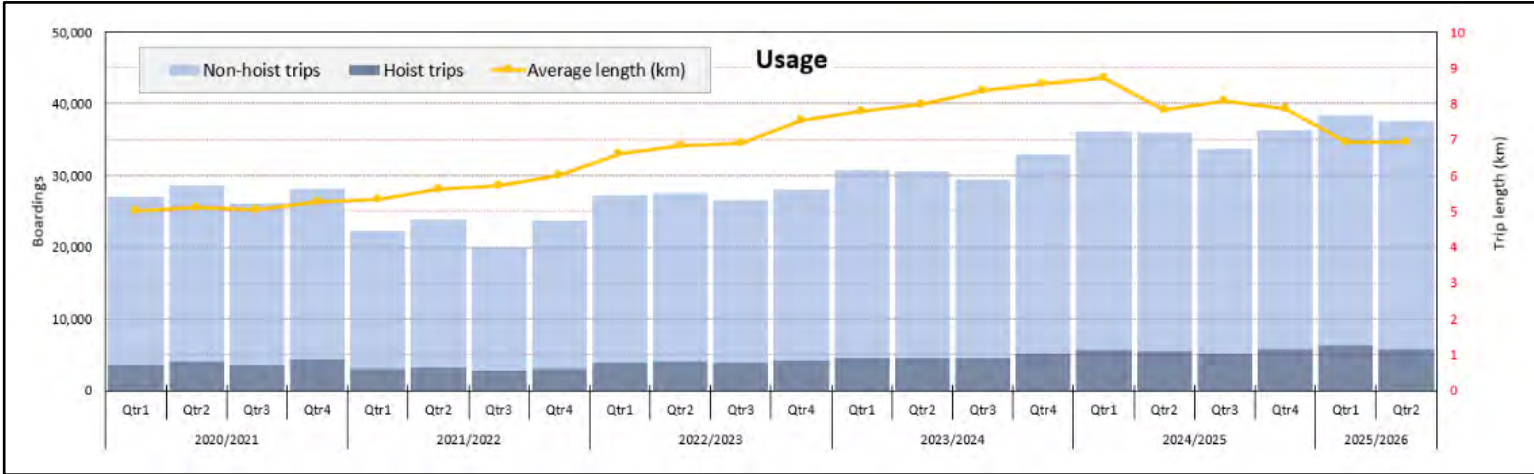


Figure 25: Total Mobility performance

- [70] Total Mobility subsidises 75% of taxi fares for disabled and older people for which public transport is inaccessible.
- [71] NZTA and the Ministry of Transport has been considering levers to manage funding the increasing levels of Total Mobility usage. On 16th December 2025 the Government announced that, from 1 July 2026, this subsidy will be reduced to 65%.
- [72] Transport staff will report on the impacts of this scheme change when the full year Performance Report is presented to Council.

DISCUSSION - ŌAMARU COMMUNITY TRANSPORT TRIAL

- [73] Community transport operates outside of conventional public and private transport services, primarily serving as a social service in the form of door-to-door trips. It is generally run by community entities and volunteers, responding to un-met demand within the community.
- [74] Council is currently supporting a six-month community transport trial connecting Ōamaru to the Orbus network in Palmerston three days a week (Tuesday, Thursday and Saturday). Council have contributed \$25,000 using targeted rates collected in 2024-2025. The community have contributed more than 1300 volunteer hours.
- [75] In the first three months of operation Ōamaru Community Shuttle has completed 136 trips (9358 kilometres travelled) and transported 210 people. Patronage is growing month on month as shown below in Figure 26.

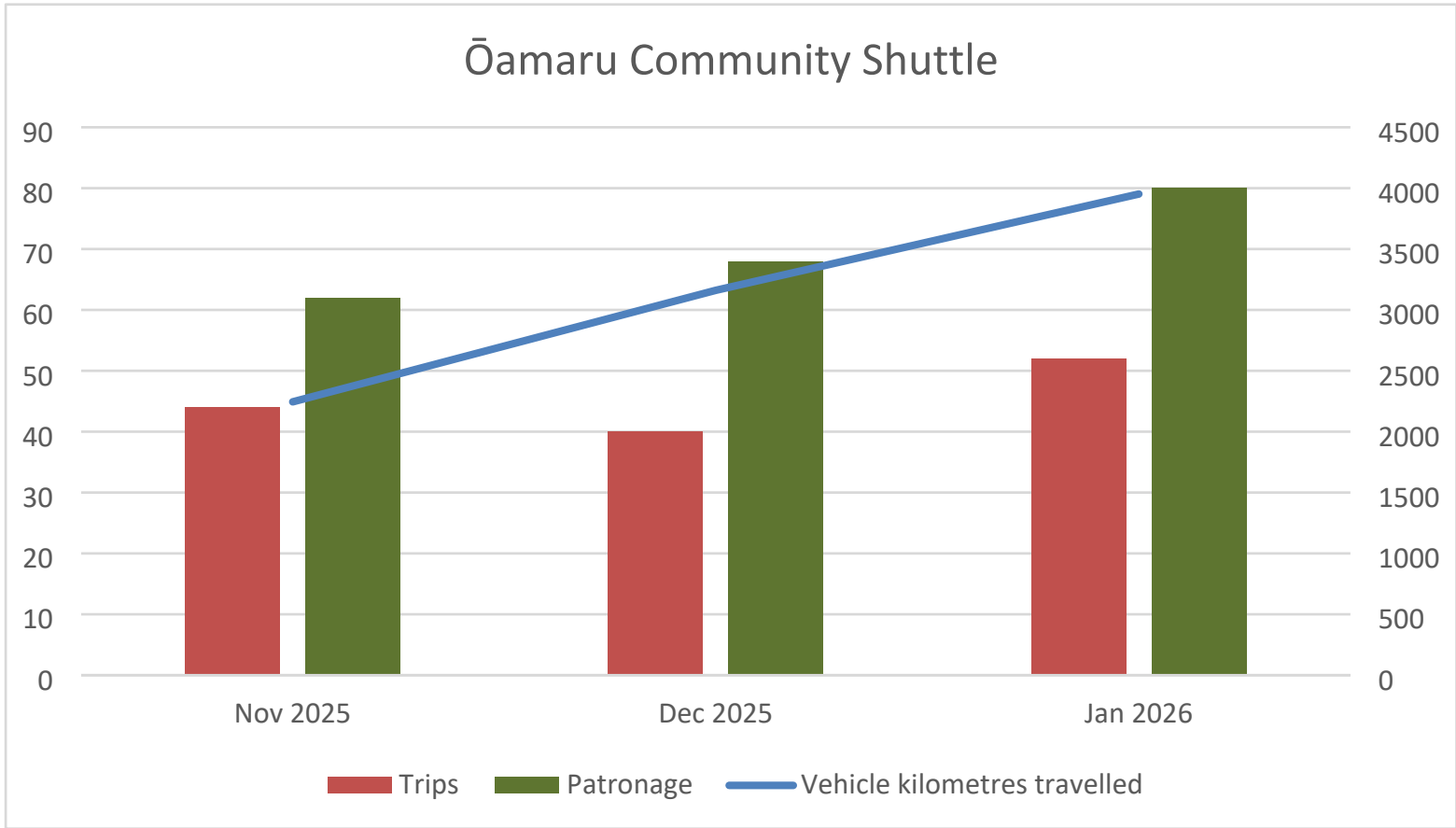


Figure 26: Oamaru Community Shuttle performance

[76] The service is being used by a wide demographic as shown below in Figure 27, and for a wide range of trip types as shown in Figure 28.

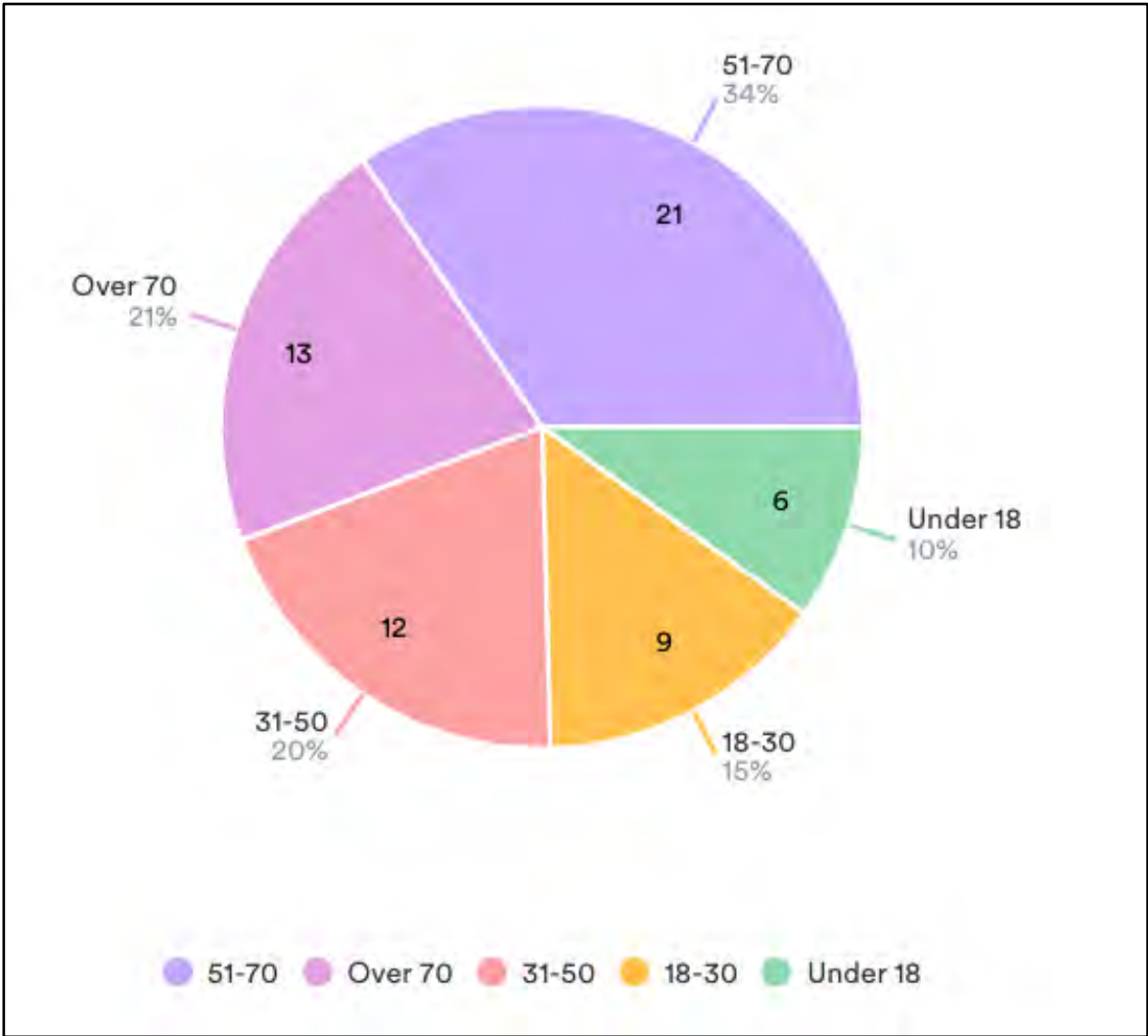


Figure 27: Age breakdown of Ōamaru Community Shuttle users

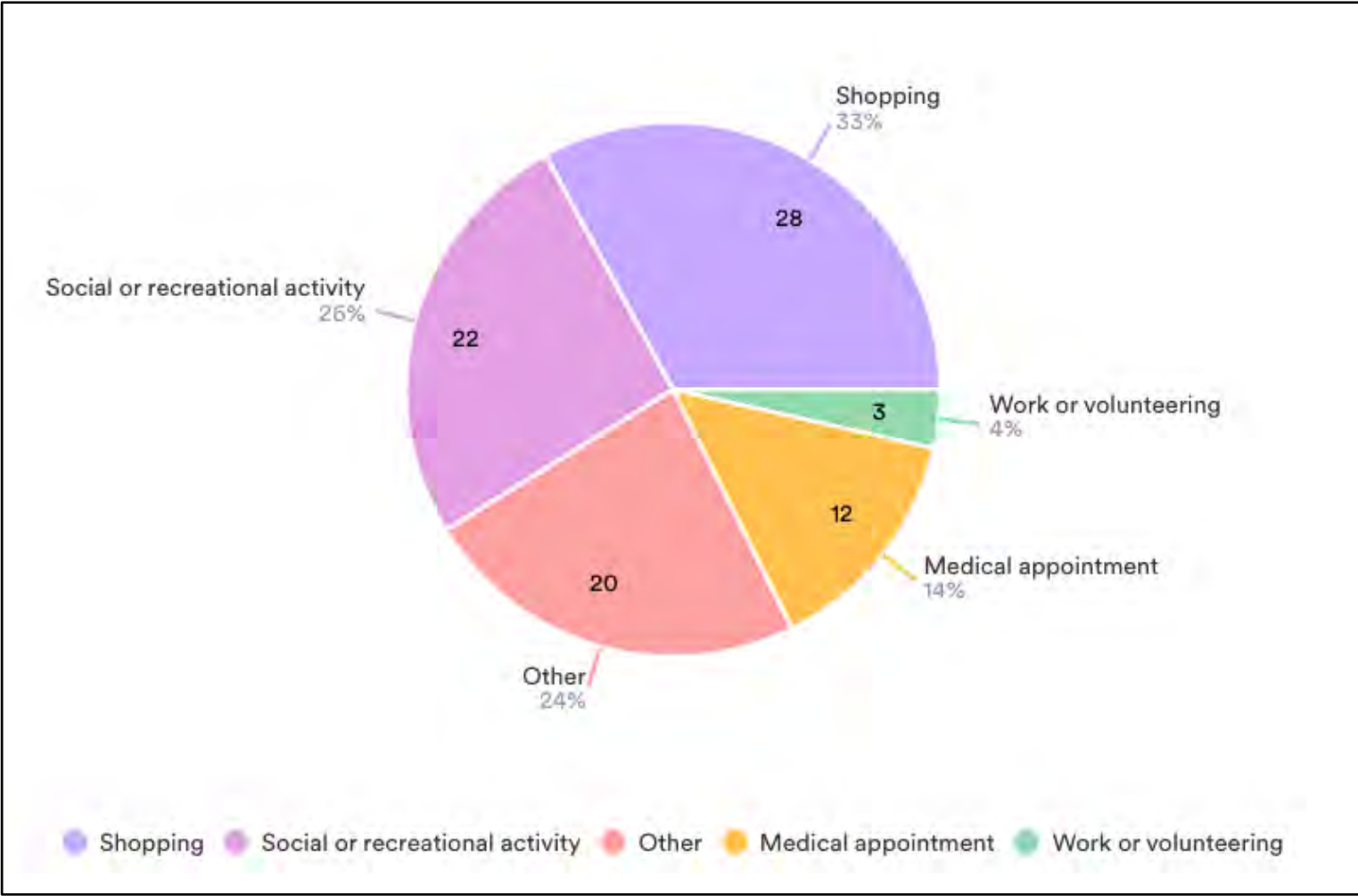


Figure 28: Reasons for using Ōamaru Community Shuttle users

- [77] Community feedback has been very positive with 97% of user survey respondents either satisfied or very satisfied with the service. All negative feedback received has been related to the timetable; specifically, the wait time in Palmerston or the late arrival back in Ōamaru. To address this, the Thursday service reverted to a direct service from Ōamaru to Dunedin in February.
- [78] Full results of the six-month Ōamaru trial and options for servicing Ōamaru in the future will be presented to Council in May 2026. Further insights from the ongoing users survey are available online:
(<https://www.jotform.com/report/26025561111804526>)

DISCUSSION - PASSNGER FEEDBACK

- [79] Passenger engagement during the reporting period recorded a total of 2,225 feedback entries. This reflects a consistent level of public interaction with the transport network.
- [80] The majority of interactions were informational, with general enquiries accounting for 50% of all entries. Complaints comprised 44% of total feedback, and the remaining 6% of entries were distributed evenly between positive feedback, incidents/accidents, and lost property (approximately 2% each).
- [81] Feedback as a % of Services Operated: From a total of 235,739 scheduled trips, the complaint rate remains exceptionally low at 0.4%. This indicates that while complaints represent a significant portion of feedback volume, they occur on fewer than one in every 250 trips, suggesting high overall operational reliability.

[82] Safety & Asset Management: Feedback regarding incidents and lost property remained minimal, each accounting for just 2% of total entries.

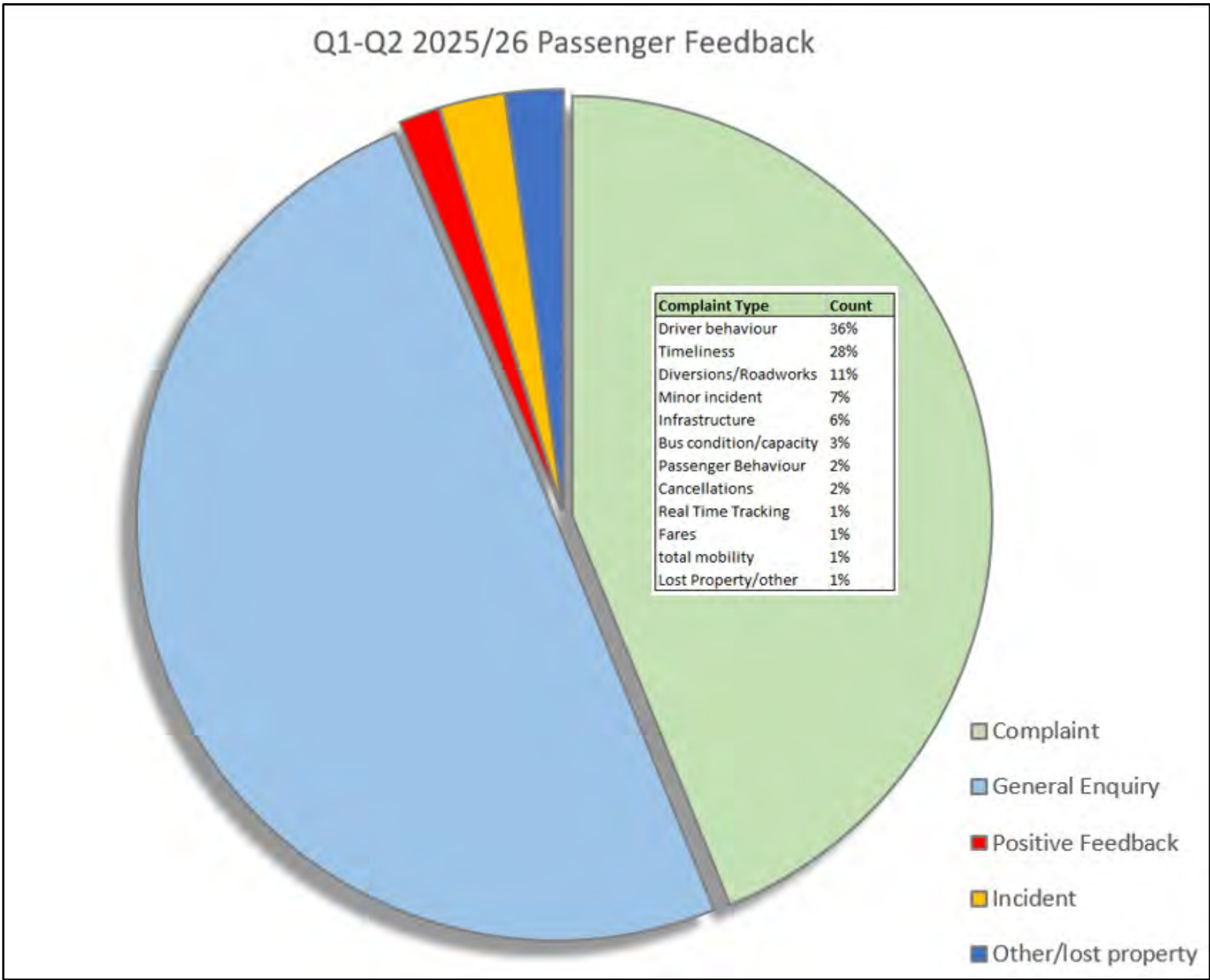


Figure 29: Passenger feedback categories, with complaint-subtypes

Addressing Customer Feedback

[83] Timeliness accounted for 28% of feedback this period, followed by Roadworks/Diversions at 11%. These delays are largely systemic rather than a reflection of driver performance, representing the operational reality of a network navigating significant regional transformation.

[84] While the overall complaint rate is low relative to the number of trips, transport staff remain focused on the 36% of complaints that relate specifically to driver behaviour.

[85] These reports - including "pushing" yellow lights, driving behaviour/perception, and issues on management of passenger behaviour on school services - are treated as safety indicators and investigated individually. To address these concerns and improve service quality, there are a number of proactive measures currently underway.

[86] These measures include transport staff conducting targeted "ride-alongs" during peak school and commuter periods. This allows for real-time monitoring of

passenger conduct, adherence to road rules (such as intersection safety), and viewing the engagement between passengers and drivers.

- [87] To ensure unbiased assessment, "mystery shopping" is utilised to evaluate the passenger experience. This provides an objective view of driver behaviour, vehicle condition, and overall service delivery without the presence of official council branding.
- [88] These are conducted not as audits, but as opportunities for transport staff to support drivers during high-pressure peak periods. This "boots on the ground" approach allows the Council to witness operational challenges firsthand and provide constructive feedback to operators.
- [89] In addition, transport staff have been working with Dunedin Police to facilitate proactive 'toolbox' briefings with bus companies, at local bus depots. Rather than focusing on isolated infringements, these sessions serve as safety reminders regarding heavy vehicle positioning, intersection etiquette, and sharing the road with other users. This collaborative approach ensures that road safety remains top-of-mind for our transport operators.
- [90] Staff have also been working with two Blind Citizens Otago branch advocates, both regular bus users, to provide depot-level driver training.
- [91] A Barrier-Free assessor delivers annual training sessions to our contracted operator depot managers, and those sessions have also been attended by Transport staff.
- [92] Key drivers of service variability include peak congestion - : Increasing vehicle volumes in both the Whakatipu Basin and Dunedin city centre often result in buses being caught in general traffic, particularly where dedicated bus priority is not yet available.
- [93] In Queenstown, the Strategic Upgrades (Kā Huanui a Tāhuna, the Whakatipu Transport Programme Alliance) which are high impact works at the Frankton (SH6/SH6A) intersection have introduced unavoidable bottlenecks during the construction of new signalised layouts and Frankton Bus Hub expansion. The works are forecast to be completed in mid-2028, doubling the Hub's capacity and including new signalised entries to make bus movements easier. The replacement of the current "BP" roundabout with a much larger signalised intersection is the project's centrepiece and works will continue to intensify through to 2027.
- [94] Ongoing infrastructure renewals and streetscape upgrades in the Dunedin CBD (including the George Street and Hospital precincts) have altered traffic flow and increased congestion on core bus corridors, and more broadly, extensive maintenance and Stop/Go" traffic management across the wider Otago region continue to cause cumulative delays

- [95] While these projects currently impact reliability, they are essential for the long-term efficiency of the road network. We continue to use Real-Time Tracking and alerts through the website, Transit app and social media, to provide passengers with transparency during these periods.
- [96] In terms of reliability of service, staff undertake route and timetable reviews biannually and staff are currently reviewing routing and timetable refinements for routes 77/78 (Mosgiel, Mosgiel Express) and 10 (Shiell Hill/Opoho).
- [97] Transport staff are receiving a growing number of enquiries about capacity issues on Queenstown school bus services, particularly between Jacks Point/Hanley's Farm and Wakatipu High School. However, current funding does not allow for the addition of extra bus services to address these concerns.
- [98] In addition to the Queenstown issues associated with schools, there continues to be capacity challenges with pupils from schools in the general South Dunedin area, travelling to Portobello and the peninsula, as well as out toward Mosgiel.
- [99] More broadly, there is an ongoing challenge with the Ministry of Education withdrawal of Queenstown school services. While interim services are in place for Term 2, there is community expectation that ORC will provide additional bus capacity, either as direct school service replacements, or as public bus services with more school focuses routes.
- [100] While there is no funding to facilitate this, we will continue to work with MoE, including exploring the opportunity of obtaining their funding to support school services. It is likely a bigger strategic conversation on Queenstown public transport more generally, and including school services, will be introduced for the next Long-Term Plan.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [101] The provision of public transport services in Otago is consistent with Council's aspirations for an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations,

Financial Considerations

- [102] There are no direct financial implications resulting from this report. However, we use our monitoring of network performance to inform decision making for transport activities.

Significance and Engagement

- [103] Not applicable.

Legislative and Risk Considerations

- [104] Not applicable.

Climate Change Considerations

[105] Public Transport supports climate change aspirations within Otago.

Communications Considerations

[106] Not applicable.

NEXT STEPS

[107] A review of full-year performance for 2025/26 will be presented to Council in August 2026.

ATTACHMENTS

Nil

10.5. Community Transport

Prepared for: Council
Report No. TRN2603
Activity: Public Transport
Author: Robyn Hyde (Transport Planning Lead)
Endorsed by: Anita Dawe (General Manager Regional Planning and Transport)
Date: 25 March 2026
Portfolio Leads: Cr Hollyer and Cr Somerville, Transport

PURPOSE

- [1] The purpose of this report is to seek Council direction and approval to progress the community transport actions agreed in the Regional Public Transport Plan 2025-2035.

EXECUTIVE SUMMARY

- [2] Community transport is delivered by the community, for the community, in response to local transport and accessibility need. It is a fragile operating model reliant on volunteers, grants, donations and fundraising to operate.
- [3] Community transport helps address fundamental issues of accessibility and social equity and supports community well-being and economic prosperity.
- [4] Transport is a core function of Council and enhancing regional connectivity and community transport are key priorities in the Regional Public Transport Plan 2025-2035.
- [5] Council signalled a strong intent to support non-profit community transport services in the RPTP.
- [6] Four key pieces of work provide clear evidence that community transport needs to be part of Otago’s public transport services portfolio (alongside fixed urban services, on-demand, and Total Mobility) Having the right tool to do the job is important to delivering the RPTP and wider organisational outcomes.
- [7] Development of a community transport programme policy framework will support the identification, assessment, prioritisation and funding of proposals and guide decision making in a structured, consistent and fair manner.
- [8] Staff consider the establishment of a community transport contestable fund similar in format to that of ORC’s ECO fund will be needed to support, foster and enable community-led transport initiatives that improve accessibility and complement existing public transport services.
-

- [9] The low operating costs of community transport, achieved through volunteer labour and community fundraising, make services feasible in areas with limited passenger volumes, where traditional public transport would not be feasible nor meet NZTA funding expectations. Investment in supporting community services provides a high return on investment for Council.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Notes** the significant body of work to understand the community transport landscape in Otago and the views of the community already compiled through the Regional Public Transport Plan.
- 3) **Approves** the development of a community transport programme policy framework that empowers and enables the community, underpinned by a community transport contestable fund.
- 4) **Notes** the value of supporting the community to deliver community transport services.
- 5) **Notes** the establishment and value of any future ORC community transport contestable fund would be considered by Council as part of the Long-Term Plan 2027-30.

BACKGROUND

What is community transport?

- [10] Community transport operates outside conventional public and private transport services run by Council or commercial operators.
- [11] Community transport services are established to meet the unique transport needs of their community and usually fill a gap or unmet need for people that have little or no access to a private vehicle or public transport.
- [12] Delivered by community entities (usually charitable trusts), service design is shaped by responsiveness to local needs and resources in the community. Community transport is wholly reliant on volunteers, grants, donations and fundraising to operate.
- [13] Community transport is delivered by the community, for the community, with operators focused on delivering social benefits through reducing social isolation, increased access to essential services, community participation and social opportunities. This in turn helps people who live in rural or small towns to remain independent and living in their communities.

Community transport operational context

- [14] Unlike traditional public transport, community transport models provide a high degree of flexibility (including door-to-door services, demand-responsive scheduling, and volunteer-driver programmes) which enables a tailored or targeted response based on demand.

- [15] The low operating costs of community transport, achieved through volunteer labour and community fundraising, also makes services feasible in areas with limited passenger volumes. Investment in supporting community services provides a high return on investment for Council.
- [16] Not strictly recognised as an integral component of a public transport network in New Zealand, community transport operates in a somewhat ambiguous transport policy and regulatory landscape.
- [17] This absence of dedicated policy and funding framework comparable to that supporting conventional public transport means that community transport services operate without the stability, resources, or official recognition that is afforded to other transport modes.
- [18] Some regions have led the way in trying to address this through empowering and supporting their communities to deliver community transport across their regions. Waikato Regional Council and Canterbury Regional Council have well established community transport programmes and allocation of grant funds to support operators.
- [19] The majority of New Zealand however continues to function largely through the dedication of community volunteers and the piecemeal assembly of funding from diverse charitable and philanthropic sources, creating an inherently fragile operational environment.

Regulatory context and role of Council

- [20] Transport is a core function of Council. Whilst community transport is delivered by community entities, it also by default falls into the Public Transport Authority's (PTA) ecosystem and toolbox to enable delivery on Council's transport objectives.
- [21] Community transport is supported in the 2025 - 35 Regional Public Transport Plan (RPTP). The RPTP contains five actions with respect to community transport including developing a framework for a community transport programme and a funding framework/policy to support it (Actions 1 and 4; p. 38).
- [22] Once an RPTP is adopted, it is Council's role to implement the plan, including the community transport policies and actions consulted on and adopted.
- [23] At the community transport workshop held with Council on 12 February 2025, Council indicated a preference for being an enabler for community transport rather than taking control or stepping on the toes of existing operators.

Why is community transport important?

- [24] Community transport operators provide an essential social service for their communities in response to unmet local transport needs. Despite being difficult to quantify, it cannot be underestimated the difference the service makes to both clients and volunteers alike. It can be a lifeline for many; it facilitates connection and friendship, combats loneliness and social isolation and allows volunteers to give generously and make a difference to someone else. It helps address fundamental issues of accessibility and social equity and can support community well-being.

- [25] With an aging population and increasing pressure on Total Mobility, community transport can operate in areas where Total Mobility is not feasible and can also be an alternative door-to-door option helping to alleviate pressure on the Total Mobility scheme (where it does operate).
- [26] From an economic perspective, community transport supports the local economy by connecting residents to local businesses and services.

Understanding of community transport in Otago – work completed to date

- [27] Staff have been working to understand both the community transport landscape in Otago and the views of the community evidenced through several key pieces of work over a number of years.

Otago Community and Accessible Transport Study (OCATS)

- [28] The Otago Community and Accessible Transport Study (OCATS) 2023, was commissioned by ORC following an action in the RPTP 2021-2031 to “have wider conversations with Otago residents and organisations about community transport needs and understand the case for investment in services to advantage communities not currently served”. This work was completed by Taith Consulting Limited and included in this report as **Attachment 1**.
- [29] OCATS directly informed the community transport content in the RPTP 2025-2035, with public consultation providing the mechanism for directly engaging with the public to gauge their level of support.
- [30] The study outlines current service provision (section 3.3), examines community transport programmes in other regions, and sets out the challenges and opportunities for community and accessible transport in Otago.
- [31] An initial high-level assessment was made to demonstrate how the three options of fixed route, on-demand and community transport could be applied in Otago.
- [32] OCATS concludes that even if fixed route and more expensive Timaru style on-demand services are desired, community transport operations almost certainly need to be part of the mix, and the relatively low profile of community transport is something that needs to be addressed.
- [33] OCATS made a series of recommendations including that ORC focus on setting up an accessible transport funding scheme and supporting framework along the lines of that in Canterbury and Waikato, noting ‘with a suitable framework in place, plenty of improvements could be made with judicious investment in Otago’.

Regional Public Transport Plan 2025-2035 public consultation

- [34] Community transport was one of five topics (Figure 1) ORC directly asked the public for feedback on through the 2025 RPTP consultation.

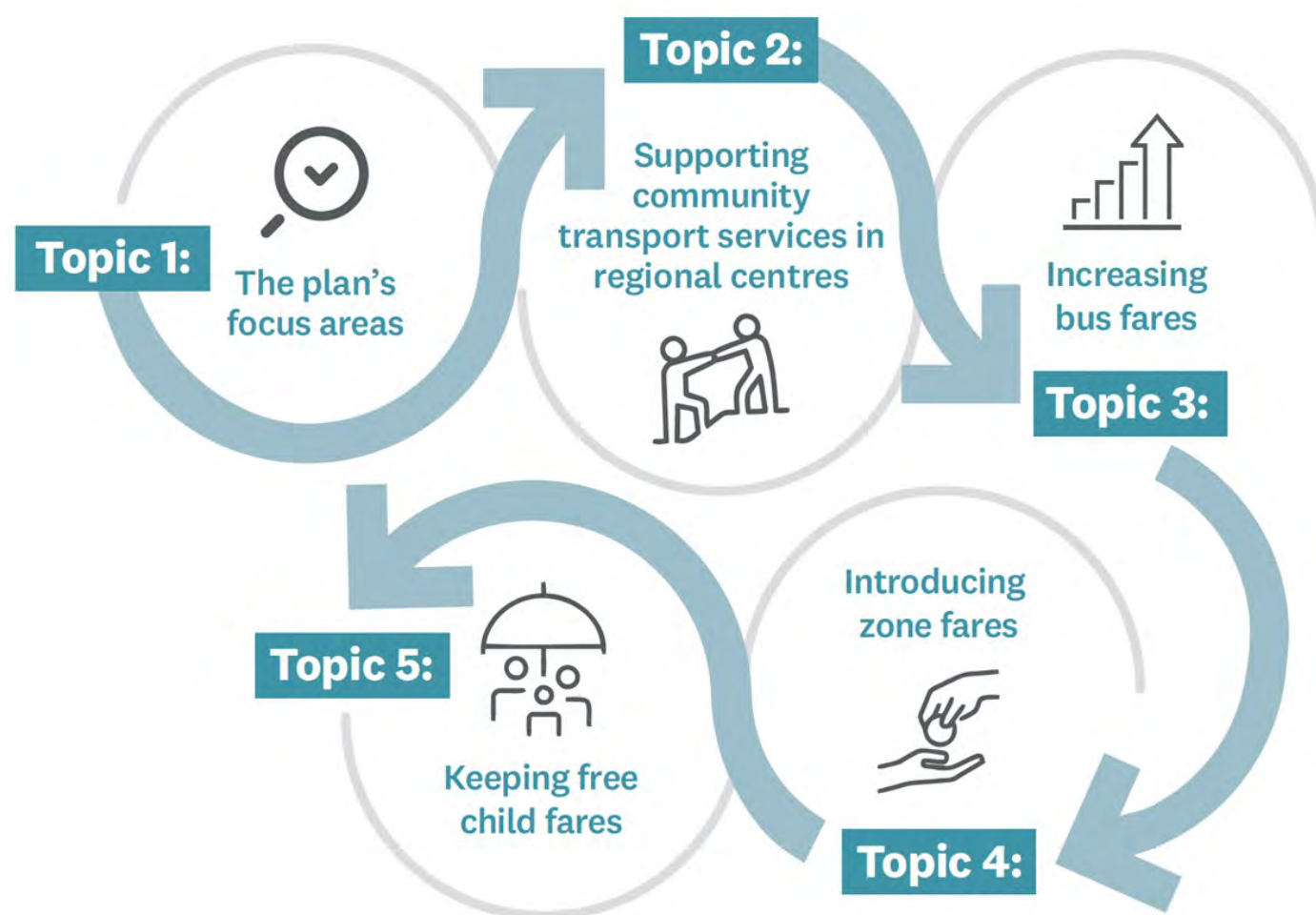


Figure 1 RPTP 2025 consultation topics

- [35] The consultation document included ORC's proposal to consider the establishment of a subsidised community transport programme providing support for transport operators in Otago's smaller towns and rural areas. Respondents were then asked 'Do you agree with ORC having a role in supporting community transport services?'
- [36] Community sentiment toward ORC supporting community transport was overwhelmingly positive. Of the 492 submissions on this topic, 92% supported ORC's proposal. Four RPTP submitters also spoke to the Hearings Panel about the need for community transport in their communities at the public hearings.
- [37] Many submitters recognised the lack of transport options in Otago's smaller towns and rural areas and understood community transport to be a potential solution.
- [38] Submitters who supported community transport cited the potential for the services to help elderly people living in rural areas to access opportunities, such as health care appointments in Dunedin. They also cited the St. Johns health shuttles as an example of an existing community transport service that positively impacts communities.
- [39] The impact on the disability community was also highlighted. CCS Disability Action submission stated *"Community Transport has the potential to "fill the gap" where limited or no public transport facilities exist...We continually receive feedback from disabled people across Otago (including Dunedin) who are struggling to attend health and other essential appointments...We note that the ORC does not currently provide community transport providers with funding and recommend that the Council develops a funding mechanism to support rural transport providers."*
- [40] Submitters who did not support community transport cited concerns about cost, high reliance on volunteers, and risk of resources being diverted from urban service.

University of Otago summer studentship 2025/26

- [41] ORC recently funded a University of Otago summer student to assist ORC to learn more about community transport organisations operating in Otago. This was part of a wider summer (10 week) scholarship research programme for the Sustainability Office of the University of Otago. Collaborating with academic institutions on public transport projects aligns with the RPTP policy on Collaborative Working Relationships (p. 43 and p. 44 in the RPTP).
- [42] The study titled ‘Understanding community transport in Otago: Providers, funding, challenges and key strategic insights’ (included as **Attachment 2**) sought to address two primary research questions: *What community transport operators currently exist in Otago and what funding sources are available to support them?*, and *What challenges do community transport providers in Otago encounter and what types of support do they require?*
- [43] The research identified 12 active community transport operators concentrated primarily in Dunedin (42%) and Central Otago (25%). Predominately (42%) volunteer driver services using personal vehicles, there is significant dependency on volunteer capacity and personal resources, highlighting systemic vulnerability.
- [44] Nine organisations took part in a semi structured interview, representing diverse service models across urban and rural areas of the Otago region, including community houses, friendship networks, health organisations, and social clubs.
- [45] The interviews covered the following key areas:
- context and background of the organisation's involvement in community transport
 - current service structure and daily operations
 - volunteer recruitment, vetting, and management
 - service demand and utilisation
 - financial and operational challenges
 - current funding sources and adequacy
 - limitations in vehicle fleet, scheduling systems, or volunteer capacity
 - support requirements (funding, training, partnerships, regulatory guidance)
 - preferences for Otago Regional Council support
 - community willingness to contribute to service funding
- [46] Demand for services varied considerably across the nine interviewed organisations as shown below in each operation involves hundreds of volunteers and volunteer hours.

Organisation	Average trips	Growth
Cromwell Community House	60 trips per month	80% increase in demand since 2024
Community Link Upper Clutha-Wheels to Dunstan	30.5 trips per month/ 39.25 passengers per month	55% increase in trips and 80% increase in passenger numbers in 2025
Cancer Society Dunedin	30 trips per week	
Alexandra Community Advice Network	25 trips per month	
Presbyterian Support Otago	5 trips per week	Serving 8-10 people on the Mosgiel service
Plus Bus Dunedin	8 trips per month/ 4-6 people per trip	
Mosgiel RSA	2-3 trips every Friday/ transporting approx. 18 people each week	
Central Otago Friendship Network	1 trip per week/ 2-4 regular users	
St John Health Shuttle Southern	5-6 clients per van daily	

Table 1 Demand and utilisation of existing community transport services

[47] Organisations face multiple and overlapping operational challenges. Volunteer capacity was considered the primary constraint with organisations reporting difficulty in recruiting volunteers to meet service demand and consistent service coverage. Meeting vehicle operating costs and having suitable vehicle fleets to meet client accessibility needs were also significant as shown below in Figure 2.

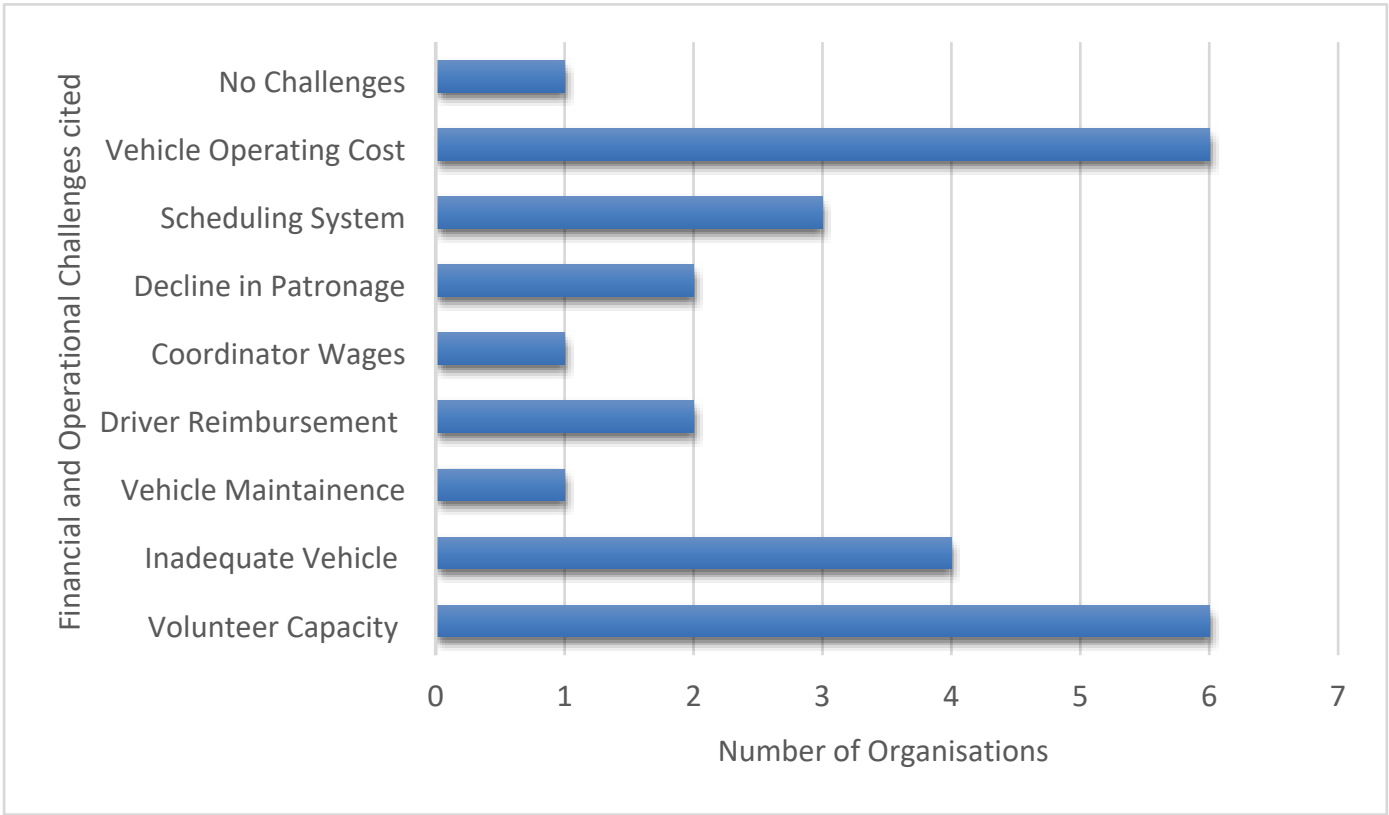


Figure 2 Financial and operational challenges cited in community transport organisation interviews

[48] The research found near universal request for funding support with financial sustainability a major concern. Specifically, investment in appropriate community vehicles could address multiple current operational challenges.

[49] Specific support needs and preferences for assistance are shown below in Figure 3.

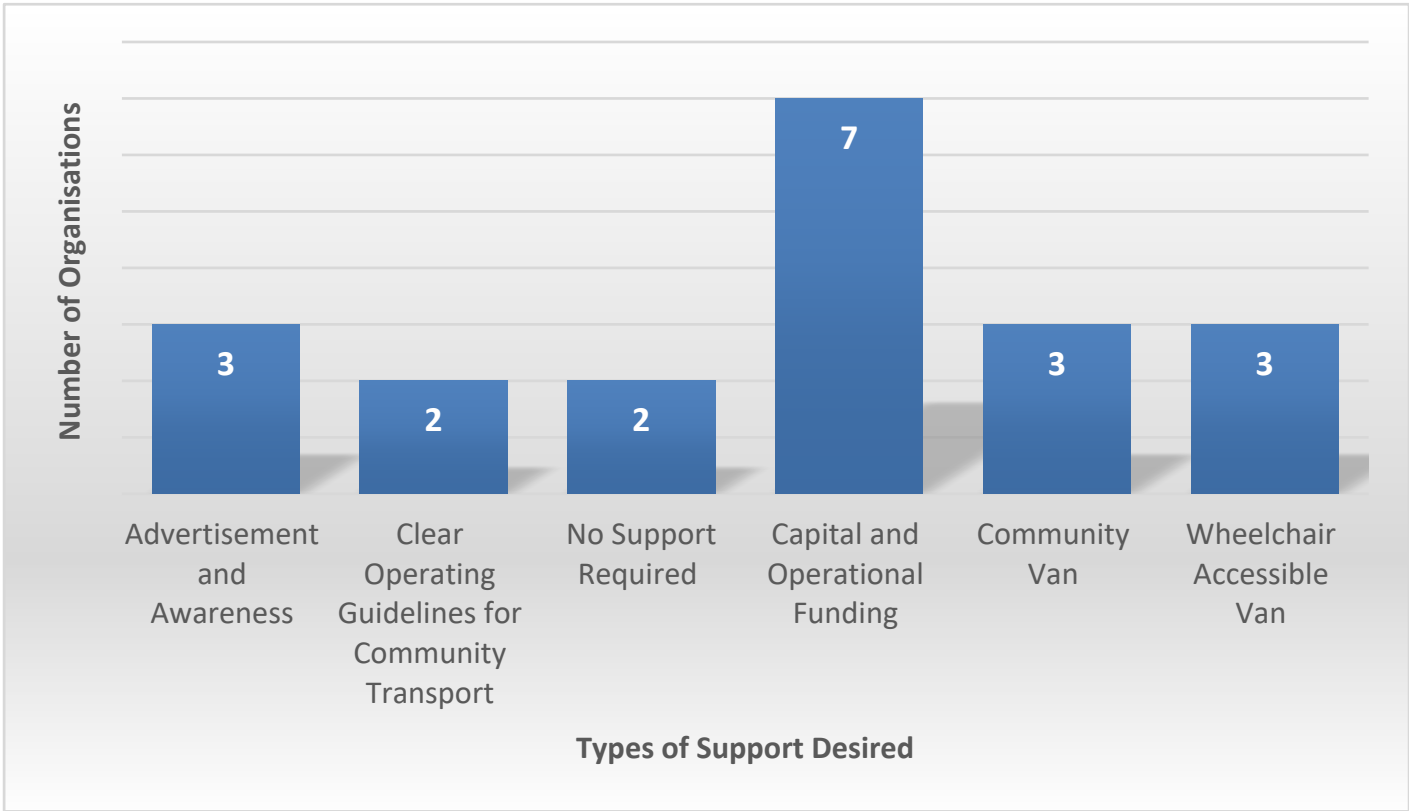


Figure 3 Types of support desired by community organisations interviewed in Otago.

- [50] Relying on publicly available information, the funding source identification process revealed 24 potential funding organisations accessible to community transport operators in Otago. These are generally contestable funding sources distributed at a national, regional, or local level, and with varying eligibility criteria and funding priorities.
- [51] The funding sources found will be available to share with community transport operators. In the first instance this list has been shared with the Ōamaru Community Shuttle steering group.
- [52] The student researcher identified three key insights or areas of focus for ORC:
- **Financial assistance for operational and capital expenditure** - Financial assistance was considered the most critical support requirement with 89% of interviewed organisations requesting funding support. Financial contribution towards operational and/or capital costs could help address service sustainability and structural capacity barriers.
 - **Clear guidance on community transport regulations, operational rules and policy** - Community transport operators navigate the ambiguous regulatory and community transport operating framework independently. This regulatory uncertainty and complexity means some organisations may hesitate to establish or expand services for fear of exposure to legal and liability risks. A better framework including clear guidance material for community transport operations would assist volunteers.
 - **Improving public awareness of community transport** - Lack of awareness of community transport and community transport operations is a fundamental barrier that limits utilisation and recruitment of volunteers. Support with marketing and advertising similar to that of Waikato or Canterbury Regional Councils could help address this.

Ōamaru community transport trial

- [53] Council is currently supporting a six-month community transport trial connecting Ōamaru to the Orbus network in Palmerston three days a week (Tuesday, Thursday and Saturday).
- [54] The community transport trial in Ōamaru offered a low-cost pathway to test demand and community views on an Ōamaru link using targeted rates collected in 2024-2025. The trial also supports delivery on the RPTP's community transport action 3, to trial a community transport service in a selected area.
- [55] Council have contributed \$25,000 to the six-month trial and the community have contributed more than 1600 volunteer hours to date.
- [56] In the first four months of operation Ōamaru Community Shuttle has completed 179 trips (14,099 kilometres travelled) and transported 298 people. Patronage is growing month on month.
- [57] Figure 4 below shows how passengers would have made their journey if the community shuttle was not available. More than 25% of people using the service would not have made the trip at all indicating that this service is improving accessibility and participation.

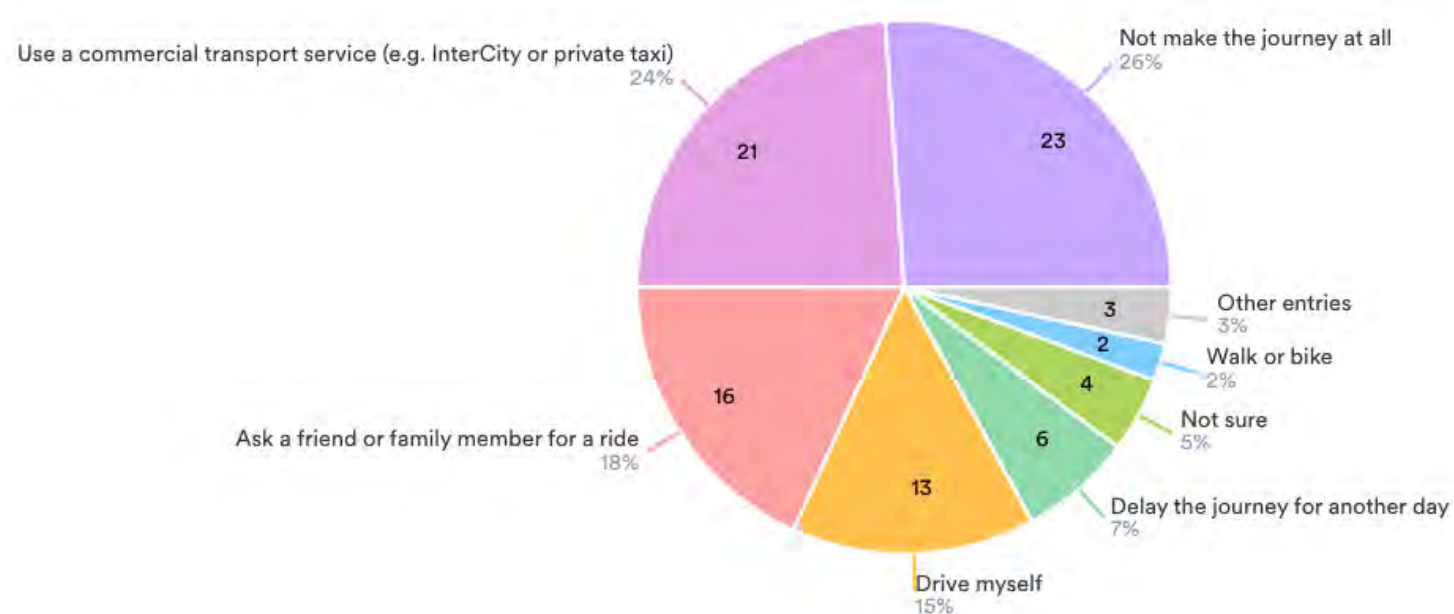


Figure 4 Latent demand for the service

- [58] 97% of users surveyed to date are either satisfied or very satisfied with the service. Additional comments highlight how needed this service is and gratitude for the wonderful volunteers. There are also requests for a service on other days of the week.
- [59] All negative feedback received related to the timetable; specifically, the wait time in Palmerston or the late arrival back in Ōamaru. To address this, the Thursday service reverted to a direct service from Ōamaru to Dunedin in February.
- [60] Further insights from the ongoing users survey are available [online here](#).
- [61] Full results of the six-month Ōamaru trial and options for servicing Ōamaru in the future will be presented to Council in May 2026.

- [62] These four significant bodies of work demonstrate that staff have a good understanding of Otago's existing community transport operations and where ORC could best assist them. There is also overwhelming support from the community to establish a subsidised community transport programme.
- [63] There is clear evidence that community transport can be part of Otago's public transport services portfolio (alongside fixed urban services, on-demand, and Total Mobility) Having the right tool to do the job is important to delivering the RPTP and wider organisational outcomes.

DISCUSSION

- [64] Council has community transport focused actions in the RPTP, which was adopted in June 2025. There is choice in terms of how and when those actions are implemented, noting that community transport was also supported in the 2021 – 2024 RPTP.
- [65] The benefits and opportunities for community transport have been set out above, along with the Otago context. Staff consider that enough is known about community transport, including the appetite from the community, that additional engagement on whether there is support is not required.
- [66] On that basis, some options have been proposed below, for how to progress community transport.

OPTIONS

- [67] **Option 1: Do not support the development of a community transport programme policy framework.**
- [68] This option recognises that Council does not see community transport as a priority at this time. If Council chose this option staff will continue to progress other RPTP priorities and actions.
- [69] **Option 2: Support additional feasibility work or a community transport business case to be undertaken.**
- [70] Directive from the Councillor workshop on 12 February 2025 was to complete more feasibility work or a business case. Staff do not recommend the completion of a business case for community transport as this would not deliver value for the staff time required.
- [71] If this option is preferred staff will continue to work with community transport operators and communities on feasibility options for areas where access could be improved with the implementation of community transport.
- [72] Under this option staff will need to communicate how Council intends to tangibly contribute to community transport in the future, so engagement can be credible and genuinely progress options.

- [73] **Option 3: Support the development of a community transport programme policy framework that empowers and enables the community and is underpinned financially through the establishment of a contestable fund which would be considered through the upcoming LTP process.**
- [74] Staff recommend a community transport programme policy framework is developed. This framework will support identification, assessment, prioritisation and funding of proposals and guide decision making in a structured, consistent and fair manner.
- [75] Further, staff would be recommending, as part of the next LTP discussion, the establishment of a community transport contestable fund similar to the structure of ORC's ECO fund, is considered. The purpose of the fund will be to support, foster and enable community-led transport initiatives that improve accessibility and complement existing public transport services or other transport options.
- [76] Funding in the form of a contestable fund means that it is a controllable budget item for Council. The high degree of volunteer input in the community transport model means a relatively small amount of money can go a long way and benefit many. It also gives Council the ability to direct funds to the most needy projects and areas. Further a contestable fund means organisations cannot rely on continuity of funding each year and therefore will strengthen their sustainability by developing diverse funding streams.
- [77] The creation of a community transport contestable fund would benefit existing community transport operators and also enable communities with an unmet need to step up and develop community services to meet their community's unique transport needs.
- [78] Option 3 aligns with the proposal consulted on as part of the RPTP that received overwhelming community support.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [79] The RPTP is the core statutory instrument for public transport planning under the Land Transport Management Act 2003. Consulted on and adopted in 2025, the RPTP policies and actions provide direction on where ORC will focus and invest.
- [80] The development of a community transport programme policy framework fulfils Council's role to action the RPTP community transport. The establishment of a contestable fund to support community transport would also implement RPTP actions.
- [81] Community transport is consistent with the 'Transport' Strategic Direction set by Council for an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations.

Financial Considerations

- [82] Developing a framework and establishing a contestable fund to support a community transport programme in Otago will require staff resource which can be met from within current Transport Planning capacity.
- [83] The value of any contestable fund will need to be considered during the LTP development process, alongside any additional staff resource required to administer this fund and manage relationships with community transport providers.

Significance and Engagement

- [84] Engagement and consultation for the 2025 RPTP was undertaken in accordance with s125 LTMA (including s82, s83 and s87 of the LGA 2002).
- [85] Community transport was one of five key topics ORC consulted on as part of the 2025 RPTP. Direct feedback and overwhelming support was received on the community transport proposal. There is no further engagement or consultation needed specifically to advance this work.
- [86] Community transport is community led, and the purpose of this programme is to empower the community. Staff will continue to engage, involve and collaborate with existing and new potential community transport operators to shape a programme and support greater customer accessibility as outlined in section 6.3 of the OCATS report.

Legislative and Risk Considerations

- [87] Section 35 of the LTMA states that the needs of transport disadvantaged must be considered in the preparation of any plan or programme. ORC only fulfils this in areas where Total Mobility, on-demand or fixed route buses are available. Community transport is another mechanism by which the needs of transport-disadvantaged may be able to be met, in particular where it is not financial feasibility for a small passenger service operator to operate and where it is operationally unfeasible to implement a fixed bus route.
- [88] Developing a RPTP is a statutory function of a PTA under subpart 1 of the Land Transport Management Act 2003 (LTMA) (sections 117- 129). It is an important mechanism for encouraging stakeholder and public engagement in the design and operation of public transport networks and work programmes.
- [89] The RPTP is the core statutory instrument for public transport planning under the Land Transport Management Act 2003. It is also the blueprint for Council's public transport work programme.
- [90] There is a moderate risk that the decision could impact Council's reputation if actions consulted on and adopted through the RPTP are not progressed.
- [91] Further engagement with stakeholders without clear future direction or commitment from Council may jeopardise the integrity of ORC's relationship with community organisations.
- [92] Staff are aware of a full community transport legal review that Waikato Regional Council commissioned. There is also active work with NZTA to improve clarity of the

regulatory and operational environment for community transport operators. An Otago community transport policy framework will be consistent with any findings from this review and resultant NZTA guidance material.

- [93] ORC's transport team will seek review from ORCs legal team in the development and finalisation of the community transport policies, should that option be supported.

Climate Change Considerations

- [94] Community transport aligns with reducing emissions through increased use of shared mobility.

Communications Considerations

- [95] The communications consideration will depend on which option Council elects to support.

NEXT STEPS

- [96] If the recommended option is approved drafting of the community transport policy framework will be added to the transport planning work programme and the topic will be included for discussion during the long term plan process.
- [97] If an alternate option is selected by Council staff will communicate that option and any next steps with community transport providers and the wider Otago community.

ATTACHMENTS

1. ORC Community and Accessible Transport Study - Taith Consulting [**10.5.1** - 74 pages]
2. Understanding Community Transport in Otago [**10.5.2** - 51 pages]

Community and Accessible Transport Study (CATS)

FINAL REPORT

CLIENT:



Otago
Regional
Council

TAITH CONSULTING LIMITED | 144 Cambridge Road, Bethlehem, Tauranga, 3110

Otago Community and Accessible Transport Study (CATS): Final Report

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Notice

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Acknowledgements

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Otago Community and Accessible Transport Study (CATS): Final Report

1. Introduction

1.1 Study Purpose

There is a growing interest in understanding and developing options for improving public and shared transport accessibility in communities across the Otago region. This interest has come about because many people who do not have access to a private car are suffering significant transport disadvantage, and if nothing is done this number is likely to grow.

Fixed route bus networks exist in Dunedin and Queenstown. Smaller towns – including Wānaka, Cromwell, Alexandra, Clyde, Oamaru, Balclutha, and Milton – do not have local public transport services. Ministry of Education school buses are not available to the general public. Furthermore, smaller townships and rural areas also have no local fixed public transport services connecting them to the nearest larger settlement.

In many instances, this situation means that people who do not have access to a private car must pay for taxi services, which can be very expensive for more than occasional usage (even with the Total Mobility discount for those who are eligible, and where this is available). From a people perspective, certain groups in society – including elderly, disabled and young people – are transport disadvantaged and do not enjoy the same accessibility opportunities as the rest.

The current Otago Regional Council (ORC) Regional Public Transport Plan (RPTP) July 2021 proposes the following short-term action:

“Have wider conversations with Otago residents and organisations (including WDC, CODC, CDC where appropriate) about community transport needs, as reported to the ORC, to understand the case for investment in services to advantage communities not currently served.”

The RPTP also notes the following opportunity:

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

There are several options to improve accessibility in communities which do not have local bus services, including:

- New **fixed route** bus services which operate to a regular timetable;
- Flexible **On-demand** services which are based on user requests; and
- Charity-operated **community transport** services, which can be either regular or on-demand.

Otago Regional Council (ORC) therefore wishes to better understand opportunities to execute the current RPTP action and consider progress in the next document (due for completion in 2024).

Taith Consulting has been commissioned by Otago Regional Council (ORC) to undertake a high-level investigation into the challenge of accessible transport, and options for improving the current situation.

The title of this project is **Community and Accessible Transport Study (CATS)**.

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1.2 Methodology

CATS follows the methodology summarised in Figure 1.1:

Figure 1.1: CATS Methodology



The CATS methodology above is based on a mix of desk research and targeted engagement with local council stakeholders. No wider engagement – for example with the public – has been undertaken at this stage.

2. Key Definitions

2.1 Introduction

The purpose of this chapter is to set out key definitions which are used in this report.

2.2 Otago Region

Located on the lower South Island of New Zealand, and with a population of around 245,300 people¹, the Otago region is dominated by inland ranges and basins. The region also includes the southernmost peaks of the Southern Alps, coastal lowlands and Catlins hill country. Otago is more geographically diverse than the neighbouring regions of Canterbury and Southland, which are both centred on large plains.

When the settlement of Dunedin was founded on Otago Harbour in 1848, it became a centre for both the interior and coastal regions, and was once the largest city in New Zealand. Otago’s landscapes have a wild and dramatic beauty, with very low population density in many areas. Figure 2.1 below shows the geographic extent of the region and the five local councils which, in combination with ORC, make up the region.

¹ June 2020 estimate: [Subnational population estimates: At 30 June 2020 | Stats NZ](#)

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Otago is dominated by ranges and basins that stretch east from the Southern Alps across Central Otago, reaching the ocean near Palmerston and Waikouaiti. The Taieri, Shag (Waihemo) and Clutha rivers (and their tributaries) drain most of this land.

Central Otago is a massive block of schist (metamorphosed greywacke), part of the 85-million-year-old Zealandia continent, the surface of which was eroded over 60 million years and then uplifted in the last 2 million years. The uplift in Central Otago was not as dramatic as that which produced the Southern Alps, but it reactivated faults, producing the alternating ranges and basins found across the region.

Figure 2.1: Map of Otago Region (With Council Areas)

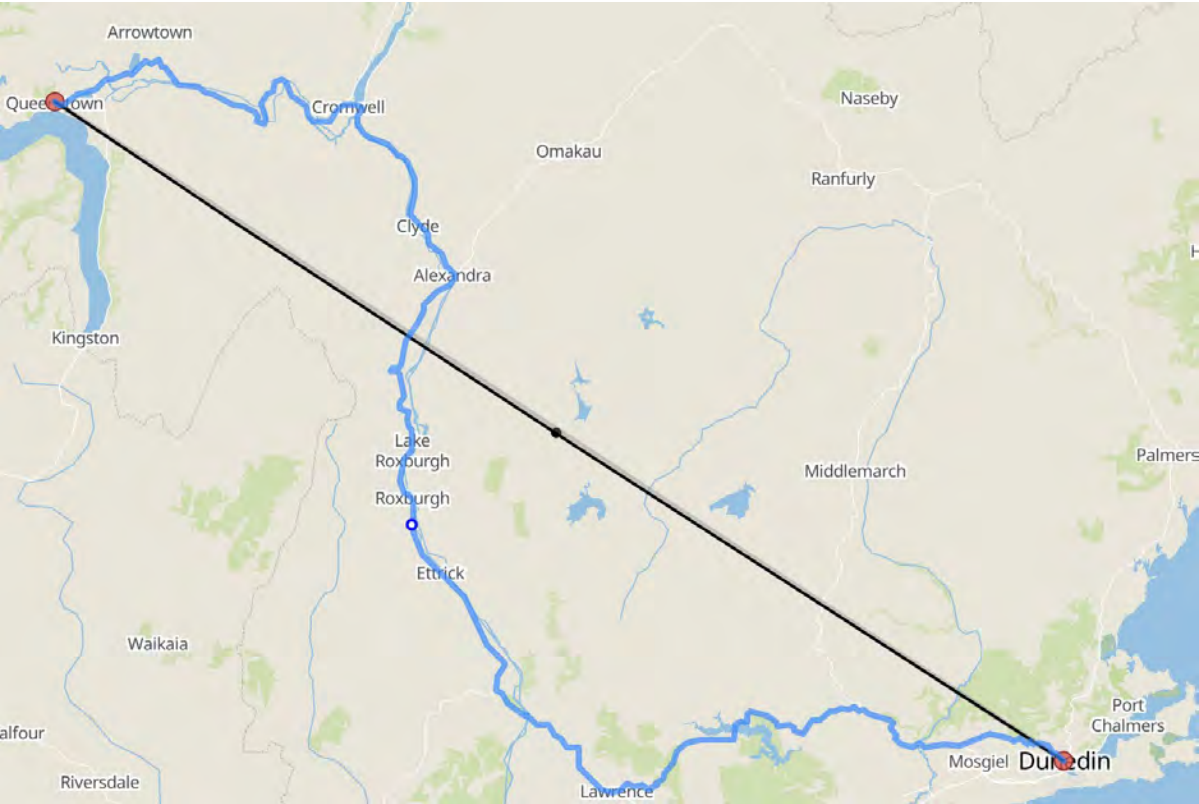


The rivers were established before the land was uplifted, and in places – notably between Queenstown and Cromwell, Cromwell and Clyde, and Alexandra and Millers Flat – there are gorges cut into the uplifted rock. To the north-west, the Central Otago block abuts the Southern Alps, where glaciers have gouged the deep valleys that contain Lakes Wakatipu, Wānaka and Hāwea. Tititea / Mount Aspiring (at 3,027 metres) is the highest peak in New Zealand outside the Aoraki / Mount Cook area.

Otago's geography and topography means that providing any mode of transport is a challenge, as routes must follow valleys / gorges which are often not direct. Various ranges of hills provide barriers to provision of direct transport links. For example, the shortest driving route distance between Dunedin and Queenstown is 273km, around 100km longer than the theoretical straight-line route (as shown in Figure 2.2).

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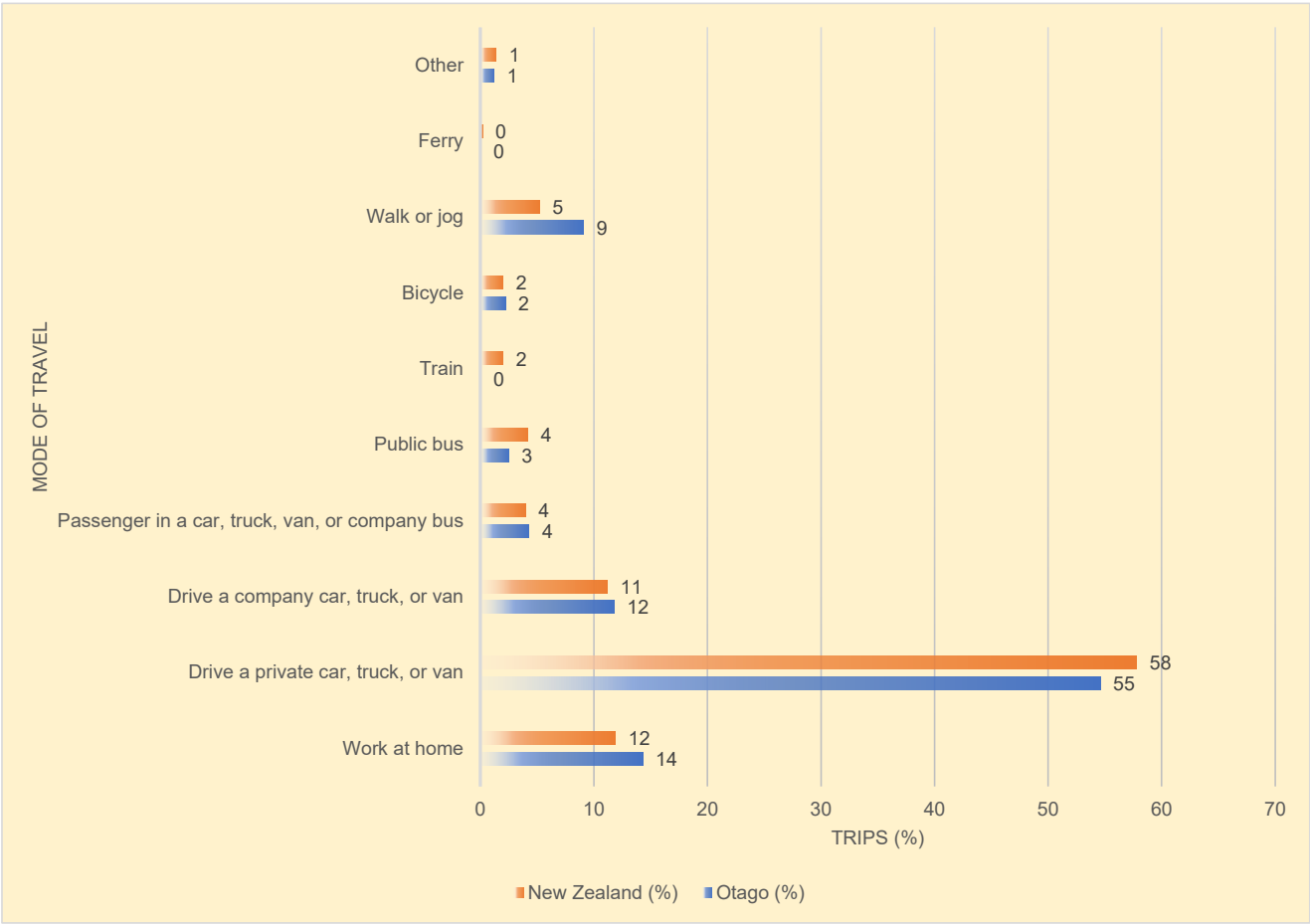
Figure 2.2: Driving Route Versus Straight Line Route (Dunedin to Queenstown)



Source: [Distance Dunedin-nz → Queenstown - Air line, driving route, midpoint](#)

Travel in Otago, as elsewhere in New Zealand, is dominated by car, truck, and van, as shown in Figures 2.3 and 2.4.

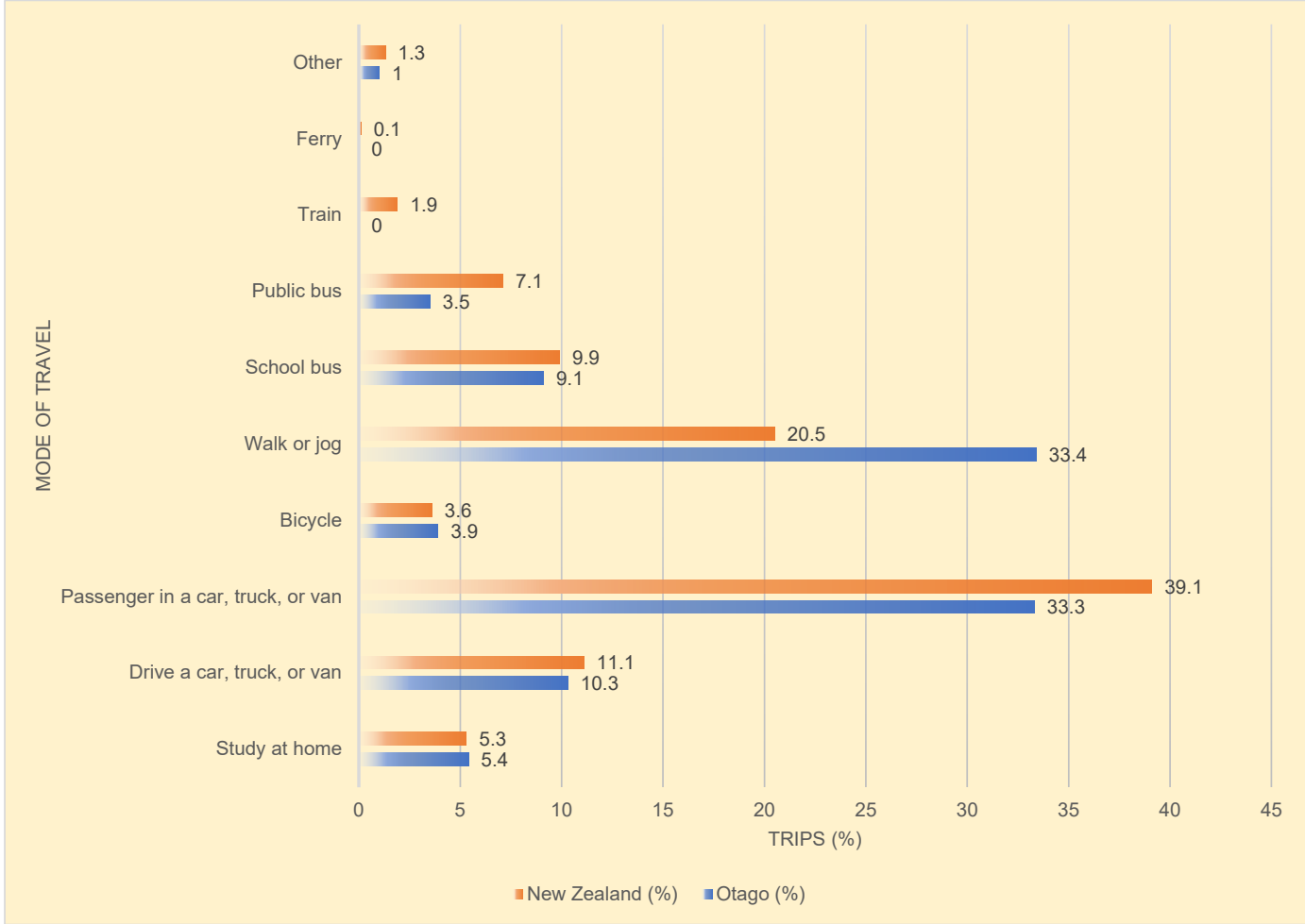
Figure 2.3: Otago Usual Travel to Work by Mode



Source: StatsNZ

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Figure 2.4: Otago Usual Travel to Education by Mode



Source: StatsNZ

Use of public buses is only 2.5% of journey to work trips, below the New Zealand average of 4.3%. The bus mode share figure (9.1%) is higher for education trips, which reflects the importance of school transport provided by ORC and Ministry of Education. The very high percentage of walking to education – well above the New Zealand average – can be explained by the number of students at the University of Otago in Dunedin.

2.3 Transport Accessibility

In transport planning, the term **accessibility** refers to a measure of:

- Ease of reaching (and interacting with) destinations or activities distributed in space – for example around a city, town, or region. Accessibility generally starts with a place of origin to a destination. An origin place with “high accessibility” is one from which many destinations can be reached with relative ease. “Low accessibility” implies that relatively few destinations can be reached for a given amount of time / effort / cost, or that reaching destinations is more difficult or costly.
- Ease of people using a particular mode of transport to reach their destination or activity. A person has “high accessibility” if they can use their chosen mode (or a range of potential modes) to get where they need to go. “Low accessibility” means that a person has little or possibly even no choice.

The concept of the accessible journey is defined by TDG (2013)²:

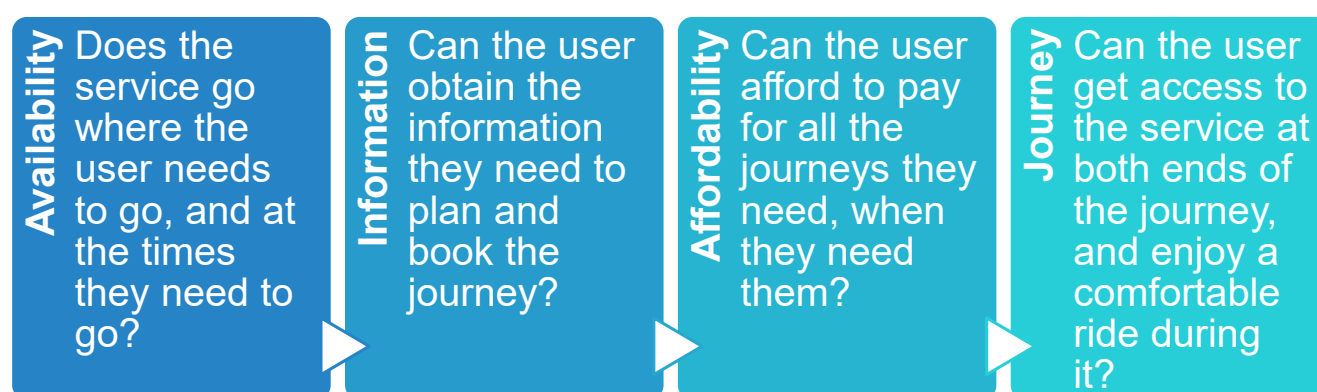
² TDG. (2013). Measuring Accessible Journeys.

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“The accessible journey is a term used to describe all components required for a person to make a journey from their home to a desired destination, in order to participate in some activity. If any of the required links in that journey are broken or absent, the journey as a whole may never eventuate.”

All the end-to-end factors – availability, information, affordability, and journey - must be in place for the user to be able to undertake the journey. Only factor one needs to fail to make the journey difficult or impossible, and result in transport disadvantage.

Figure 2.5: End to End User Experience Factors for Public Transport



2.4 Disability

Disabled people generate significant demand for public transport, as it is sometimes their only viable option. Disabled people are sometimes referred to as “mobility impaired”. Whilst this can be an accurate description, researchers such as Stafford (2020) point out that:

“...people with impairments are disabled by society through the effects of ableist attitudes, systems and infrastructure, rather than the functioning of people’s minds, bodies and senses.”³

Stafford states that disabled people experience spatial and social injustices within housing, streets, towns, and cities. Taken-for-granted acts (for able-bodied people) like going for a walk, seeing friends, and using public transport are, for disabled people, conditional or precluded acts due to exclusion by design. This exclusion occurs because, despite policy declarations which say all the right things, design continues to be led from an able-bodied perspective, with any “facilities” for disabled people tacked on.

Therefore this study will adopt the term “disabled people” as being the most appropriate.

2.5 Transport Disadvantage

The concept of transport disadvantage is critical to the purpose of this study.

Currie and Delbosc (2011)⁴ set out a typology of transport disadvantage as shown in Figure 2.6. They observe that whilst transport disadvantage is generally considered a “complex” and “multi-dimensional construct”.

Starting with people there are a range of physical, personal, and socio-economic factors which can result in transport disadvantage. Disability should be added to the people factors in Figure 2.6 – and can be physical and / or mental. Starting with people is the best way of

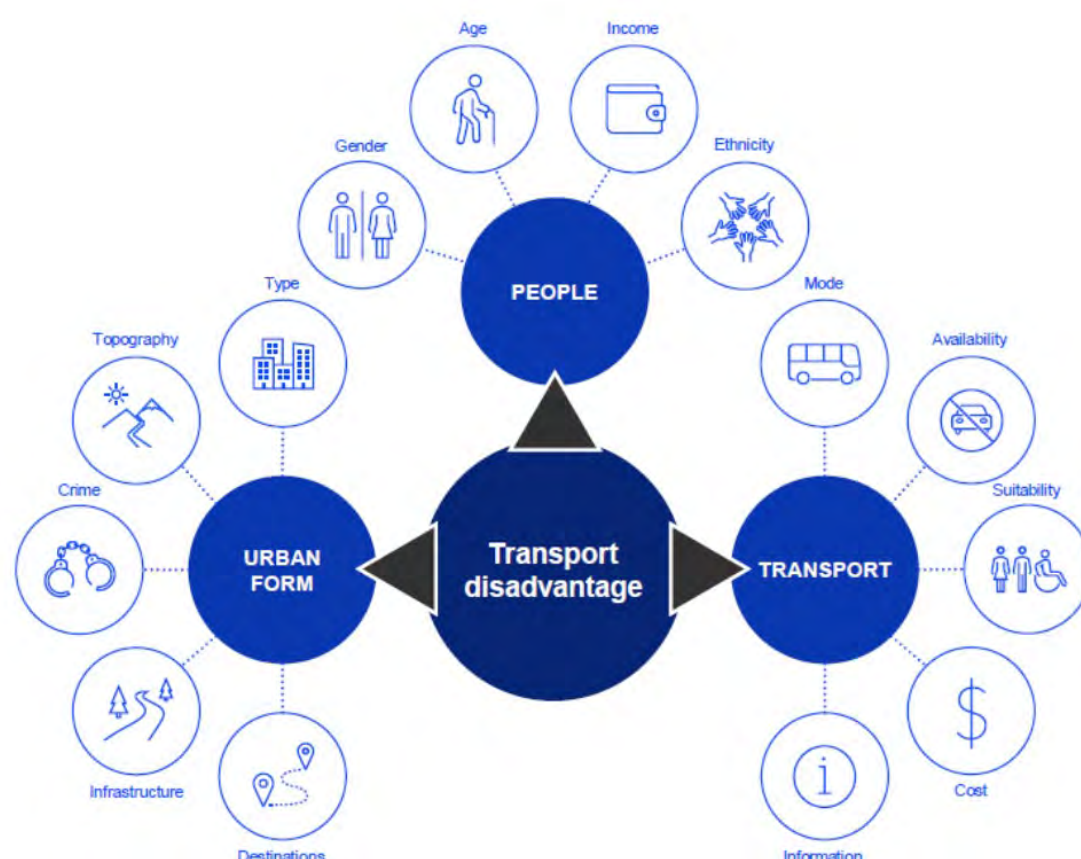
³ Stafford, L. (2020). Queensland University of Technology Centre for Justice Briefing Paper Number 10.

⁴ Currie, G. & Delbosc, A. (2011). Transport Disadvantage: A Review. Chapter 2.1. In Currie, G. (Ed.). New perspectives and methods in transport and social exclusion research. Emerald Publishing Limited.

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understanding disadvantage from the transport user perspective, because it provides an opportunity for policy makers and service planners to “walk in the shoes of others”.

Figure 2.6: Transport Disadvantage Factors



Source: Adapted by University of Technology Sydney Institute for Public Policy and Governance (2022), from Currie and Delbosc (2011).

Transport service provision presents another form of disadvantage if any part of the offering does not meet the needs of people. Even if a service is available, it may be of limited value if users do not know about it (through lack of information), cannot board the vehicle (because it is not adapted to their impairment) or cannot afford the fare (because of low income or the service being too expensive).

In addition to the most obvious forms of disadvantage - people and transport - urban form can encompass a range of factors including distance to destinations, use of infrastructure (such as bus stops, pavements and building entrances), topography and personal safety (fear of crime). The road layout of urban and rural areas can also have an influence on the physical ability of vehicles to access areas where people wish to get on and off the service.

Transport disadvantage is therefore an inter-play of many factors – depending on the personal and geographic circumstances of the user.

2.6 Types of Public Transport

For the purposes of this study, there are four types of public transport which are of interest.

1. Conventional **fixed route** scheduled public bus services which are contracted to a Regional Council (i.e. ORC) or “exempt” (i.e. generally commercial) under the current Public Transport Operating Model (PTOM). Fixed route services are provided under contract to ORC in the main urban areas (Dunedin and Queenstown). There are also some PTOM “exempt” inter-urban services (for example between Dunedin and

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Queenstown) provided by Inter City. Local buses are generally medium to large (35 – 55 seats), although can be smaller in some areas.

- 2. **Total Mobility** services for people whose disability means they cannot use conventional public transport. These are subsidised taxi journeys with 50% of the cost (up to a total of \$50) met by ORC (with any additional cost over \$50 paid by the user).
- 3. **“On-demand”** services (either contracted or exempt) which do not follow a fixed route or schedule, and can be booked in advance for any journey within a defined geographic area. In most cases, on-demand is provided by smaller buses (around 20-25 seats) or vans (around 10-12 seats).
- 4. **“Community transport”** services (which can either be on-demand or fixed route) provided by non-profit organisations such as charitable trusts. The services are also generally provided by smaller vehicles such as vans or even cars.

Each of these types has its pros and cons, as briefly summarised in the following table:

Table 2.1: High Level Summary of Route Type Pros and Cons

Service Type	Pros	Cons
Conventional fixed route	Passengers know exactly what they are getting, and it is a consistent product day in and day out.	Lack of flexibility to meet people’s journey time and routing needs, coupled with lack of accessibility for some disabled people who cannot get to the nearest bus stop.
Total Mobility	Very flexible door-to-door service using taxis which are often specially adapted for people with disabilities.	Very expensive option (even with 50% discount) for passengers making longer distance trips and only a small cohort is eligible.
On-demand	A “corner to corner” approach which combines the time / route flexibility of a taxi with the capacity of a bus, and shared rides can result in lower fares.	Although often popular, operating costs per passenger are significantly higher than conventional fixed route services, which means that higher levels of council investment are required.
Community Transport	Provides a lower cost (to council) shared use option than On-demand, because it relies primarily on volunteer staff to provide the drivers; and charges for passengers are usually very reasonable.	Because they are staffed primarily by volunteers, many services have insufficient capacity to meet diverse needs, including those of acutely disabled people or those simply wanting to get out more.

The above summary is somewhat simplistic, and any option could be a good approach for particular geographic areas and groups of people. Furthermore, the cons can mostly be overcome if enough money is allocated to the challenge! The options are not mutually exclusive, and can work in combination with each other.

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This study does not consider exempt services under PTOM, except in terms of noting what currently exists. Longer distance services - provided by Inter City- currently form the backbone of the public transport services outside of the two main urban areas.

Queenstown in particular features several commercial charter bus and coach operations which are not publicly available, and are linked to booking a specific activity (such as a trip to Milford Sound or a ski field). These services are not considered by this study.

3 Baseline Assessment

3.1 Introduction

The purpose of the baseline assessment is to set out current accessibility challenges as a means of identifying areas for improvement. The starting point is to identify broad customer groups who will have a range of accessibility needs and capabilities.

3.2 Customer Groups

Table 3.1 summarises the customer groups and describes their broad characteristics, whilst recognising that these are generalisations and that everyone is an individual person with their own specific needs. Defining groups in this way enables broad service characteristics to be considered, and then adapted to specific circumstances.

Table 3.1: Customer Groups

Customer Group	Broad Characteristics
Child	Aged up to 12 years, attending school and cannot drive a motor vehicle. Therefore dependent on others for provision of any motorised transport service, but walking and cycling is an independent travel option.
Young adult	Aged from 13 to 24 years, and has the legal ability to drive or ride a motorcycle from aged 17 (albeit with testing requirements and restrictions). A mix of students and, for some people 16 or over, working age.
Mature adult	Aged from 25 to 64 years, and considered to be of working age (even though not everyone works throughout that period, especially if there are unpaid childcare, domestic responsibilities and forced unemployment). Some people can retire early if they can afford it or are forced to by medical circumstances.
Senior citizen	Agreed 65 years and over, the time at which retirement becomes much more common (albeit some people choose or have the need to continue working). Travel can become more challenging as this group gets older, although there is a wide range of physical capabilities.
Disabled person	Can be of any age, and includes both physical and / or mental impairments which means that using either private or public transport can be more of a challenge.

The RPTP notes that around 30% of Otago’s population are 0-14 or 65 years and over. A large proportion of these people are unable to drive and, without an accessible public transport system, may need to rely on others for transport. This lack of accessibility can lead

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to a loss of independence and social exclusion, among other negative health impacts such as depression.

There is also a trend amongst younger people to delay learning to drive, due to financial or other considerations (including concern about climate change). This trend is particularly relevant in Dunedin, where there is a very high proportion of younger adults aged 15-24 (21.8% compared to 14.6% nationally). This is because Dunedin is home to around 28,000 tertiary students of whom about 80% (around 22,400) are from outside the city.

Although many households in Otago have access to multiple vehicles, a significant minority have none. In the 2018 census, approximately 10.4% of households within the public transport catchment area of Dunedin, and 3.3% households within Queenstown, reported having no access to a motor vehicle.

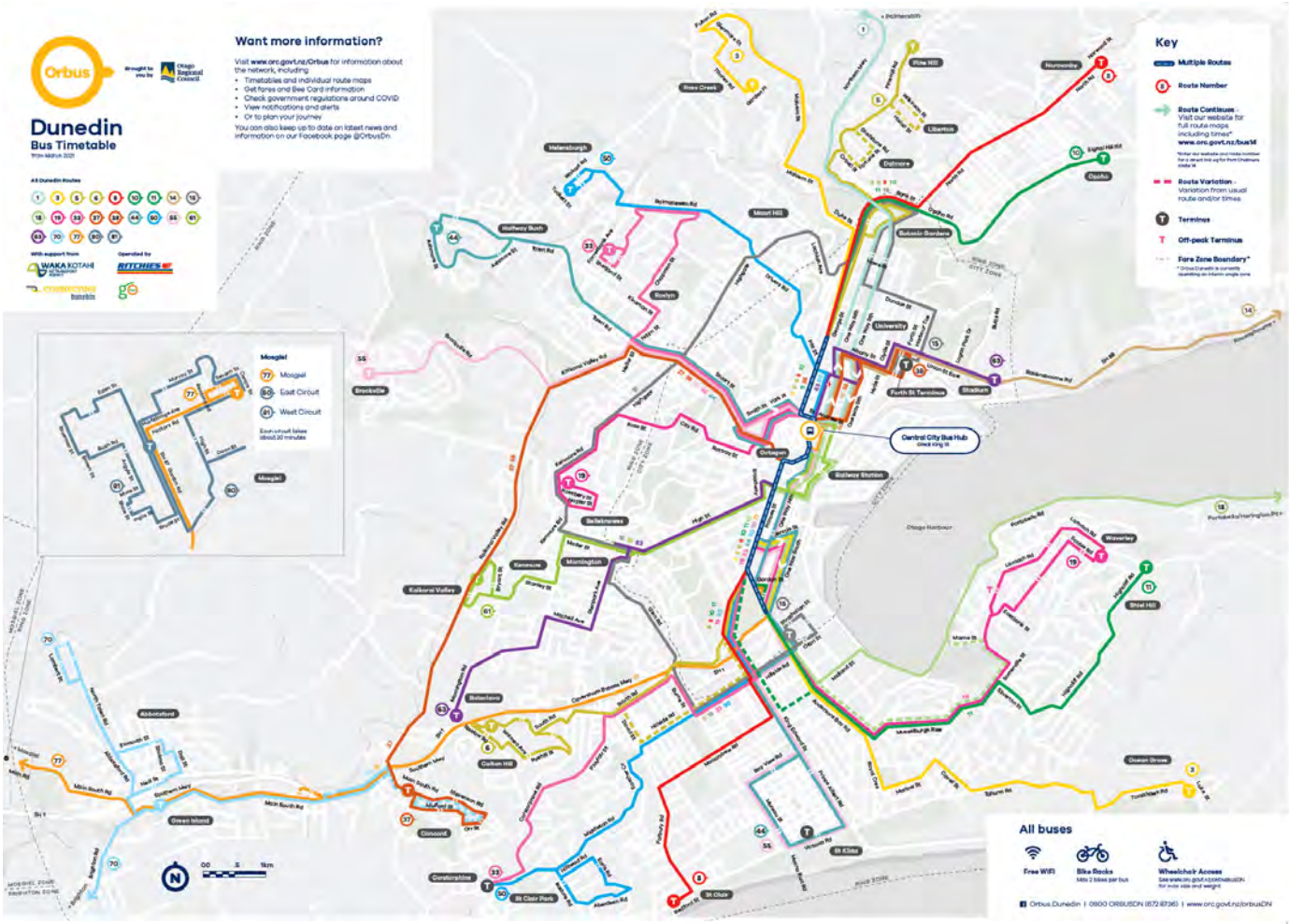
In Dunedin, this is well above the national average. These people will be reliant on public transport, walking, cycling and / or others to meet their transport needs, and to gain access to essential goods and services.

3.3 Service Provision

3.3.1 Fixed Route Urban Networks

The Dunedin and Queenstown urban networks are show in Figure 3.1 and 3.2 respectively.

Figure 3.1: Dunedin Urban Network



Source: Otago Regional Council

Dunedin has the larger network 23 routes covering the main urban area and out to adjacent smaller towns of Mosgiel, Brighton, Portobello, and Palmerston. Frequencies generally

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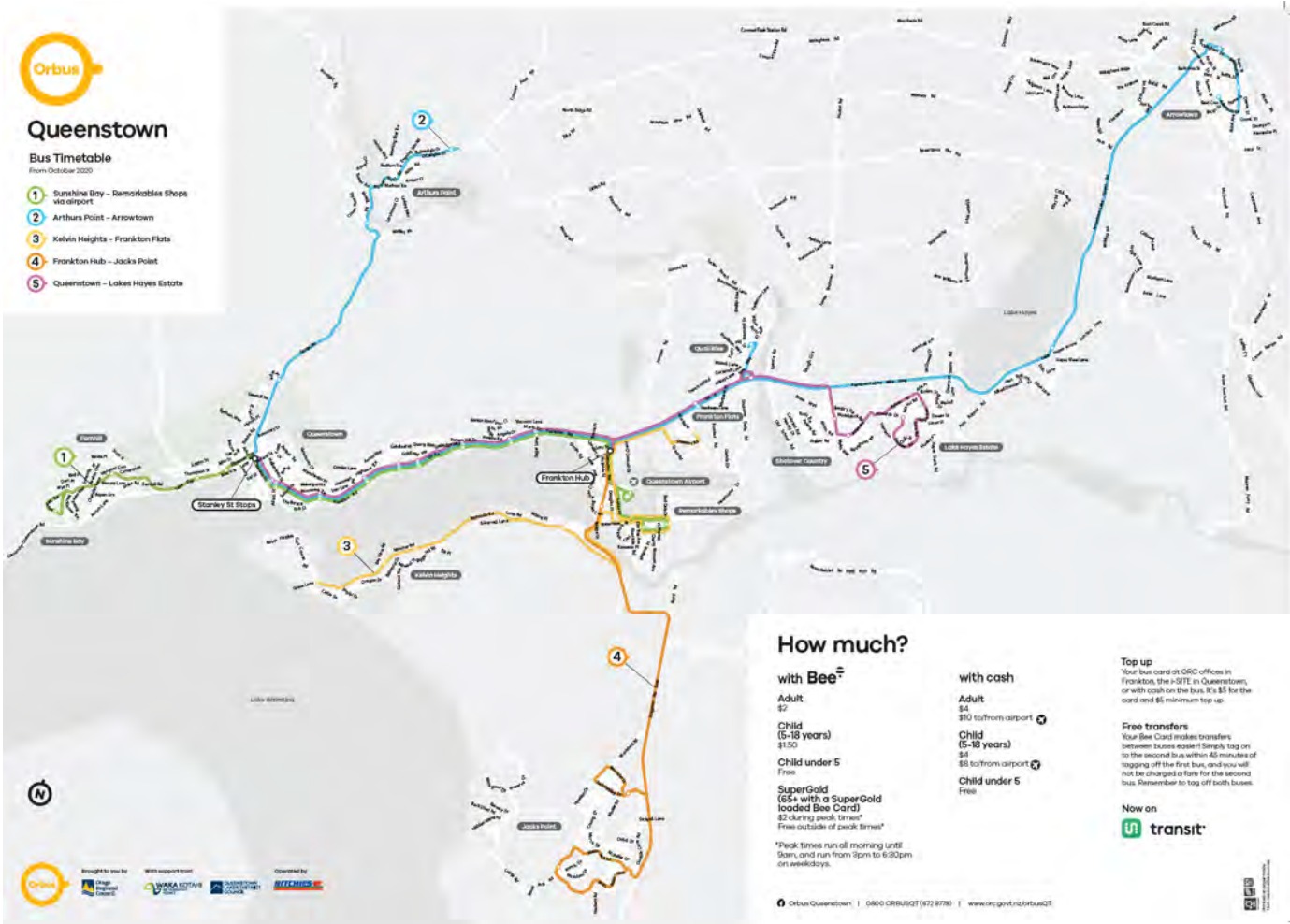
range from a headway of every 15, 20, 30 or 60 minutes depending on both route and time of day, with Palmerston seeing three buses per day. Weekend and evenings usually have lower frequencies.

All areas of the city are generally close to a bus service (generally defined as a 400m walk to a bus stop). Parts of the city are very hilly and so even a relatively short walk may be a challenge for some people.

In Queenstown, there are five main routes with frequencies ranging from 15 to 60-minute headways. In addition a two-hourly ferry service operates from Kelvin Heights to the town centre (not shown on the map).

Whilst the most densely populated areas are generally close to a bus service, the less dense areas such as Speargrass Flat - and parts of Arrowtown, Lake Hayes and Quail Rise - are not. As in Dunedin, parts of the area are very hilly which means that accessibility can be much more challenging for any person with a disability or mobility impairment.

Figure 3.2: Queenstown Urban Network



Source: Otago Regional Council

3.3.2 Smaller Towns and Rural Areas

The RTPP notes that outside of Dunedin and Queenstown, much of Otago is sparsely populated. Most towns and cities are some distance from each other, and often separated by impenetrable landforms such as rivers or mountain ranges. This means that many communities must travel a long distance to access essential services.

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Inter City provide inter-regional services which are exempt from PTOM, and shown in Figure 3.3. Generally one bus per day is the maximum service level, and fares are priced commercially which means they are not affordable for everyone.

Figure 3.3: Inter City Route Map



Source: Inter City

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There are some commercially operated shuttle services, for example between Oamaru and Dunedin. A recent (March 2023) article in the Otago Daily Times⁵ reports that operators of one shuttle cannot find anyone willing to take on the business, which is therefore threatening its future. The service has since stopped completely.

Atomic Travel also used to run regular services between Oamaru and Dunedin and Wānaka / Queenstown and Dunedin. However, these services stopped because of the COVID-19 pandemic, and it is not clear when or if they will commence again.

All this points to the very perilous situation that smaller commercial operators are likely to find themselves in, especially when most New Zealand towns and cities encourage car travel with free and plentiful car parking.

Just over 80% of the Otago population live in towns with more than 1,000 residents, as shown in Figure 3.4 below.

Figure 3.4: Otago Urban Centres

Urban Centre	Territorial Authority	Population (NZ Statistics 2020 Estimates)	% of Region	Km to Dunedin (via SH network)	Km to Queenstown (via SH network)	Total Mobility Available
Dunedin	Dunedin	106,200	43.3%		279km	✓
Queenstown	Queenstown Lakes	16,000	6.5%	279km		✓
Mosgiel	Dunedin	14,600	6.0%	15km	267km	✓
Oamaru	Waitaki	13,700	5.6%	160km	286km	✓
Wanaka	Queenstown Lakes	11,500	4.7%	270km	111km	✓
Cromwell	Central Otago	6,480	2.6%	220km	60km	
Lake Hayes	Queenstown Lakes	6,240	2.5%	265km	14km	✓
Alexandra	Central Otago	5,790	2.4%	190km	90km	
Balclutha	Clutha	4,230	1.7%	80km	238km	
Arrowtown	Queenstown Lakes	3,030	1.2%	266km	19km	✓
Milton	Clutha	2,210	0.9%	55km	224km	
Lake Hawea	Queenstown Lakes	1,700	0.7%	279km	117 km	
Brighton	Dunedin	1,540	0.6%	17km	268km	✓
Jacks Point, Hanleys Farm	Queenstown Lakes	1,260	0.5%	282km	15km	✓
Arthurs Point	Queenstown Lakes	1,260	0.5%	279km	6km	✓
Waikouaiti	Dunedin	1,250	0.5%	40km	260km	✓
Clyde	Central Otago	1,200	0.5%	198km	85km	
Ranfurly	Central Otago	1,060	0.4%	132km	171km	
Palmerston	Waitaki	1,000	0.4%	54km	246km	✓
Subtotal		199,520	81.5%			
Other Rural population		45,780	18.5%			
Total Otago Population		245,300	100.0%			

Source: Otago Regional Public Transport Plan

⁵ [Oamaru-Dunedin shuttle needs new operator | Otago Daily Times Online News \(odt.co.nz\)](#)

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In addition to the absence of any local urban fixed bus routes, a particularly concerning issue is lack of Total Mobility provision in the smaller towns – Cromwell, Alexandra, Balclutha, Milton, Lake Hāwea, Clyde and Ranfurly. Together these towns have a population of 23,670 and, added to the rural population of 45,780, this means that around 28% of the region’s population has no access at all to Total Mobility. Whilst only a small fraction of this 28% are eligible for the service, it is plausible that around 5% of the population sub-set (just under 3,500 people) could be in a very challenging situation.

Otago does not have any on-demand services that are provided as a socially necessary service (i.e. with a fare below commercial rates) and contracted to the Regional Council. The nearest service of this type - in Timaru, south Canterbury – will be discussed in more detail later in this report (chapters 4 and 5).

Commercial taxi providers such as Driving Miss Daisy (who specialise in transport of disabled and elderly people) often fill in the gap, but at a significantly higher cost to the customer (even with a 75% Total Mobility discount).

3.3.3 Community Transport

The Community Transport Association UK (CTAUK)⁶ provides the following definition:

- Flexible and accessible community-led solutions in response to unmet local transport needs.
- Often the only means of transport for vulnerable and isolated community members - often senior citizens, disabled people or young people.
- Typical services can include:
 - o Voluntary car schemes;
 - o Community bus services;
 - o School transport;
 - o Hospital transport;
 - o Dial-a-ride;
 - o Wheels to work or college; and
 - o Group hire services.
- Services can either be demand responsive, taking people from door to door, or scheduled along fixed routes.
- Run for a social purpose and never for a profit.

The CTAUK state that community transport:

“...is often the most reliable, resilient and accessible way of ensuring the broadest range of transport needs can be met.”

The “purest” form of community transport is that provided by a locally-based charitable or voluntary organisation whose purpose is to provide a social service. Community transport often starts and evolves as a need identified for a specific group of people – which could include those with a disability (physical and mental) and access need (for example to a

⁶ [Community Transport Association \(ctauk.org\)](https://www.ctauk.org/)

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hospital or place of education). University of Technology Sydney Institute for Public Policy and Governance (2022) state:

“Community transport is as much a community service as a transport one. As a vital support where other transport is limited or unable to meet user needs, it is a significant enabler of equitable inclusion and access to health, social and community care.”⁷

Based on research undertaken in New Zealand, Australia and the United Kingdom, the following Table is a very high-level summary of community transport service types – based on pairs of opposite options. Any community transport service can be based on one or other of the options, or in some cases they could both feature as a hybrid approach. The options highlighted in green are most common in New Zealand, although by no means exclusive:

Table 3.2: Community Transport Service Types

Option 1	Option 2
On-demand	Fixed route
Vehicle owned / leased by organisation	Driver’s own vehicle
Professional paid driver	Volunteer driver
Social enterprise	Charitable trust
Single purpose customer(s)	Open to anyone
Rural / small township	Larger urban area
Shared service between customers	Individual customer journeys
Door-to-door service	Convenient on-street location
Travel to work	Travel for purposes other than work
Individual customers	Contract work for organisations
Small operator (1-3 vehicles)	Larger operator (over 3 vehicles)

Source: Taith Consulting Research

Again, this overall assessment does not preclude applicability of any option in a particular geographic area. The table can therefore be thought of as a menu of matters to consider during an initial service planning exercise.

Table 3.3 provides an initial list of current or recent community transport providers in the Otago region. The list has been compiled through an internet search, and may not be totally comprehensive. Some community transport services are informal and, as such, can fly under the radar.

Table 3.3: Current / Recent Community Transport Providers

Provider	Location	Hours	Service Information
St John	Door-to-door service for residents living within the wider Dunedin area including	Mondays to Fridays: 8am - 5pm (excluding public holidays)	Koha-based service run by first aid trained volunteers for those needing transport within wider Dunedin to get to and from doctor visits, dental appointments, specialist appointments, hospital day-stays for minor surgery

⁷ University of Technology Sydney Institute for Public Policy and Governance. (2020). Accelerating Innovative Local Transport: Community transport of the future.

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Provider	Location	Hours	Service Information
	Mosgiel - currently excludes the Otago Peninsula area.		and any other types of health appointments; Runs at different times, depending on what each client and community needs. Bookings required by 3:00pm the day before your appointment (24 / 48-hour notice is preferred). This is a free service but donations to help cover costs are appreciated (suggested at \$5 one way, \$10 return around Dunedin). Service currently has 8-person capacity per trip and is NOT wheelchair capable. Persons are required to self-mobilise on and off the shuttle but are welcome to have a support person if necessary to assist.
Dunedin Community Transport Trust (Plus Bus)	Dunedin & Mosgiel area door-to-door service to and from local supermarkets.	Tuesdays 9am - 12noon; Wednesdays 9am - 12noon & 1pm - 4pm; Thursdays 9am - 12noon & 1pm - 4pm; Fridays 9am - 12noon.	Transport and shopping assistance service for elderly and people who struggle using public transport to get groceries from local supermarkets, including adults recovering after surgery and injury. Can be as 'one-off' or regular service. Fare cost is \$8 - \$12 depending on where person lives. SUPERMARKET SCHEDULE Tuesdays, Wednesdays & Thursdays: Countdown Andersons Bay, Countdown Mornington & Pak'n'Save. Fridays: New World Mosgiel.
Mosgiel Memorial RSA	Free door-to-door service for residents to and from health & medical appointments.	As available and required by individuals for their appointment times, but bookings must be made at least 48 hours in advance.	FREE "pick-up and drop-off" transport service for those who cannot drive or use public transport, available for anyone in the community, to doctor / dentist / hospital appointments. Welfare vehicle is a 7-seater car so no wheelchair accessibility.
St John	Central Otago area, taking SH85 (Pig Route) from Cromwell to Dunedin & return	Tuesdays & Thursdays (no weekend service) Departs Cromwell St John 7.30am; departs Dunedin 3pm,	The Health Shuttle provides return transport assistance (weekdays only) for people in Central Otago (operating from Cromwell) to attend health-related / medical appointments in Dunedin - proof of appointment required. Due to arrival and departure times, appointments in Dunedin need to be between 11.00am and 2.30pm - if

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Provider	Location	Hours	Service Information
		arriving back in Cromwell approximately 6pm.	customers need to stay overnight they can catch the shuttle back the next day. Shuttle bookings must be made before 3pm the day before your appointment - earlier is better. Although this service is free, donations / koha are encouraged, suggested as \$20 each way. ACC travel fund or Ministry of Health Travel Assistance may be available.
St John	Central Otago area, servicing main route (SH8) from Cromwell to Dunedin & return.	Wednesdays & Fridays (no weekend service) Departs Cromwell St Johns 7.30am; departs Dunedin 3pm, arriving back in Cromwell approximately 6pm.	The Health Shuttle provides return transport assistance (weekdays only) for people in Central Otago (operating from Cromwell) to attend health-related / medical appointments in Dunedin - proof of appointment required. Due to arrival and departure times, appointments in Dunedin need to be between 11.00am and 2.30pm - if customers need to stay overnight they can catch the shuttle back the next day. Shuttle bookings must be made before 3pm the day before your appointment - earlier is better. Although this service is free, donations / koha are encouraged, suggested as \$20 each way. ACC travel fund or Ministry of Health Travel Assistance may be available.
Alexandra Community Advice Network	Volunteer-based driver service for residents in the Alexandra area, providing door-to-door service from home to required destination (e.g. appointments or to a bus stop on time).	Weekdays only (Monday to Friday) between 9am and 5pm, as available and required by individuals for their appointment times. Bookings must be made with ACAN at least 24 hours ahead of appointment time.	This service is for residents with no access to a vehicle or public transport. While this service is free, ACAN encourages a small donation for using this service, typically of \$5 per ride locally and \$10 per round trip to Clyde.
SupportLink Whākatipu	Door-to-door assistance to locations within the Whākatipu	As and when needed by individuals matched with	Enliven SupportLink assistance is provided by trained volunteers who are matched with older people living in their own home to help them remain

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Provider	Location	Hours	Service Information
	area as determined by individual need.	available volunteers.	independent. Assistance is free and based on individual support needs, which can include transport assistance to get to and from appointments, help with shopping or accessing social activities.
Community Networks Wānaka / LINK	Door-to-door free Upper Clutha transport service to and from Dunstan Hospital and / or the Eye Clinic in Alexandra.	As available and as required by individuals to meet their health appointment needs.	People of any age can use this service but is typically used by people who don't own a car, are no longer able to drive or simply can't afford the trip (donations from people using this transport are gratefully accepted to help cover the costs of this service). To make a booking requires giving details of name, address, day and time of your appointment. Appointments ideally need to be between 10.30am and 2.30pm to minimise waiting times when there are multiple passengers. It is also possible to use the Wheels to Dunstan service to travel to Cromwell to connect with the St John Health Shuttle to and from Dunedin hospital.
Community Networks Wānaka / LINK and Yello!	Upper Clutha area via a set route designed to connect 13 designated stops between Wānaka CBD, Wānaka Lakes Health Centre, Three Parks, Albert Town, Lake Hāwea and Hāwea Flat.	Three-month trial: three days per week: Mondays, Wednesdays & Fridays only. Inbound Hāwea to Wānaka services: 7:45am, 9am & 1:30pm Outbound Wānaka to Hāwea services: 12noon, 5pm & 6:15pm.	New Upper Clutha community shuttle service to provide an affordable transport option as a three-month trial in late 2022 - public feedback about the trial service and experience is encouraged as data collected will inform long-term planning for transport provision in the region. Shuttle fares: \$2 per person per ride and can be paid online when booking, or to the shuttle driver via Eftpos or cash. Seats must be pre-booked with Yello! Booking online closes one hour before each scheduled trip, but customers can call anytime or wait at the bus stop to see if the shuttle has space available. Shuttle van offers 13 seats, is fully wheelchair-accessible with a hoist, has storage space for luggage and can accommodate two bikes at a time. Shuttle stop locations (all marked with Community Shuttle Trial" bus stop signs) and service timetable are available online at www.communitynetworks.co.nz/shuttle-

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Provider	Location	Hours	Service Information
			trial or www.yello.co.nz/community-shuttle/ A further three-month trial for a weekday service is taking place at the time of writing, and is described in more detail in chapter 5 below.
Cancer Society	Otago / Southland	By agreement	The volunteer driving service is delivered by registered volunteer drivers who gift their time and use their own vehicle to provide transport for cancer patients to cancer related appointments. Drivers undergo a recruitment process which includes interviews, advanced driving assessments, police checks, orientation and ongoing training. This service is offered for people undergoing cancer treatment who are unable to drive, do not have their own transport, or do not have family, whānau or friends to take them.
St John	Available to provide transport from Milton to Dunedin for health-related appointments.	Arrives in Dunedin at 11.00am and departs from Dunedin Hospital at 3.00pm (depending on the number of passengers).	Part of the St John service from Invercargill to Dunedin. The St John shuttle costs \$15 per person Dunedin-Milton return.
Milton Community Health Trust	Volunteer driver service for the Milton community	By arrangement.	Enables people with transport difficulties to access hospital or medical appointments in Dunedin, Mosgiel or Balclutha. A donation is payable to cover costs: Dunedin - \$40 Mosgiel - \$30 Balclutha - \$25 Within Milton - \$10 The Volunteer Driver will assist clients with transport difficulties to attend their medical appointments and treatments. Most of these appointments will be at Dunedin Hospital or Clutha Health First.

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Provider	Location	Hours	Service Information
			Occasionally the Volunteer may be asked to drive a client or spouse for hospital visiting or shopping etc.

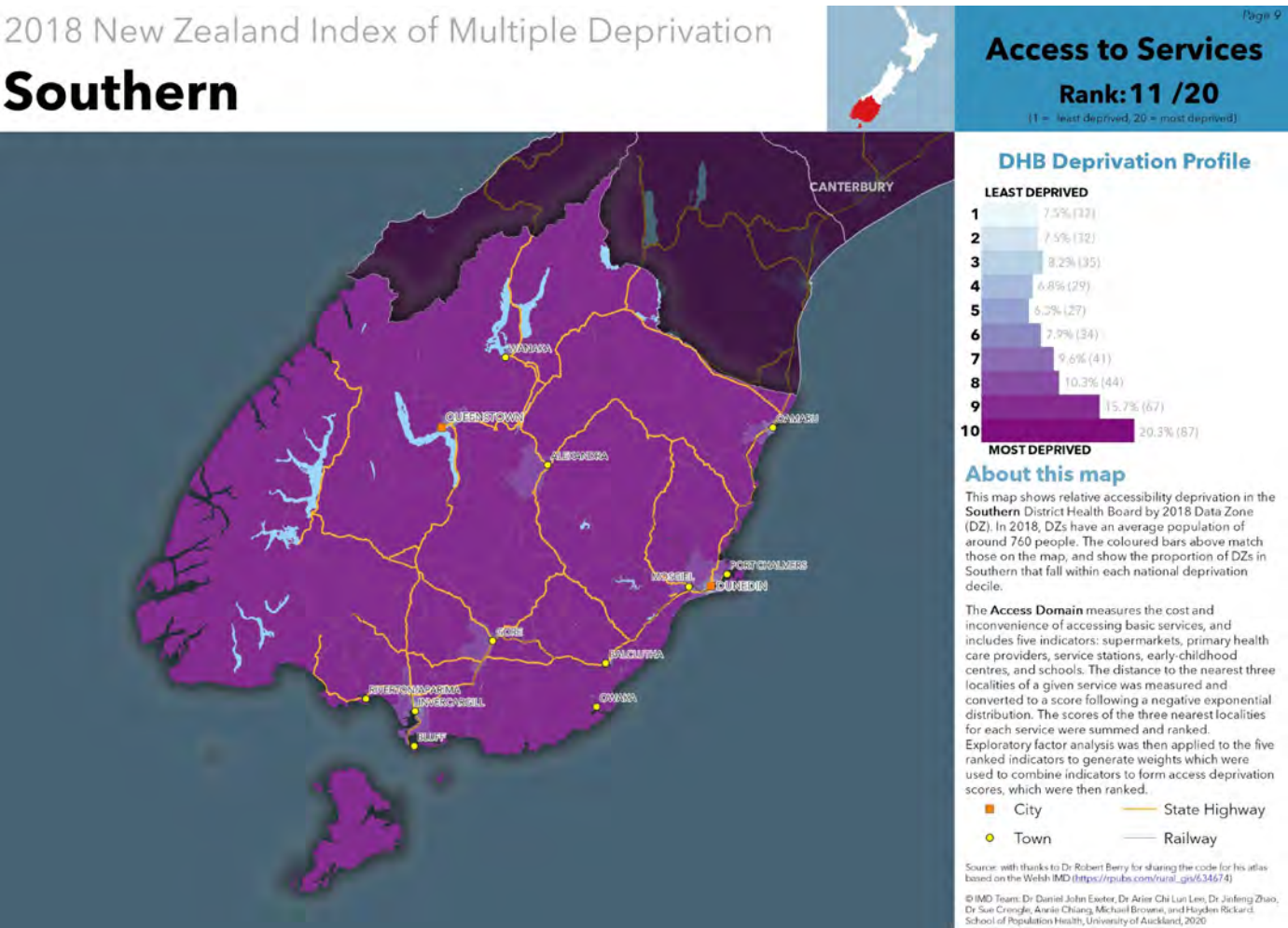
Source: Internet searches, including the very useful site: [Wellsouth Low Cost Food Map](#)

Although not based in Otago, the Waitaki Community Vehicle Trust (CVT)⁸ based in neighbouring Canterbury supports travel into the region (primarily Oamaru and Dunedin).

3.4 Current Accessibility Levels

The lack of regular public transport results in a significant level of accessibility challenges for all customer groups. In the Index of Multiple Deprivation (IMD), the Southern District Health Board (DHB) – which includes Otago – ranks as one of the least deprived areas of New Zealand. The exception is “access to services”, which ranks 11 out of 20 DHB areas.

Figure 3.5: Access to Services in Southern District Health Board Area



Source: Index of Multiple Deprivation

Other than the central districts of Dunedin and Queenstown, access to services scores poorly in the IMD, which reflects the very long distances to facilities for many Otago residents. The situation is exacerbated for people by the lack of regular public transport services. Without the efforts of community transport providers (as described in Table 3.2 above), things would be even more challenging.

⁸ [Waitaki Community Vehicle Trust](#)

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3.5 Future Demographic Challenges

3.5.1 Introduction

As population increases, higher demand for travel represents an opportunity for public transport to increase both overall passenger numbers and its share of the travel market. This isn't important simply for its own sake. The government's Emissions Reduction Plan (ERP) sets targets to reduce the level of both transport-related Greenhouses Gases (GHGs) and private motor vehicle travel that causes these environmental challenges to occur. Viable public transport services can be developed around both current and future travel demand.

When considering specific groups of passengers, two of the key determinants for accessible transport demand, both now and in the future, are the number of disabled people (of any age) and being over the age of 65. Added into that are younger people, who are already heavily reliant on public transport. As well as general population increases, the numbers of people whose access needs could make them more dependent on public transport are worthy of some high-level examination.

3.5.2 Population Forecasts

Stats NZ describes its population data as "very high quality". Figure 3.6 shows low, medium, and high 2018-48 population growth forecasts for Otago, based on the 2018 Census baseline of 235,000. According to the medium projection, the region's population is forecast to grow by 20% by 2048. The high projection increases that figure to nearly 39%. In contrast the low figure forecasts a population broadly comparable to that of today.

Figure 3.6: Otago Population Change Forecast 2018 to 2048



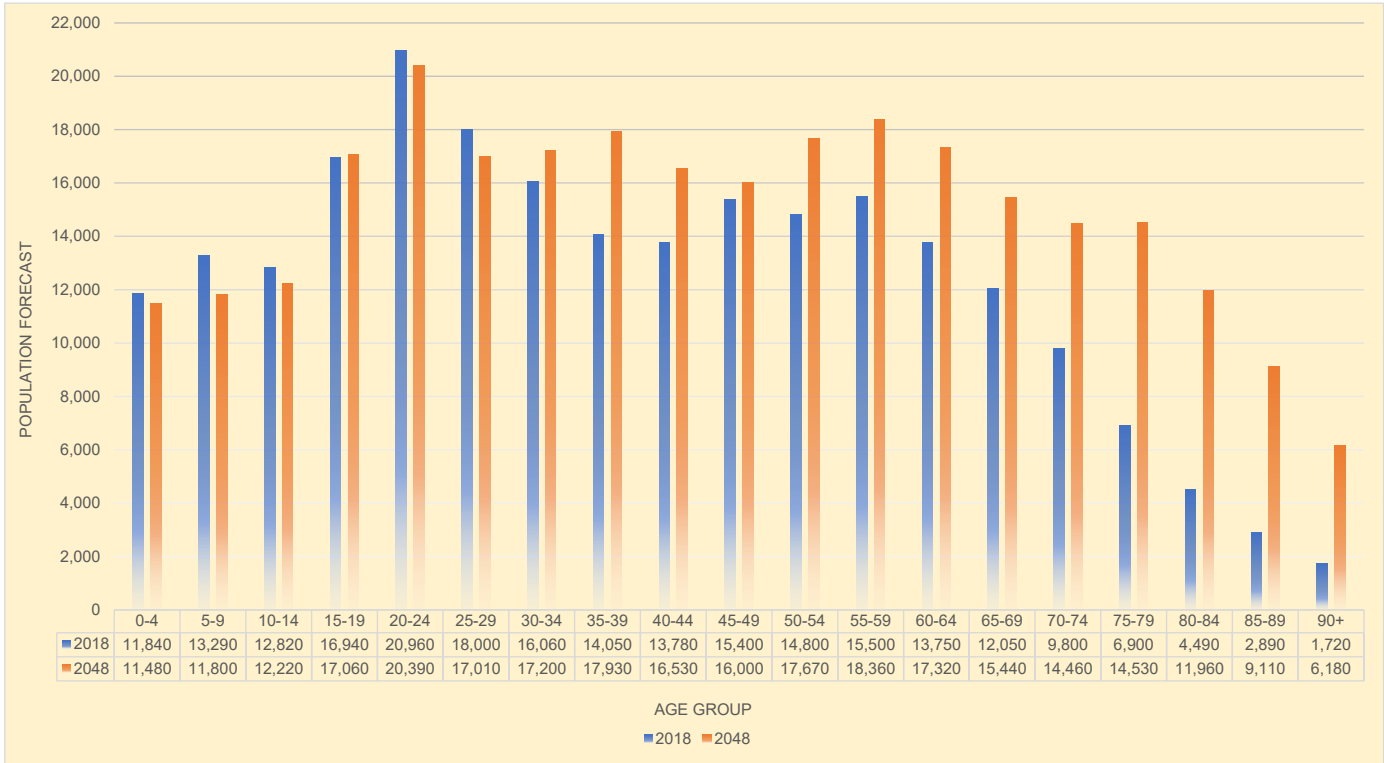
Source: StatsNZ

The difference between the low, medium, and high projections in 2048 is between 40,000 and 85,000 people, which is a significant proportion of the current population of 235,000. From an environmental sustainability perspective, it is not desirable for all of those additional people to be driving at the same levels as people currently.

Figure 3.7 shows the medium growth population forecasts by age group.

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Figure 3.7: Otago Medium Growth Forecast 2018-48 by Age Group



Source: StatsNZ

From the 30-34 age group onwards, the 2048 population increase is always higher than 2018, which means an ageing population. For the older age groups – 60-64 onwards – the difference between 2018 and 2048 becomes significantly higher in both total and percentage terms. In total the forecast increase in 2018-48 population for age groups 60-64 and above is 37,400 (72%). The implication is very clear. There are likely to be significantly higher numbers of people who may be dependent on accessible public transport services.

3.5.3 Activity Limitations

“Activity limitations” is a new topic in the 2018 Census, and Stats NZ describes its own data as “poor quality”⁹. A person is regarded as disabled if they have “a lot of difficulty” or “cannot do at all” one or more of the six activities in the “limitation” questions:

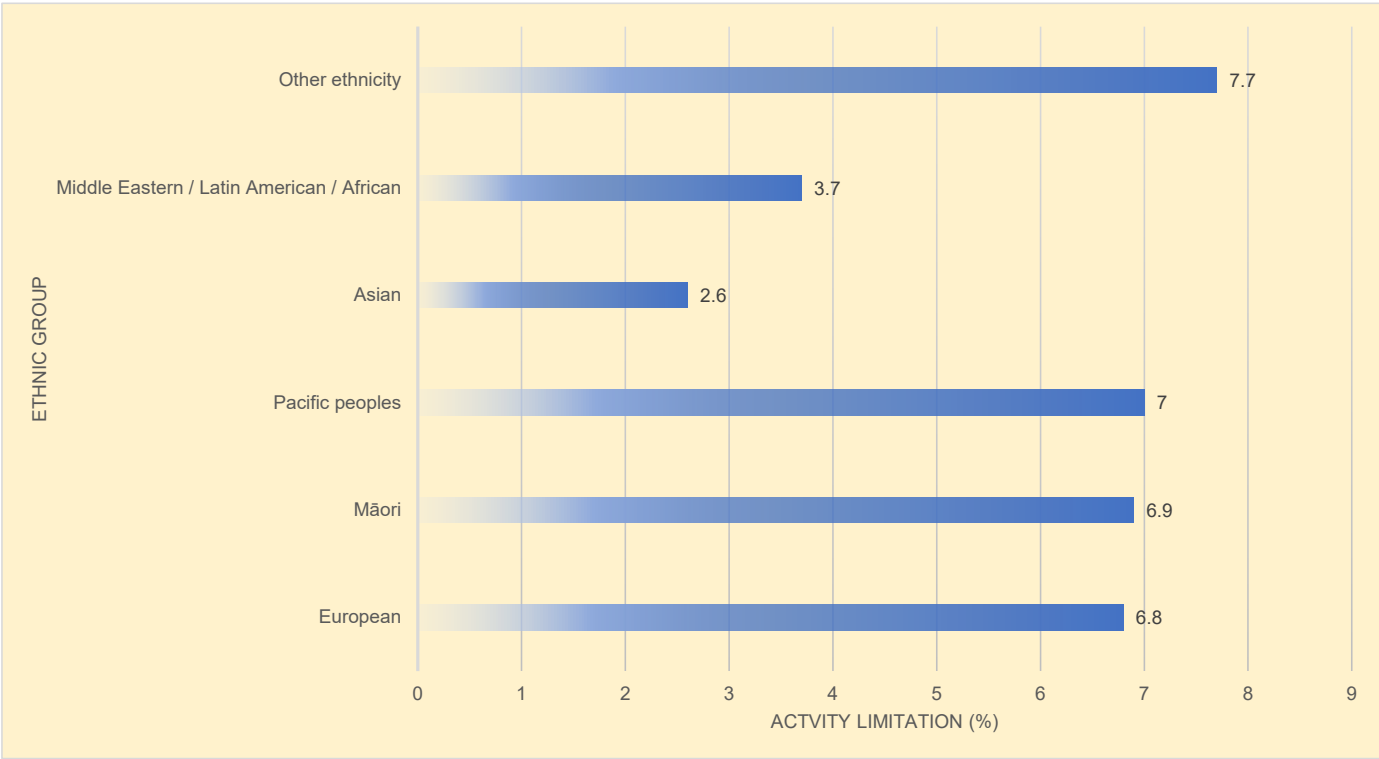
- Seeing.
- Hearing.
- Walking or climbing steps.
- Remembering or concentrating.
- Washing all over or dressing.
- Communicating.

Stats NZ presents data by ethnic group as shown in Figure 3.8, and shows higher proportions of activity limitation for European, Māori and Pacific peoples, which indicates that these communities are in particular need of accessible public transport.

⁹ [Activity limitations \(information about this variable and its quality\) - Stats NZ DataInfo+](#)

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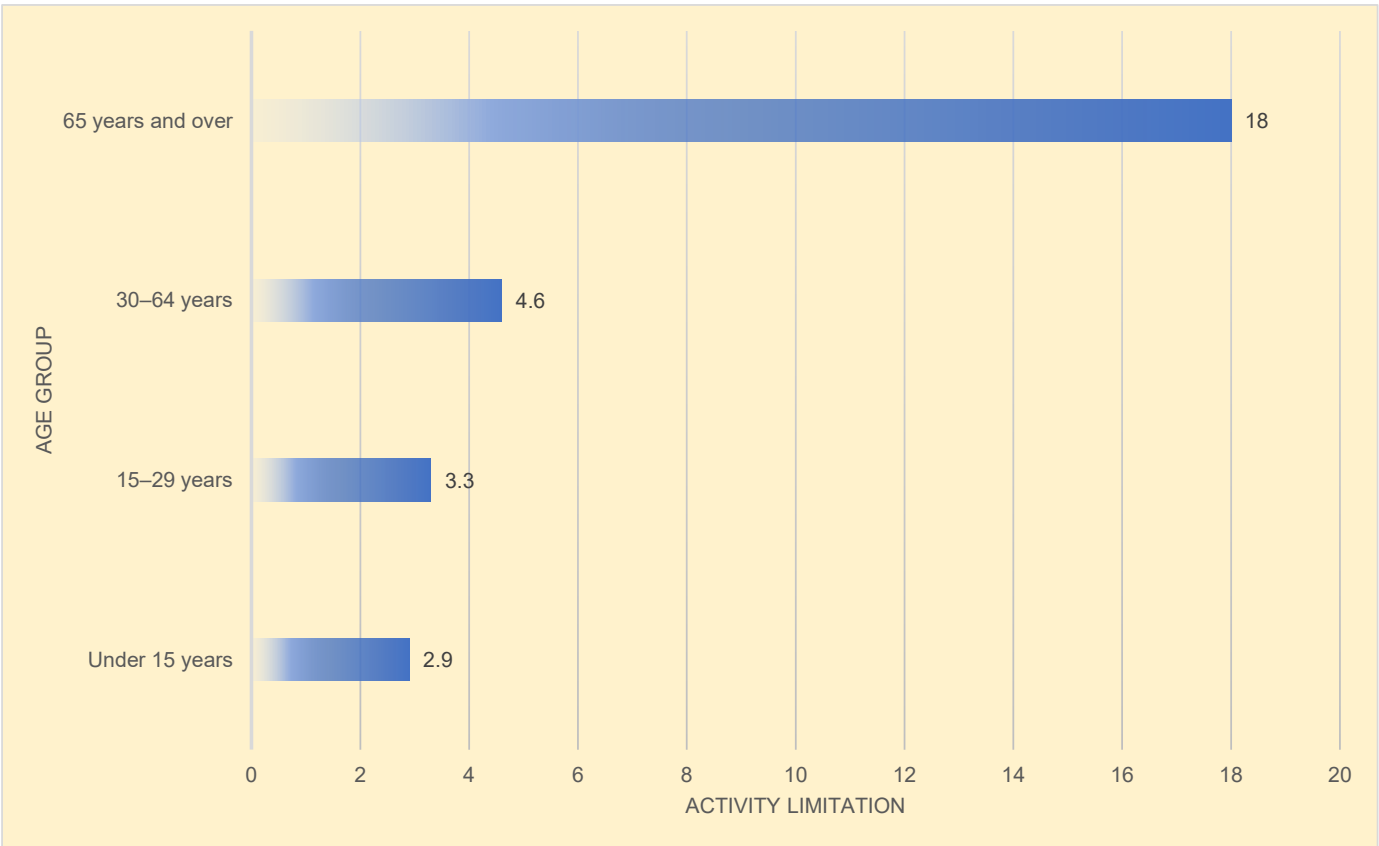
Figure 3.8: Activity Limitation by Ethnic Group



Source: Stats NZ

When it comes to age bracket, it is not surprising that most people with activity limitations are 65 years and over (Figure 3.9).

Figure 3.9: Activity Limitation by Age Bracket

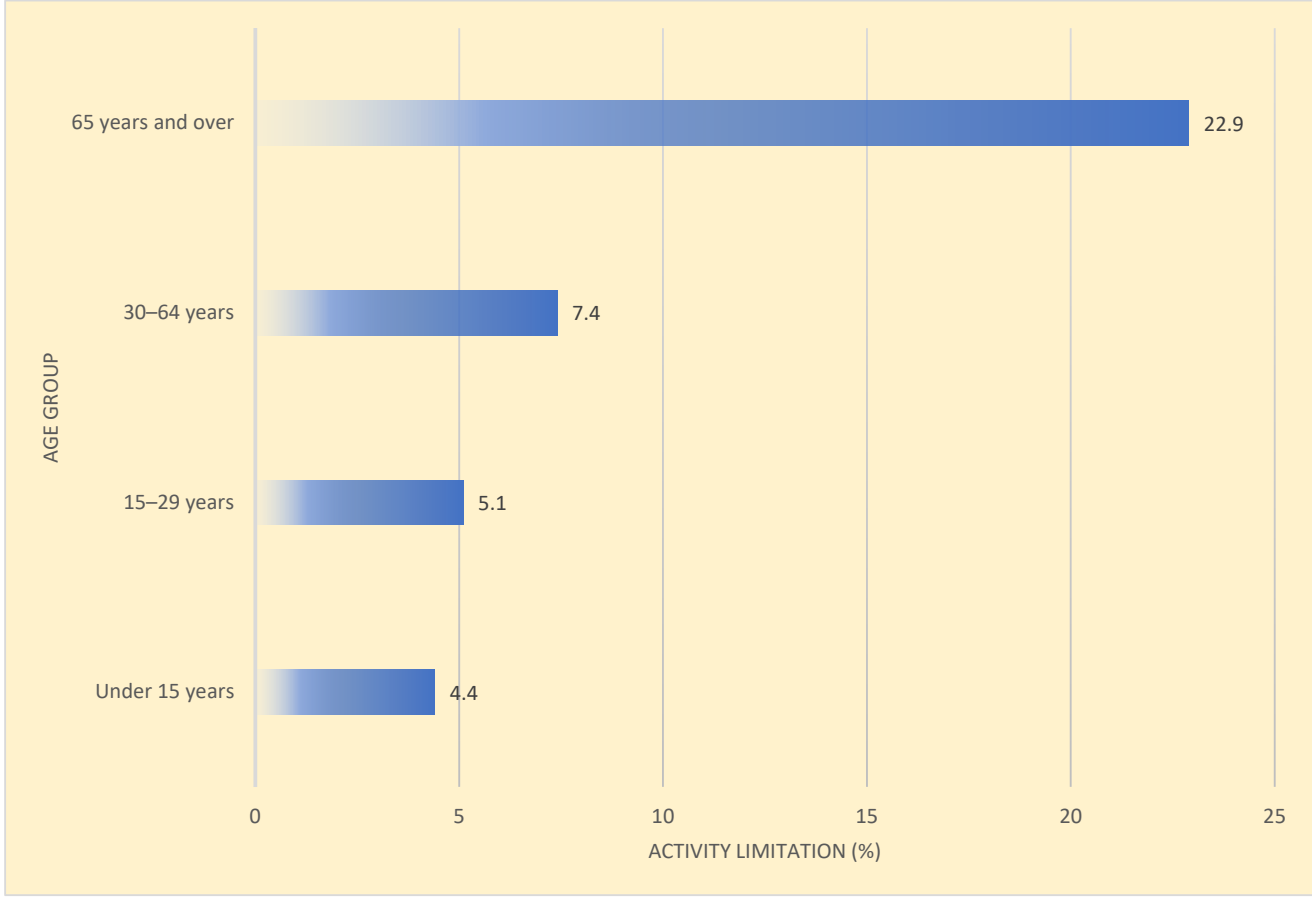


Source: Stats NZ

Figure 3.10 shows that the levels of activity limitation for Māori are higher in all age brackets, with nearly a quarter of people in the over 65 group.

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Figure 3.10: Activity Limitations by Age Bracket for Māori



Source: Stats NZ

3.6 Conclusions

From an accessibility and social inclusion perspective, outside of Dunedin and Queenstown the conventional public transport system in Otago struggles to meet the needs of people who do not have access to, or are able to use, private cars.

There is already a social and community transport sector which fills some of the gaps, and provides a lifeline for people who need to access essential services such as health appointments and shopping. The availability of services for other journey purposes – such as work and training for young people – is limited, with the Wānaka Community Links service trials being the most recent attempt to tap into this need. Community transport services often operate “under the radar”, and are not publicised on the ORC web site (for example).

With demographic changes increasing the number of people who will be reliant on public transport, now is the time to undertake a serious examination of how services could be improved across the Otago region. A good starting point is to consider what is happening elsewhere in New Zealand.

4 Stocktake

4.1 Introduction

The purpose of this stocktake to summarise developments in the regional fixed route, on-demand, and community transport sector in New Zealand. As there are no regular ORC funded fixed bus routes outside of Dunedin and Queenstown, examples will be provided from other regions.

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The aim is firstly to set out practical examples of public transport projects which are improving local accessibility, as a means of giving ORC and partners ideas to take forward into more detailed feasibility, community engagement and demand assessment work.

The stocktake also focusses specifically on the challenges being faced by fixed route, On-demand, and community transport services.

4.2 Regional Fixed Routes

Other than long distance Inter City services, Council funded fixed bus routes between major towns in New Zealand are often conspicuous by their absence. However, there are some useful examples of what does exist.

Waikato Regional Council (WRC) has worked with Te Whatu Ora (Health New Zealand) to develop an integrated health shuttle and conventional public transport service.

Service 25 connects Taumarunui residents with Waikato Hospital and Hamilton, via Te Kuiti and Otorohanga. Te Whatu Ora have extended the existing health shuttle to other users to make better use of a vehicle that was already travelling up State Highways 4 and 3. The service is actively marketed as a means of getting to Te Kuiti, Otorohanga or Hamilton for visiting friends and whanau, getting to the shops and leisure / sightseeing. The bus is wheelchair friendly as it is already a health shuttle connecting three hospitals, but now available for everyone. The service runs Monday to Friday according to the following timetable:

Figure 4.1: Service 25 Timetable

TAUMARUNUI TO HAMILTON						
	Taumarunui i-SITE	Taumarunui Hospital	Te Kuiti Hospital	Otorohanga i-SITE	Waikato Hospital (Hague Rd)	Hamilton Transport Centre (Bryce St, opp Genesis)
AM	Depart	Arrive	Arrive	Arrive	Arrive	Arrive
	7.45	8.00	9.15	9.35	10.25	10.40

HAMILTON TO TAUMARUNUI						
	Hamilton Transport Centre (Bryce St, opp Genesis)	Waikato Hospital (Hague Rd)	Otorohanga i-SITE	Te Kuiti Hospital	Taumarunui Hospital	Taumarunui i-SITE
PM	Depart	Arrive	Arrive	Arrive	Arrive	Arrive
		3.00	3.30	4.25	5.00	6.00
						6.05

Source: Waikato Regional Council

The timetable provides over four hours in Hamilton city centre, which is a decent amount of time for a day trip. A service every weekday also allows for overnight or multi-night stays in Hamilton.

WRC also offers a series of other routes connecting Hamilton with satellite towns:

- **Service 20 (Cambridge):** eight return trips per weekday, with four at weekends.
- **Service 21 (Huntly):** hourly every day, with two weekday trips per day extended to Te Kauwhata and one to Pukekohe.

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- **Service 23 (Raglan):** four return trips per weekday, with two at weekends.
- **Service 24 (Te Awamutu):** nine return trips per weekday, with four at weekends.

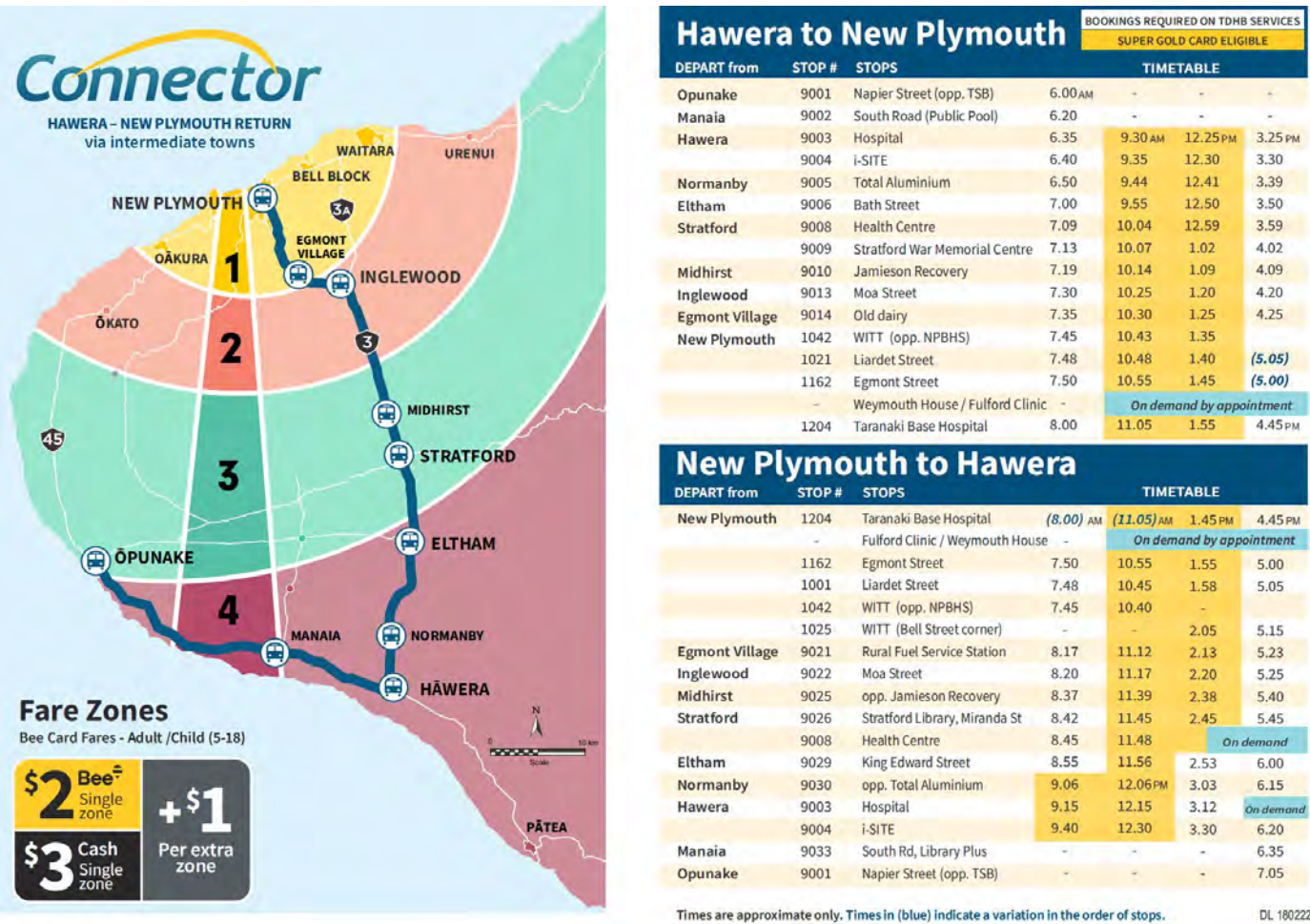
Waikato benefits from having a large and fast-growing city and several sizeable (and growing) towns within commuting distance. Nevertheless the WRC approach demonstrates that developing a credible regional fixed route network is possible.

In Taranaki, the Connector service runs four return journeys every weekday along the State Highway 3 corridor – linking the settlements of Hawera, Normanby, Eltham, Stratford, Midhirst, Inglewood and Egmont Village to the larger city of New Plymouth (Opunake has a less frequent service). A recent addition has been another two services for college students – branded “Your Connector”.

A range of work, education, personal business, and leisure journeys are enabled, and services are relatively well used (4,400 single trips in March 2023) especially as the one-way fare from Hawera to New Plymouth is only \$5 for a journey of 70 kilometres.

The Waikato and Taranaki examples of local inter-urban fixed routes could be applied to the Otago situation, as there are sufficient numbers of settlements which can be linked both to major urban areas (i.e. Dunedin and Queenstown) as well as each other. Options for provision of these services are discussed in chapter 5 below.

Figure 4.2: Connector Service Timetable



Source: Taranaki Regional Council

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4.3 Timaru On-demand Service

The south Canterbury city of Timaru (population approximately 29,000) has pioneered the use of On-demand public transport services in New Zealand, by replacing its entire fixed route bus network.

The On-demand concept enables customers to book a seat in a shared vehicle through an app, online or by phoning a call centre. Dynamic routing technology enables real-time matching of multiple passengers heading in the same direction along the most efficient route. Passengers can board and alight a vehicle at “virtual bus stops”, generally any location where it is safe for a vehicle to stop. Therefore On-demand is often referred to as a “corner to corner” service (although door to door can be provided, usually for an extra charge).

The service was launched by Environment Canterbury (ECan) to arrest a long-term decline in urban bus usage in the town, by providing a service more tailored to passenger needs. Waka Kotahi NZ Transport Agency has funded 51% of the service - the first larger scale roll-out of its kind in New Zealand - from the National Land Transport Fund (NLTF). The remaining 49% of funding is made up of farebox receipts and an urban Timaru targeted rate.

The On-demand service – branded “MyWay” - commenced in June 2020, during the COVID-19 pandemic. At the time, one fixed urban route was retained, although this has recently been withdrawn because of low patronage.

In November 2021, an evaluation report from Key Research was published as part of the Timaru District Council Infrastructure Committee meeting in that month. This document provides very useful information on the impact of the On-demand trial.

Table 4.1 compares the previous fixed route network with the “mixed” fixed and on-demand model that replaced it in June 2020.

Table 4.1: Comparison of Timaru Public Transport Services

Attribute	Fixed Route Urban (pre-June 2020)	School	On-demand (post-June 2020)
Vehicles	Two “large” buses	Two “large” buses	Three super low floor 12-seat vans Four 11-seat minivans
Operating Hours	8am-4pm weekdays	8am-3pm weekdays during school terms	6am-7pm weekdays 8am-6pm weekends Late night Friday and Saturday
Frequency	Hourly	One morning and one afternoon journey	Average pick-up time less than 15 minutes
Pick-up locations	110 fixed bus stops	Where safe to pick up and set down	Over 1,649 “virtual” bus stops (average walking distance 50 metres)

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Attribute	Fixed Route Urban (pre-June 2020)	School	On-demand (post-June 2020)
Service parameters	Circular service	Direct to schools	Corner to corner across the majority of Timaru
Fares	Adult: \$1.65 Child: \$0.95 Super Gold: free (off-peak)	Child: \$0.95	Adult: \$2.50 Child: \$1.50 Late night: \$5.00 Driveway to driveway: \$5.00 Super Gold: free (off-peak)

Source: Timaru District Council Infrastructure Committee

The On-demand service represents a significant improvement for passengers, both in terms of frequencies and time-based coverage. On-demand fares are higher than for the fixed route, though still very good value compared to the cost of a taxi.

Table 4.2 compares service performance for two six-month periods for the former fixed route network and the mixed model.

Table 4.2: Timaru Public Transport Service Performance (November 2021)

Metric	Fixed Route Only (July 2019 to January 2020)	Mixed On-demand and Fixed Route (July 2020 to January 2021)	Change (%)
Patronage total	85,778	103,838	+21
Adult	35,248	62,523	+77*
Child	29,051	26,107	-10*
Super Gold	21,479	15,943	-26^
Patronage (weekday)	2,351	2,465	+16
Patronage (weekend)	114	268	+135

Source: Timaru District Council Infrastructure Committee

* Some child patronage included as adult early in the trial because of challenges using the app.

^ Decline likely to be result of COVID-19.

Overall patronage growth of 21% reflects improvements to the network, and increase in adult users is encouraging (albeit over-stated because of technology issues). The reduction in Super Gold users – and perhaps general usage in total – has been impacted by COVID-19.

Table 4.3 compares annual service costs for the fixed route and mixed route networks.

Table 4.3: Annual Timaru Public Transport Service Costs (at November 2021)

Metric	Fixed Route Only	Mixed On-demand and Fixed Route	Change (%)
Service cost (\$)	927,570	1,853,709	+100
Revenue (\$)	181,208	282,785	+56
Total Subsidy (\$)	746,362	1,570,924	+110

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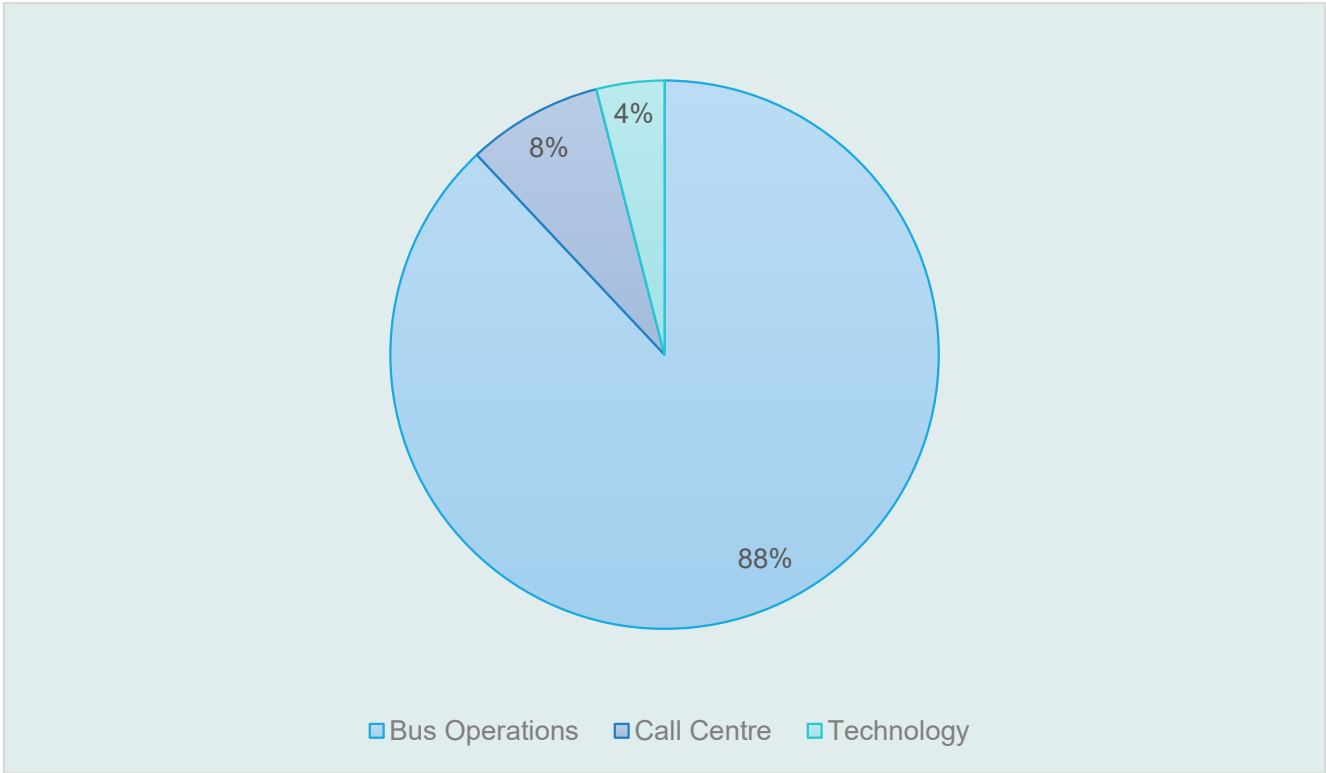
Metric	Fixed Route Only	Mixed On-demand and Fixed Route	Change (%)
Farebox Recovery (%)	20	15	-25
Patronage	147,000	171,000	+25
Passenger Subsidy (\$)	5.08	9.19	+81

Source: Timaru District Council Infrastructure Committee

Doubling of operating costs reflects the mixed network providing a significantly better services, therefore requiring more vehicles and drivers. Whilst patronage has increased, additional revenue (fare income) is relatively small (in absolute terms) compared to the cost increase. The inevitable result is an 81% increase in the subsidy per passenger.

Figure 4.4 shows how the operating costs are split between the three main items which make up the overall service.

Figure 4.4: On-demand Operating Costs



Source: Timaru District Council Infrastructure Committee

On-demand services require call centre back-office systems and app-based technology, that fixed routes generally do not. However, these items make up a relatively small proportion of costs. Nearly 90% of On-demand costs are made up of bus operations - vehicles, drivers, maintenance, and depots.

In April 2021, Research First undertook a resident survey, which found that since the mixed network was introduced:

- 32% of respondents had increased their public transport use to weekly or fortnightly;
- 77% of respondents support continuing the service, with even two thirds of non-users expressing this opinion;
- 20% of respondents said they didn't know about the service; and

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- 18% of respondents suggested increased service hours as the way to gain more patronage.

Service operator Ritchies is quoted in the report as highlighting several learnings:

- On-demand works well as a mid-way between conventional buses and taxis;
- Drivers find their work more interesting, as bus routes vary every day;
- There are many passengers who are new to public transport;
- The app and software have been easy to use;
- There have been functional issues with the software - including bus routing issues, access to call centre application and initial set up of the start and pick-up points;
- A call centre is required, as not everyone wants to book through an app;
- Significant management time is required for setting up and running the service;
- Customers need to be reminded that On-demand is not a taxi service, and that people must be at pick-up locations on time and the driver cannot change routes as the request of a passenger; and
- Managing driver rest break times around more fluid customer demand can be a challenge and requires new ways of working with drivers to maintain vehicle capacity throughout the day.

ECan has kindly supplied data for the last 12 months of operation, summarised as follows:

Table 4.4: Myway Cost and Patronage Data (March 2022 to March 2023)

Month	Passenger Numbers	Operating Cost (\$)	Revenue (\$)	Passenger Subsidy (\$)	Farebox Recovery (%)
April 2022	11,607	161,801	22,040	12.04	13.62
May 2022	13,966	178,363	25,929	10.91	14.54
June 2022	13,637	196,784	25,255	12.58	12.83
July 2022	13,150	178,251	24,082	11.72	13.51
August 2022	14,571	186,520	25,969	11.02	16.17
September 2022	13,919	196,470	28,665	12.06	17.08
October 2022	12,857	181,087	22,921	12.30	14.49
November 2022	13,839	186,402	23,769	11.75	14.61
December 2022	12,821	187,463	24,194	12.73	14.82
January 2023	12,053	180,581	22,241	13.14	14.05
February 2023	13,181	180,581	24,061	11.87	15.37
March 2023	18,212	248,912	31,746	11.92	14.62
Total	163,813	2,263,315	300,872	11.98	15.36

Source: Environment Canterbury

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Whilst costs of providing the service are very high, at the present time it is generally agreed that from a passenger perspective On-demand has been a success. Funding for the trial has been extended by Waka Kotahi to June 2024.

4.4 Canterbury Community Vehicle Trusts

ECan also has a Community Vehicle Trust (CVT) approach which provides support and funding to local community groups who wish to set up and run their own operation. At the time of writing (July 2023), there are 15 CVTs across Canterbury.

Table 4.5: Canterbury Community Vehicle Trusts

Provider	Area Covered	Type of Service	Summary Details
Ashburton / Mid Canterbury Connector CVT	Mt Somers, Methven, Rakaia, Wakanui, Chertsey, Fairton and Hinds, return trips into Ashburton township	On-demand. Monday to Friday. 9.00am – 4.30pm.	One large car Fares range between \$5 and \$20 return, with booking by phone two days before intended trip. Ashburton
Amberley District CVT	Amberley area, but could be driven outside of the locality	Hire only - vehicles are used by sports clubs, local schools, private groups, clubs, and Hurunui District Council.	Two vehicles for hire, a bus (28-seater) and a van (12-seater, including driver). Amberley
Amuri CVT	Locally within the Hurunui district, and as far as Rangiora and Christchurch	On-demand. Bookable in advance with co-operation of volunteer drivers for longer distance travel to specialist appointments.	Fares range between \$5 and \$50 return (as far as Christchurch). Amuri
Cheviot CVT	Cheviot county, along SH1 as far as Christchurch	On-demand. Hospital appointments or treatment; operations, anything medical or health-related.	\$50 return trip to Rangiora or Christchurch, but can reduce to \$30 or \$20 if there are two or three passengers in the vehicle. Cheviot
Malvern CVT	Centred on Darfield township, and surrounding rural area as far as Rolleston and Christchurch hospital	On-demand. Range of vehicles for personal, social, or medical reasons.	\$5 return for local Darfield journeys and up to \$40 to Christchurch (Burwood Hospital). Darfield (Malvern)
Ellesmere CVT	Covers the area of Selwyn District between the Selwyn	Regular day trips and movie trips on alternate weeks.	Minibus and car. Minibus trip to Christchurch is \$10,

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Provider	Area Covered	Type of Service	Summary Details
	River / Waikirikiri and Rakaia River, some distance west of State Highway One, and to the coast in the east. Most of the trips leave from the towns of Leeston and Southbridge to a wide range of destinations.	The car is used most days for appointments, treatments etc to Christchurch, Ashburton, Rolleston, and Lincoln. Minibus is available for groups to any destination, with an approved driver.	but minimum numbers needed. Community car suggested donation is \$10 to Rolleston and \$20 to Christchurch (car is used to get people to appointments most days). Ellesmere
Fairlie CVT	Fairlie township and onward to Timaru.	On-demand. All vehicles are available for private hire at very competitive rates. Volunteer drivers who are available to help with the elderly, infirm or those who cannot drive. On-demand trips are usually to healthcare appointments in Fairlie, and healthcare, social welfare, or other appointments in Timaru.	Car and three minibuses. \$6 return within Fairlie and up to \$50 return into Timaru. Heartlands Resource Centre runs regular day trips for the elderly. Fairlie
Geraldine CVT	Geraldine local area and onwards to Temuka and Timaru.	Day taxi: is staffed by volunteer drivers, one person rostered on per day, transporting residents to and from and around the village during trading hours. On-demand: provides a service to destinations further away from Geraldine. This is to transport residents to and from Timaru or Temuka using our car or one of the other buses. Day hire of minibuses for self-	Five Toyota Hiace minibuses, including two fitted with wheelchair lifters and one VW Caddy. \$5 return within Geraldine township and \$35 return to Timaru. Geraldine

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Provider	Area Covered	Type of Service	Summary Details
		drive hire - private individuals, local schools and preschools, sports clubs, rest homes, service clubs, and many other local organisations.	
Hawarden-Waikari CVT	Hawarden-Waikari local area and onwards to Amberley, Rangiora / Kaiapoi and Christchurch.	On-demand: primary role of the service is to provide access to medical or hospital services outside of our region. Transportation to a range of other events, cultural or social, is possible if there is a driver willing to assist.	One car that seats three passengers. \$5 return within Geraldine township and \$50 return to Christchurch (reduces to \$30 if there are two people). Hawarden-Waikari
Kaikoura CVT	Local area, plus north to Blenheim and south to Christchurch.	Used for transporting passengers to medical and other important appointments out of town, such as in Christchurch and north to Blenheim. Also available for doctors' visits, grocery shopping, outings etc.	Two vehicles. A mobility van seating seven passengers for around town, and a sedan used for longer distance trips to medical appointments. Kaikōura
North Canterbury CVT	Includes Oxford, Rangiora and Kaiapoi – with regular trips to Christchurch.	Mainly on-demand, although services appear to run very regularly due to the number of vehicles. There is a regular shopper's bus in Rangiora every Tuesday and Thursday.	Twelve vehicles, a mix of cars and minibuses (which are equipped with wheelchair hoists). A bargain fare of \$1 return within Rangiora. North Canterbury
Pleasant Point	Local area and into Timaru. Longer distance journeys (for example to Christchurch) can be negotiated.	On-demand. Trips can social outings, shopping appointments for medical or professional services, student	A single car which can transport up to five people. \$5 return in the local area, \$20 return to Timaru and \$100

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Provider	Area Covered	Type of Service	Summary Details
		transport and travel to Timaru Airport.	return to Christchurch. Pleasant Point
Twizel-Tekapo CVT	Travel within and outside the Mackenzie District, as far as Christchurch and Dunedin.	On-demand. Transport within the Twizel township for those needing to attend the local medical centre or other facilities. Vehicles travel to Timaru or Oamaru most weekdays as required, encompassing the Tekapo community's need for travel assistance.	\$60 return to Timaru or Oamaru, and price on application for other destinations. Twizel-Tekapo
Waimate CVT	Waimate district, including to Oamaru and Timaru.	On-demand. Emphasis on ease of access to the aged and infirm	Two cars and a wheelchair van. Total mobility service available. Monday to Friday (except public holidays) 9am – 4pm. Outside these hours by arrangement. Waimate
Waitaki CVT	Vehicles have travelled as far south as Invercargill and as far north as Christchurch. Requests to anywhere in the South Island will be considered, perhaps working in with other CVTs.	On-demand. Subsidised transport for residents of Omarama, Otematata, Haka Valley, Kurow and Duntroon with mobility issues – be it age, disability, or economic disadvantage.	Two vehicles, one housed in Otematata and the other in Kurow. Sample fares include \$45 Kurow to Oamaru, \$60 Otematata to Oamaru, and \$90 to Dunedin. Waitaki Valley

The above table demonstrates that community transport services come in all shapes and sizes, and cater for a wide range of needs beyond the traditional role of health appointments. A few of the CVTs are registered as Total Mobility providers or with ACC for transport to medical appointments, but that isn't necessarily their primary purpose. From a single vehicle to over a dozen, CVTs provide a travel option for people who have no other way of getting around. Costs to passengers are generally well below what would be charged by a commercial taxi or companion driving service.

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The ECan CVT web site¹⁰ is an excellent community transport resource both for users and operators (both current and prospective). The home page of the site is shown in Figure 4.5.

There “latest news” section is very useful for keeping up to date, and generating confidence that services are moving forward.

The “Find a Service” drop down menu takes the user to each CVT area, and the landing page usually provides very accessible and informative details, as shown in Figure 4.5 below. There is always a phone number for more information.

Figure 4.5: ECan CVT Web Site



HomeAbout usFind a service ▾NewsVolunteerSet up a trustGet in touch

Providing smaller Canterbury communities access to a transport service

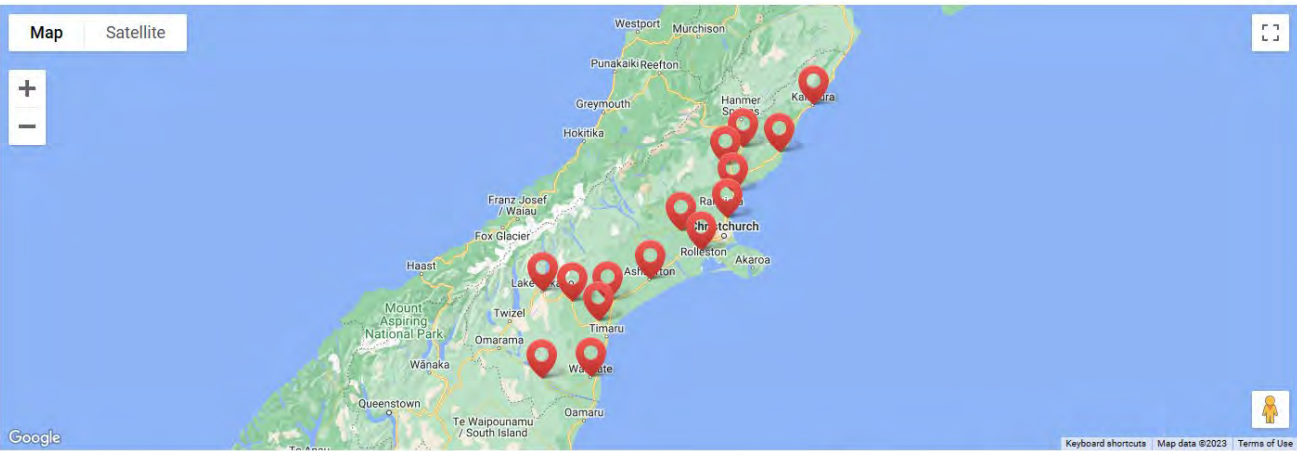
Community Vehicle Trusts provide a transport option for residents in areas outside of the urban public transport network. Each trust varies in the services it provides and they all rely on many amazing volunteers to keep them running.

Find your local service for trip information and bookings

MapSatellite

+

−



GoogleKeyboard shortcutsMap data ©2023Terms of Use



Hurunui community vehicle more than a taxi service

Mar 2, 2021

Getting to health appointments across the Hurunui and North Canterbury is now easier for Cheviot residents, with the help of a service that connects them to a dedicated team of volunteer drivers.

[read more](#)



Community Vehicle Volunteers plan for the year ahead

Feb 9, 2021

A new trial community transport service, the Mid Canterbury Connector, will launch on Tuesday 12 January 2021.

[read more](#)



Trial service coming for Ashburton

Dec 8, 2020

A new trial community transport service, the Mid Canterbury Connector, will launch on Tuesday 12 January 2021.

[read more](#)

Source: Environment Canterbury

¹⁰ [Home Page - Community Vehicle Trust](#)

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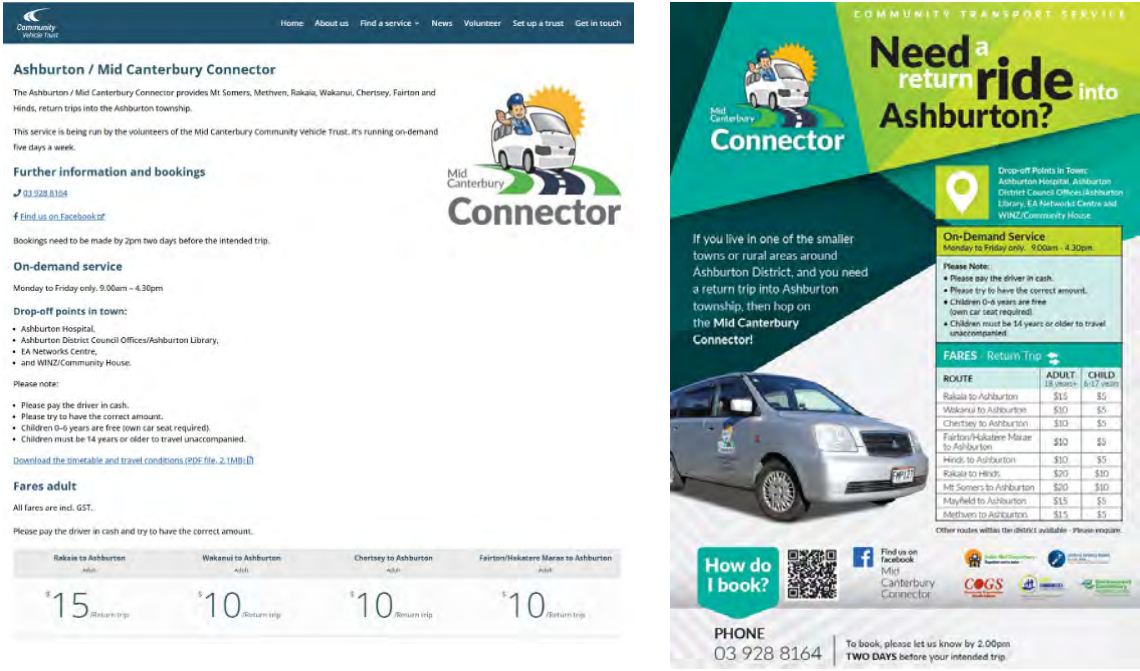
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Figure 4.6: Ashburton / Mid Canterbury Connector Landing Page and Brochure



Source: Environment Canterbury

The ECan RTP states that the council will:

- Provide financial support to approved Community Vehicle Trusts to assist with the costs of vehicle replacement and / or administration; using the following criteria to determine the eligibility for financial support:
 - o There is no alternative public transport or taxi service available to the community;
 - o There is a demonstrated need for a transport service in the community;
 - o There is willingness from the members of the community to set up, operate and maintain a trust and for people to volunteer to be drivers;
 - o There is sufficient funding available to support the establishment and administration of the Trust and the purchase of a vehicle(s); and
 - o The establishment of the trust has the support of the relevant territorial authority.
- Explore opportunities for this approach to play a greater role in enhancing the availability and quality of public transport in Canterbury.

The ECan Long Term Plan (LTP) has an annual target to provide support to all groups that approach them (that meet the criteria) regarding Community Vehicle Trusts (CVTs). ECan therefore provides annual grants of up to \$10,000 which are funded out of targeted rates.

On the CVT web site home page, there is also a link to a page for people who wish to volunteer, as well as a very informative section on how to set up a new trust which provides a summary of the practical, legal, financial, business planning, administrative and governance requirements.

All this is backed up with the services of ECan’s dedicated community transport officer, who provides significant information, grant allocation, practical support, and coordination which the CVTs find hugely beneficial.

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There is anecdotal evidence to suggest that CVTs located close to the border with Otago are picking up passengers in that region and taking them to appointments or personal business in Oamaru.

4.5 Waikato Community Transport Forum

Supported by both Waikato Regional Council (WRC) and Trust Waikato (a philanthropic organisation), the Waikato Community Transport Forum another example of good practice. The web site¹¹ again provides details both for community transport users and providers. Service provision is split into local council areas, with basic details for each service provided along with contact information for booking. There are a wider range of providers beyond CVTs, including St John, the District Health Board (now Te Whatu Ora) and specialist patient services (such as cancer and renal care).

Table 4.6: Providers on the Waikato Community Transport Forum

Local Council Area	List of Service Providers
Waikato District	Raglan District CVT
	North Waikato Transport Trust (Huntly)
	Te Kauwhata Community House
	Waikato DHB Renal Transport Service
	Ngati Maniapoto Marae Pact Trust Transport
	Waikato / Bay of Plenty Cancer Society Volunteer driving service
Thames Coromandel District	Tairua Care and Friendship Club Inc.
	Coromandel Independent Living Trust
	Whitianga Community Services Trust
	Whangamata Community Services Trust
	St John Community Health Shuttles (Thames, Paeroa, Waihi and Whangamata)
Hauraki District	Paeroa Community Support Trust, Volunteer Drivers Service
	Waikato DHB Renal Transport Service
Matamata-Piako District	Matamata Community Health Shuttle
	Te Aroha Community Support Society Inc
	Morrinsville Community Charitable Trust
	Waikato DHB Renal Transport Service
Waipa District	St John Health Shuttle Cambridge
	Te Awamutu Community Health Shuttle
	Waikato / Bay of Plenty Cancer Society Volunteer driving service
	Cambridge Community House Volunteer Driver Service

¹¹ [Mobility & Freedom in Waikato | Waikato Community Transport Forum](#)

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Local Council Area	List of Service Providers
South Waikato District	St John Tokoroa
	Tokoroa Health Transport Service
	South Waikato Community Health Transport (Inc)
Otorohanga	Otorohanga Community Health Transport
Waitomo	Te Kuiti Citizens Advice Bureau Volunteer Drivers
	Otorohanga Community Health Transport Service
	4H Community Trust Board
Taupo	None listed
Ruapehu	Ngati Maniapoto Marae Pact Trust Transport (Taumarunui)
	Taumarunui - Hamilton (and return) health bus (now service 25, and part funded by WRC)
	Waikato DHB Renal Transport Service

Service providers can request to be registered with WRC's dedicated community transport officer who, like their ECan counterpart, provides a range of services including the administering of grant funding.

The WRC RPTP has specific policies for community transport, which means that provision of funding is linked to key objectives for the council. The two policies are:

- **P21: Provide support for community transport services where:**
 - o There is a demonstrated need for a transport service in the community.
 - o There is willingness by members of the community to set up, operate and maintain a trust or similar structure to oversee governance of the service, and for people to volunteer to be drivers.
 - o There is sufficient funding available to support the establishment and administration of the trust and the purchase of vehicle(s).
- **P22: Support for community transport services will be assessed on a case-by-case basis and may include:**
 - o Council staff assistance to establish a trust or service in a new area.
 - o Financial grants towards vehicle purchase / replacement and operation, and trust administration costs, subject to availability of funding.
 - o Provision of necessary supporting technology to help make community transport services easier to manage and more accessible for users, subject to availability of funding.
 - o Where possible, leverage the council's purchasing ability to obtain best value for community vehicle / hoist purchase, and / or other professional services such as driver training.

To deliver policy 22b, the RPTP proposed the following action:

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“In accordance with policy 22b, the council, in collaboration with the region’s community transport entities, will develop a framework for the annual allocation of grant funding to assist community transport initiatives.”

WRC levies a general \$1 rate on properties in the region which provides around \$200,000 per annum to support community transport.

The WRC grant funding framework aims to:

- o Prioritise funding to benefit people of greatest need, in an accordance with RPTP policy;
- o Ensures grant funding can be allocated fairly amongst eligible community operators on a region-wide basis; and
- o Enables the grant funding to supplement but not fully fund the cost of providing community transport services, to preserve the independence and autonomy of operators.

The argument in favour of a general rate is that it contributes to a socially necessary service that should be provided consistently across the region, which WRC can then coordinate through a clear RPTP policy and action plan.

From the community perspective, if areas of the region know they have already contributed through a \$1 per dwelling rate, then there may be an incentive to develop a service to reflect that. Community transport operators still must apply for funding, but a grant of up to \$10,000 is available.

Guidance for new community transport providers is particularly comprehensive with links to key documents (such as fact sheets produced by Community Waikato) and templates for administrative use.

Along with ECan, Waikato are community transport market leaders in New Zealand, and this is evident from sections of the web site which provide details of symposiums which have been held in 2019 and 2022, as well as links to research reports and policy documents (such as the RPTP).

Figure 4.7 shows the Waikato Community Transport Forum home page.

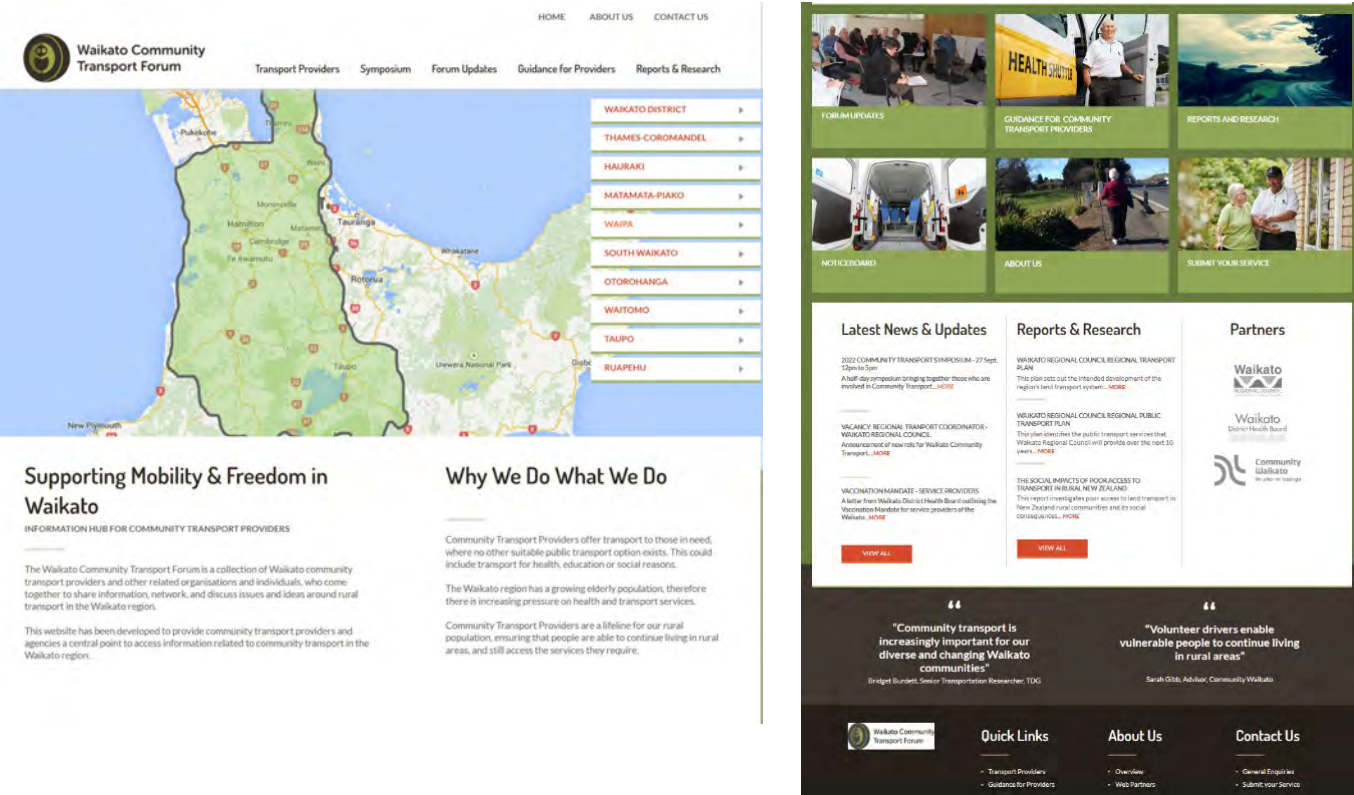
Figure 4.8 shows an interesting “rich picture” from the 2019 Waikato Community Transport Forum symposium. There are different parts of the picture which deal with key issues such as funding, partnership working, demographic challenges and (perhaps most interestingly) “building credibility”. This latter issue is important if community transport is to be considered as a bone fide public transport service. The operations of community transport services are generally very professional.

The key messages at this event were that community transport is valuable; it needs more support; and would benefit from national consistency and governance.

Fast forward three years to the 2022 symposium and an excellent summary provides guidance on setting up a community transport service, as a means of addressing the practical challenges (Figure 4.9).

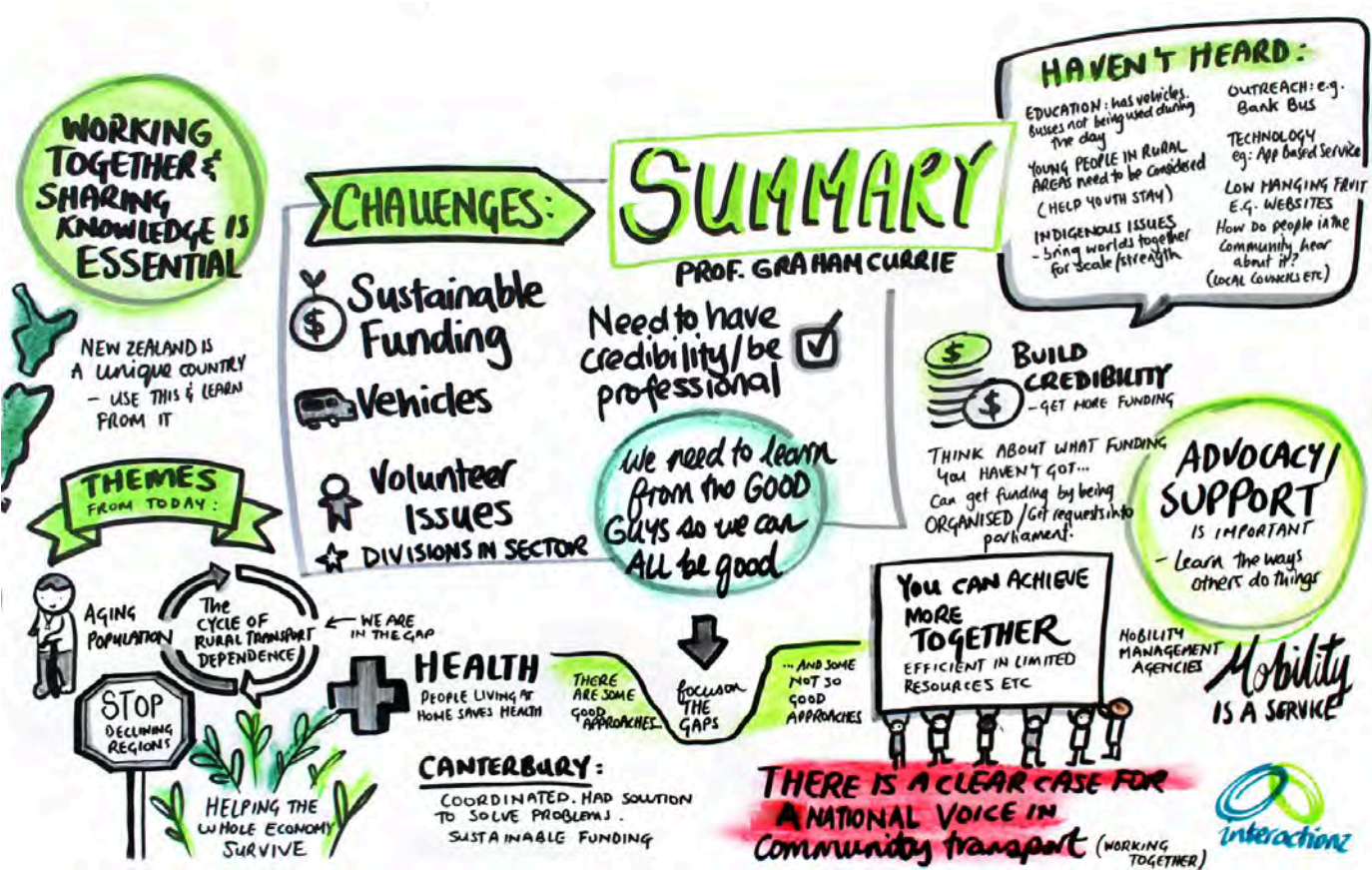
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Figure 4.7: Waikato Community Transport Forum Web Site



Source: Waikato Community Transport Trust

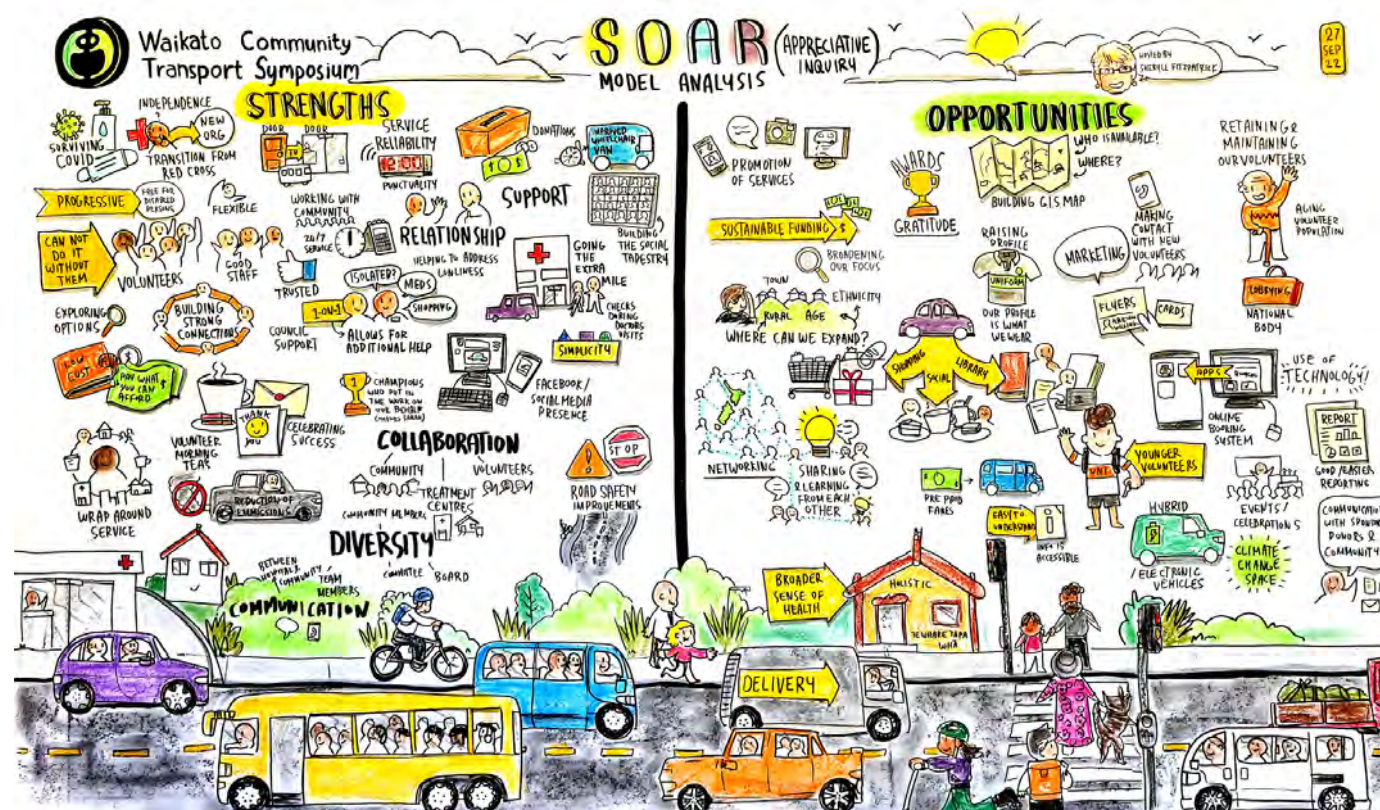
Figure 4.8: Summary of Community Transport Challenges (2019 Symposium)



Source: Waikato Community Transport Forum 2019 Symposium

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Figure 4.9: Setting Up a Community Transport Service (2022 Symposium)



Source: Waikato Community Transport Forum 2022 Symposium

4.6 Public Transport Challenges and Opportunities

4.6.1 Introduction

This section summarises some of the key challenges which generally apply to the three different public transport operating models – fixed routes, On-demand, and community transport. These challenges are not insurmountable, can be considered as opportunities during planning of new or improved public transport networks.

4.6.2 Fixed Routes

When measured by the yardstick of passenger numbers, fixed bus routes work very well in larger towns and cities, where population numbers are higher and there are many potential destinations for a variety of journey purposes – work, education, shopping, personal business, and leisure. Even within urban areas, fixed routes work well on busy radial corridors into a strong and vibrant town or city centre, and higher concentrations of jobs and services in locations that everyone can get to in one direct public transport journey.

If there are especially large companies or institutions in a city, they can often provide a significant source of passenger demand. Aside from large employers, hospitals and universities are two important sources of fixed bus route patronage. Tourist destinations can also provide an additional source of patronage. The presence of larger satellite settlements can enable fixed routes to be extended further than might otherwise be the case.

Dunedin has a strong fixed public transport network, for all the reasons outlined above. For its relatively small resident population, the Wakatipu area also has a good public transport network when compared to many other places in New Zealand. The presence of tourists and seasonal workers makes relatively high frequencies and time coverage much more viable than the permanent resident population might imply.

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In terms of passenger numbers, fixed routes tend to work less well in smaller towns, rural areas and on longer distance road corridors where there are few settlements. This is partly a function of lower population, but also a lack of large travel generating destinations that exist in the settlements. People in these places tend to be older than average, and have higher levels of mobility challenges.

To be clear, challenges with fixed routes are not a reason to automatically discount them as being unviable. Such services can provide an important lifeline service that people know they can rely on. Where routes can link several areas together along a corridor, they can become more viable as a great range of origins and destinations can be served.

4.6.3 On-demand

On-demand services – such as that in Timaru – are relatively new in New Zealand. Several other councils – Auckland Transport, Greater Wellington, and Hawke's Bay – are currently trialling services as an alternative to existing fixed route services.

Until recently, there were few, if any, On-demand services being set up where nothing currently exists. This may firstly indicate that the technology-enabled On-demand model needs to demonstrate a value add over fixed route services – for example getting access to areas where a larger bus cannot reach for reasons of road design, topography etc. Secondly, it may indicate that there simply isn't enough demand to justify the relatively high cost of setting up and running an On-demand service. Only a robust user survey and community engagement will be able to address such issues, and provide a more robust answer.

Again, an indication that setting up a service will be challenging is not a showstopper. For example, technology company Liftango has obtained funding from the Waka Kotahi Innovation Fund to set up an On-demand service for residents of Matakana Island in the Bay of Plenty.

Ngāi Te Rangi have expressed a special interest in solving an issue for a group of 150 residents from Matakana Island who must use the car ferry to get on and off the island. The ferry connects Matakana Island residents to Omokoroa where many of them keep a second land car. There are no regular bus services linking them to health services, making it difficult to get to their appointments if they do not use a second car.

This situation has created a reliance on not one but two single occupancy vehicles for residents of Matakana Island to access basic services in and around Tauranga. In addition to the environmental impact of this situation, Matakana Island residents are facing significant cost pressures due to petrol prices.

Liftango note that it is not uncommon for communities to already use existing, informal transport networks such as car-sharing between family and friends or the use of vans for community transport. However, informal networks often either operate with little governance, or require significant manual handling by operators / organisers to match riders with vehicles.

The Matakana project uses technology to eliminate many of the challenges that operators or community organisers typically face by automating the booking, ridesharing, and management aspects of the service. The technology reduces the time intensive responsibility of booking and routing and lets operators focus on interacting and providing services for their local community.

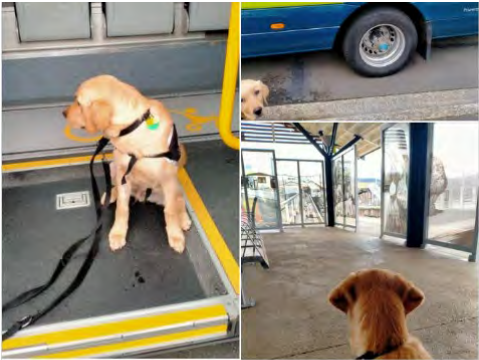
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Other On-demand challenges are still emerging from the various trials around New Zealand. In Greater Wellington, for example, Metlink has implemented a 12-month On-demand bus trial in the suburb of Tawa - which is a corner-to-corner service, and can pick up at virtual bus stops and drop off anywhere that is safe / legal to do so in the area.

Although the services have been designed with regular commuters in mind, experience to date suggests that most passengers are senior citizens who are using the service for personal business and leisure. As a result Metlink has slightly increased the zone of operation to include a retirement village, so that more people can take advantage of the service.

Service user feedback on the service is very positive, with the project team receiving a range of favourable responses on social media, including from Presley the guide dog puppy!

Figure 4.10: Social Media Feedback on the Tawa On-demand Service

User Group	Example of Social Media Comments and Communications
Disabled	Wow that was soo Awesome. Thank you for letting me be part of the trial. Bus literally picks and drops me off near my house. Both drivers and survey people were lovely. Have a longer ride home because Google sent us Hampton Hill way instead of straight up Victory Crescent. It was nice telling them, that we don't have a bus up here and we have to walk down to Main road. Need another bus stop on the New World Tawa side (Oxford terrace) please. But I was given a tip to try a residential address instead of just New World Tawa. Many more trips to try, might try Outlet city next week for a coffee since I can't walk that far and back. Independent total mobility card holder.  Presley the Guide Dog Puppy August 22, 2022 · 📍 This afternoon Presley had some rides on the new Metlink On Demand Service. Very cool and easy to use.
Families	Hannah Ashdown January 20 at 8:45 AM · 🌐 Anyone know if On Demand bus will take kids push scooters (non-foldable) and adult bikes if they have the space? If yes, do they require you to be able to lift your bike up onto a rack? (I have back trouble and bike is a touch heavy...)Thanks 🙏 4 comments Like Comment Send Top comments ▼ Write a comment... Katrina Maxwell I've taken our pram on these busses heaps without folding and never a problem. No idea about the bike though Like Reply 1w Hannah Ashdown Katrina Maxwell thanks Katrina 🙏 Like Reply 1w
Patients	 Stacey Richardson Adding Kenepuru Hospital is awesome! The shuttle service between Kenepuru and Wellington Hospitals is brilliant and for those that can't easily drive, being able to catch the on demand to get the shuttle will be great! Like Reply 7d 10

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User Group	Example of Social Media Comments and Communications
Active Travel	Yesterday Michele Dickson & I walked along the tracks in Tawa's Larsen Crescent Reserve and Redwood Bush. At Redwood Station and at the end of our walk at Brasenose Place, Michele e-mailed the GWRC "On Demand" minibus service - it saved us ca. 1/2hr road work both ends of our walk! In each case we waited only ca. 5 minutes for the minibus to arrive! Homeward bound we alighted from the minibus near the bus stop with an RTI screen on Main Road, Tawa, then caught a no. 60 bus to Johnsonville to catch a train homewards. The driver said that GWRC/Metlink has five of minibuses in service. She said that yesterday, although officially on a Sunday timetable, the minibuses were kept busy. We were impressed by the quality of external appearance of the vehicle, its interior and the quiet diesel engine.
Older People	Hi Stephen Just wanted to say that I used the bus service yesterday from Summerset to Tawa New World and found it a great experience and superb in every sense. The app worked well, the timing was accurate and the ride was perfect. I waited by the main gate but wondered if the pick up could be under cover by the main building entrance? There is an ideal drive through there. A great service and I'm sure to be of immense value to our residents. Cheers

Source: Social Media Posts and Communications Received by Metlink

Metlink recognise that there is still work to do, for example in relation to user experience with the app. With Tawa On-demand booking being entirely app-based and a new technology, some people have struggled with using it. Not everybody has the required smartphone and credit / debit card. Setting up the app is moderately complicated, and it is easy to miss something or make a mistake. Therefore it can take a while before a user becomes confident with using the system. In any case there are some people who still prefer to book on the phone through a call centre.

4.6.4 Community Transport

In a presentation to the Transport Special Interest Group (TSIG) in March 2021, Community Waikato and MR Cagney provide an excellent overview of the challenges currently being faced by the sector in New Zealand. A summary of the problems is reproduced verbatim:

- Community transport is fragile;
- It's "nobody's job" in the transport sector, no one seems to have the mandate for Community transport;
- For the operators no "one-size fits all";
- There are policies in government agencies but very little resourcing to the operators;
- Overwhelmingly run by volunteers including "volunteer" time in peoples' jobs;
- Impact in our rural communities – services are being centralised but transport options unavailable; and
- There are "practical" issues requiring "practical" solutions.

The funding challenge is a significant one. As one of the speakers observed, it is not a good sign when your transport system is being funded by raffles and quiz nights!

The TSIG presentation concluded with a set of recommendations to address the challenges:

- Establish a national voice for community transport operators: something like the UK Community Transport Association, a member support and advocacy group;
- Regional Councils work with District Health Boards and Waka Kotahi for consistent and transparent funding of community transport; and

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- Consider Regional Council roles to provide support for current community transport groups, to identify and grow new groups, and to link with government and other regions to make the sector more sustainable.

As part of work on a study for Metlink, Taith Consulting requested information on the challenges of setting up and running a community transport operation from existing charitable trust operators.

Table 4.7 summarises the key challenges in setting up a service:

Table 4.7: Challenges in Setting Up Community Transport Services

Organisation	Summary of Response
Temuka & District Community Vehicle Trust	• Setting up the Trust entity takes between 3-6 months to set up signatories, bank accounts and documents.
Safer Mid Canterbury	• Getting buy-in and funding. • Having to deal with the Ashburton Township taxi service and other commercial operators who saw us as unfair competition. • Getting the concept across to the community.
Malvern Community Vehicle Trust	• Legal issues of setting up the Trust (helped significantly by ECan advisor and other Trusts). • Protocols for scenarios – unwell clients, dementia clients, transport of children – driver being left with sleeping child while mother leaves the car etc. • Driver health and safety protocols. • Accident protocols and insurance issues. • Getting enough volunteer drivers. • Advertising the service.

Table 4.8 summarises the key challenges in running a service:

Table 4.8: Challenges in Running Community Transport Services

Organisation	Summary of Response
Temuka & District Community Vehicle Trust	• Finding available drivers especially at short notice.
Safer Mid Canterbury	• The need to promote the service continuously without a large communications budget. • All the set-up challenges also apply to running the service as well.
Malvern Community Vehicle Trust	• Finding available drivers especially at short notice.
Geraldine Community Vehicle Trust	• This is an incredibly manual business, with multiple vehicles, volunteer drivers to collate, we rely on our memory a lot and there is more paperwork than is ideal.
A Safe Kapiti	• The whole process of picking up people from their homes and dropping them at their destination takes a while

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Organisation	Summary of Response
	longer, and it is not always possible to ensure people keep a timeframe to suit their individual needs. • Although it is more practical for home pick up and drop off, it does mean journey times are extended, especially if people are delayed with their appointment timings. This can cause others to wait longer than they may like. • Other barriers include when the hospital make afternoon appointments for less able residents as they are not able to use our service at that time. Our communications are good with the hospitals so we encourage residents to inform the hospital that they live in Kapiti and need transport, and then the hospital staff are very accommodating, where possible, to change their times to the morning, so we can take them. • However, some people leave it late to book their transport, so it is not always easy to make changes on short notice. • Appointment cancellations are also a challenge for our driver / coordinator. With the aftereffects of COVID-19 still lingering throughout the health systems, we do still get late notice on appointment cancellations.

Source: Responses to Operator Questionnaire

4.7 Conclusions

An often-pervasive narrative is that it is just too difficult and expensive to provide public transport outside the largest urban areas, so why bother?

The stocktake of current practice suggests that is narrative is both incorrect and very damaging to the interest of people who can't or don't want to driver. For sure there are challenges, but there are councils and community organisations who are overcoming them, often against the odds.

The “density is destiny” argument has been convincingly challenged by Paul Mees¹², who has shown that the reasons for poor public transport are a mix of unambitious mindset and lack of good, customer-focussed service provision. This isn't to say that costs of service provision should not be ignored, and that decisions around value for money dictated by sentiment. However the relatively small sums of money needed to provide public basic transport services in smaller townships and rural areas contrast with the hundreds of millions still being spent on new roading projects across the country.

The “value” part of the equation emphasises the significant benefits - to perhaps a relatively small number of people - who nevertheless could benefit very substantially in terms of quality of life and opportunities, which most people take for granted.

The value in Regional Councils providing a funding and support framework for community transport is apparent when operators are faced with challenges that can happen at any time. Following Cyclone Gabrielle, WRC was in a position to help operators with additional fuel costs after the closure of State Highway 25A resulted in very long diversion routes for operators travelling between the Coromandel and Hamilton hospital. Without this support, it

¹² Mees, Paul. (2010). Transport for Suburbia: Beyond the Automobile Age. London. Earthscan.

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is conceivable that services would not have run, with people missing out on important health-related appointments.

The feedback that community transport operators provide on the support provided by ECan is highly positive, and significantly enhances the council's standing in local communities.

In contrast, an operator in a region without such a framework in place was left to deal with operational challenges on its own. The specific example involved the need to replace a leased vehicle because of its poor performance, and the charitable trust involved had to spend significant time and money addressing the issue, which could have been better spent on providing the services themselves.

Therefore in section 6, the recommendations focus on ORC setting up an accessible transport funding and support framework along the lines of that in Canterbury and Otago.

With a suitable framework in place, there are plenty of improvements that could be made with judicious investment in Otago, and it is now time to examine these in more detail.

5 Option Assessment

5.1 Introduction

The purpose of this section is to provide an initial high-level assessment of how the three options of fixed route, On-demand and community transport could be applied in Otago.

The assessment has been undertaken based on meetings with:

- Waitaki District Council;
- Central Otago District Council; and
- Community Networks Wānaka.

Whilst no meetings have taken place with Queenstown Lakes District Council and Clutha District Council, service options for Wānaka and Balclutha are summarised.

5.2 Costing Assumptions

For the high-level fixed route costings outlined in this section, the following assumptions and caveats are made:

- In-service hours, vehicle kilometres and Peak Vehicle Requirement based on rates used in another Regional Council, which are themselves largely based on assumptions due to lack of contract data. Replacement on the figures with locally derived rates is recommended;
- These costs are based on rates for a nine-year PTOM gross cost contract. Shorter contract terms for trial services may attract higher rates, to reflect higher risk to the operators;
- Vehicles are assumed to be conventional diesel, zero emission;
- Data based on 2023 rates for fixed routes and 2022 for On-demand. No allowance for future inflation has been made;
- The rates assume inclusion for set up costs and non-service overheads, but are based on an established operation. Setting up an entirely new service may attract

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additional costs which have not been factored in, and need to be based on locally derived data;

- Where there are gaps in services to reduce the vehicle kilometres, there may be a premium to reflect split shifts;
- No allowance has been made for additional costs in relation to Employment Relations Amendment Act (ERAA) or rostering of staff;
- There may be additional costs associated with hours and kilometres when vehicles are running out of service;
- On-demand costs assume the same average speeds and geographic coverage between Timaru and locations in Otago; and
- It would be advisable to add 40% optimism bias to cover the above factors for all services and any unforeseen risks, until it is possible to obtain more robust data from potential operators.

5.3 Waitaki District Council

5.3.1 Introduction

The Waitaki District has a population of 24,000, and land area is split between Canterbury (59%) and Otago (41%). The main settlement of Oamaru (population 13,900) is Otago's third largest town, located 120 kilometres north of Dunedin on State Highway 1. Founded in 1858, the town has been built between rolling hills of limestone and short stretch of flat land to the sea.

Waitaki District Council (WDC) is interested in developing a public transport service for Oamaru and a link to Dunedin, and has provided very useful input into this study.

5.3.2 Oamaru Local Service

There is no regular public transport service within Oamaru or connecting with the other townships in the district - namely Kurow, Palmerston, Otematata and Omarama. Palmerston does, however, benefit from three return services per day to Dunedin.

The urban form of Oamaru is quite conducive to public transport, as significant residential development is located either side of the main State Highway 1 corridor, and only a short walk from any potential bus stops. The town centre, New World supermarket, industrial area and Pukeuri freezing works are all on this corridor. South Hill is laid out in a grid style which means that it is relatively easy for a bus to complete a circuit and minimise walk times for residents. Holmes Hill, Waiareka Junction and Weston are slightly more challenging, but all small enough to ensure that a bus does not need to make long meandering diversions.

In terms of possible fixed route options, a starting point could be a single spine route which links all the main residential areas of the town, running from Weston to North Oamaru via Waiareka Junction, Holmes Hill, South Hill, Town Centre, New World, and Industrial area. There is the potential to extend the services to Pukeuri during shift changeover times.

Based on a 120-minute maximum round trip – including layover – one bus would be able to provide a two-hour headway between 07.00am and 07.00pm. If the bus were able to make the round trip in only 60 minutes, then headway could be halved. Any Pukeuri extension is likely to make a consistent hourly headway across the whole day less likely.

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It is possible to provide a very high-level illustrative cost assessment, based on some broad assumptions and recognising the need for much more accurate data if further work is to be undertaken.

Table 5.1 outlines the potential annual operating costs in 2023 prices for a weekday service operating for 12 hours:

Table 5.1: High Level Service Annual Operating Costs for Oamaru Fixed Route

Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
Hourly	31,200	105,000	135,000	271,200
Two-hourly	31,200	105,000	67,500	203,700

The difference in cost between the two headways is a doubling in vehicle kilometres, with the assumption that no additional PVR and in-service hours are needed.

Table 5.2 provides an illustrative scenario for 50% cost recovery (likely to be at the high end of what is possible). The total annual operating cost in Table 5.1 is halved, and the number of passengers per year to cover that figure - each paying a \$2 one-way fare - is calculated. Based on the number of return trips per day – either six or 12 – the average number of passengers per return trip can also be calculated.

Table 5.2: High Level Cost Recovery (Based on \$2 Flat Fare) Per Year

Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
Hourly	101,850	50,925	33.95
Two-hourly	135,600	67,800	22.60

* Based on 250 weekdays per year, and either six or 12 return trips a day.

Potential costs of an On-demand operation based on the Timaru MyWay service can be used as a broad comparator. Operating hours are assumed to be Monday to Friday 6am to 7pm, Saturday and Sunday 8am to 6pm.

The annual cost to operate Timaru MyWay between April 2022 and March 2023 was \$2,263,215, and serves a population of 28,883. If MyWay annual costs are applied pro rata to the Oamaru population (which is 47.17% of that in Timaru), the comparable figure would be **\$1,067,583** per year. The actual figure may be different as pro rata costs do not necessarily reflect the requirement to run a whole number of vehicles. The MyWay fleet is currently 12, which would imply that Oamaru would require six to maintain broadly the same level of service.

MyWay provides a very frequent (average 15-minute wait) service, which could be reduced in a smaller town like Oamaru to around 30 minutes. In broad terms this would have the effect on halving the pro rata estimated cost to **\$533,791** per year.

Depending on desired levels of service, On-demand could be between two and four times the cost of the fixed bus route, albeit likely providing a much more frequent seven-day-per week service. Whilst operating costs can be reduced in Oamaru by having a lower level of service, this approach must be balanced against the reduction in attractiveness of the public transport option.

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Table 5.3 provides a comparable cost recovery estimate. As it is impossible to estimate total number of round trips (because there is no fixed route), an assessment of average passenger numbers has not been included. Two scenarios are included, based on the likely average wait time.

Table 5.3: High Level Cost Recovery (Based on \$2.50 Flat Fare) Per Year

Average Wait	50% Cost Recovery (\$)	Total Number of Passengers Required
15 Minutes	533,791	213,516
30 Minutes	266,896	106,758

Another option for Oamaru is to establish a Community Vehicle Trust (CVT) on the same model as in Canterbury. Community transport vehicles are a mixture of cars and vans, usually with a maximum capacity of around 12 people per trip.

The Canterbury part of Waitaki District already has such as service, which operates vehicles out of Otematata and Kurow (including to Dunedin). Discussions with Environment Canterbury reveal that the Waitaki Valley CVT gets regular requests for transport from residents in the Otago part of the district. The CVT state that they always try to accommodate these requests if they can.

There is potential demand for a CVT operating in the Otago part of the district, including Peebles, Papakaio, Kakanui, Reidston, Maheno, Herbert, Hampden and Moeraki. Therefore, even with an Oamaru urban service (either fixed route or On-demand), community transport is likely to play an important role for these smaller and isolated settlements, as well as anyone living in between them. There is no reason why community transport cannot operate within the town itself.

To give a broad illustration of the potential costs, a two-vehicle community transport operation in Waikato had monthly operating costs of around **\$82,000** in financial year 2021/22, which would be substantially less than either fixed route or On-demand. Of course this type of service may not provide comparable frequencies to urban services, unless there were greater numbers of vehicles and volunteers willing to drive the vehicles. But even a theoretical 12-vehicle community transport service may cost less than \$500,000 per annum, which would equate to two large fixed route buses or six On-demand vehicles operating on the MyWay model.

Community transport is therefore a relatively small investment to get from little or no provision to a genuinely useful services – both a lifeline for people who have no other means of travel and an option for people who do not want to drive.

In Canterbury the presence of 15 CVTs, in areas with little or no other public transport provision, demonstrates the importance of this type of service.

5.3.3 Link from Oamaru to Dunedin

Until 31 March 2023, a commercially operated shuttle service by ran every weekday from Oamaru to Dunedin. The shuttle service provided a door-to-door service mainly servicing Hospital appointments, family visits and airport transfers.

The only remaining public transport link is the daily Inter City coach service which operates twice a day (weekdays) and once per day (weekends) according to the following times:

- **Depart Oamaru to Dunedin:** 12.45pm and 6.45pm (weekends 12.45pm only).

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- **Depart Dunedin to Oamaru:** 7.30am and 1.15pm (weekends 1.15pm only).

The journey time is one hour and 40 minutes, but timings make a day trip from Oamaru to Dunedin impossible, and fares are relatively high (around \$35-40 one way) reflecting the commercial imperative of the service. This fare is small compared to an estimate of \$340 one way in a taxi, obtained from the web site go By Taxi¹³. Even a Total Mobility discount of 75% would still yield a one-way fare of \$85 and in reality ORC limit their contribution to \$50 and so the cost would be substantially higher than that.

With an assumed two hour each way journey time for a fixed route service and 15-minute recovery time, up to three return trips per day could be accommodated, with an illustrative timetable as follows:

Table 5.4: Illustrative Timetable for Oamaru to Dunedin

Depart	Time	Arrive	Time
Oamaru	6.30am	Dunedin	8.30am
Dunedin	8.45am	Oamaru	10.45am
Oamaru	11.00am	Dunedin	1.00pm
Dunedin	1.15pm	Oamaru	3.15pm
Oamaru	3.30pm	Dunedin	5.30pm
Dunedin	5.45pm	Oamaru	7.45pm

Note: ERAA statutory breaks and meal relief needs to be factored into any operating schedule.

Costs of operating a longer-distance route are likely to be higher than those for an Oamaru town service, because of the additional vehicle kilometres and possibly timetable hours.

Tables 5.5 and 5.6 set out estimates of operating costs and cost recovery. Three round trip headways have been compared to illustrate the changes in costs because of running higher vehicle kilometres.

Table 5.5: High Level Service Annual Operating Costs for Oamaru to Dunedin Fixed Route

Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
3 per day	31,200	115,938	324,000	471,138
2 per day	31,200	78,750	216,000	325,950
1 per day	31,200	39,375	108,000	178,575

Table 5.6: High Level Cost Recovery (Based on \$10 One Way Flat Fare) Per Year

Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
3 per day	89,288	8,929	35.72
2 per day	162,975	16,298	32.60

¹³ [Oamaru, Waitaki District, Otago, 9444, New Zealand to Dunedin, Dunedin City, Otago, 9016, New Zealand Taxi Fare Calculator \(2023 Rates\) \(gobytaxi.com\)](#)

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Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
1 per day	235,569	23,557	31.41

* Based on 250 weekdays per year, and either one, two of three return trips a day.

Implementation of any council-operated and subsidised service would need to recognise the commercial interests of Inter City, and the potential for St John to establish a transport service for health appointments from Oamaru into Dunedin. The potential for partnering with St John on a joint health and general public service is worth exploring.

There is also the potential for community transport operators to offer longer distance journeys, which many of the Canterbury operations do for a one-way fare of around \$50-90 (depending on distance), which is substantially cheaper than a taxi.

5.4 Central Otago District Council

5.4.1 Introduction

Central Otago district covers 9,968 km², making it the fourth largest in New Zealand by area, and is home to 25,500 people. There are three towns with a population over 1,000: Cromwell (7,010), Alexandra (6,090), and Clyde (1,270). Together, these settlements represent 56% of the district's population. They are all linked by State Highway 8, with the distance between Cromwell and Alexandra being 34 kilometres, and only a half hour drive (with Clyde located between the two).

The nearest larger settlement is located at Queenstown / Frankton, around 56 kilometres from Cromwell and 92 kilometres from Alexandra.

There are no fixed public transport services within or between the three towns. However, Alexandra Community Advice Network (ACAN) coordinates a service where volunteer drivers pick up members of the community who do not have access to a vehicle, and drive them to medical appointments, library, banks etc. in Alexandra and Clyde, in return for a small donation. This service operates Monday to Friday 9am to 5pm.

Central Otago District Council (CODC) is keen to address the lack of public transport provision. In part this is coming from the council's own staff, many of whom live in the expanding town of Cromwell, and all currently drive in single-occupancy vehicles. This situation may well be replicated with other service-based employers in Alexandra.

CODC also recognise that there should be further demand for commuting and other utility purposes from Alexandra and Cromwell to Queenstown. The potential demand for Cromwell to Queenstown bus service has been raised in various business case work that is being progressed by the Wakatipu Way to Go partners.

5.4.2 Alexandra, Clyde, and Cromwell Urban Services

Both Alexandra and Cromwell could each potentially support a single fixed route urban service which would perform a circular route, connecting the town centres, retail, and industrial areas with housing. Clyde is much smaller than the other two towns, and would struggle to generate sufficient demand for a regular fixed route or a frequent Timaru-style On-demand service.

In Alexandra, north of the Clutha River, the street layout is grid style and lends itself to an efficient bus route that can run relatively close to where people live, and directly to their destinations (including the main supermarkets and employment areas).

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South of the river, Bridge Hill is slightly more challenging as it features a meandering distributor road which is generally less than ideal for buses. However there is a turning point, and most houses are still a relatively short walk to any stops. It should be possible to run a single circular bus service on an hourly headway to connect most parts of the town.

Cromwell is a similar situation to Alexandra, with a mainly grid road layout and one other area serviced by a meandering distributor road. The industrial area appears particularly large for the size of settlement. Again, an hourly circular urban service should be achievable with a single vehicle.

Tables 5.7 and 5.8 set out the estimated annual operating costs and cost recovery for a single-bus operation running a 15-kilometre round trip every hour in Alexandra or Cromwell – so a service in each town would double the figures outlined below.

Table 5.7: High Level Service Annual Operating Costs for Alexandra or Cromwell Fixed Route

Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
Hourly	31,200	105,000	81,000	217,200

Table 5.8: High Level Cost Recovery (Based on \$2 Flat Fare) Per Year

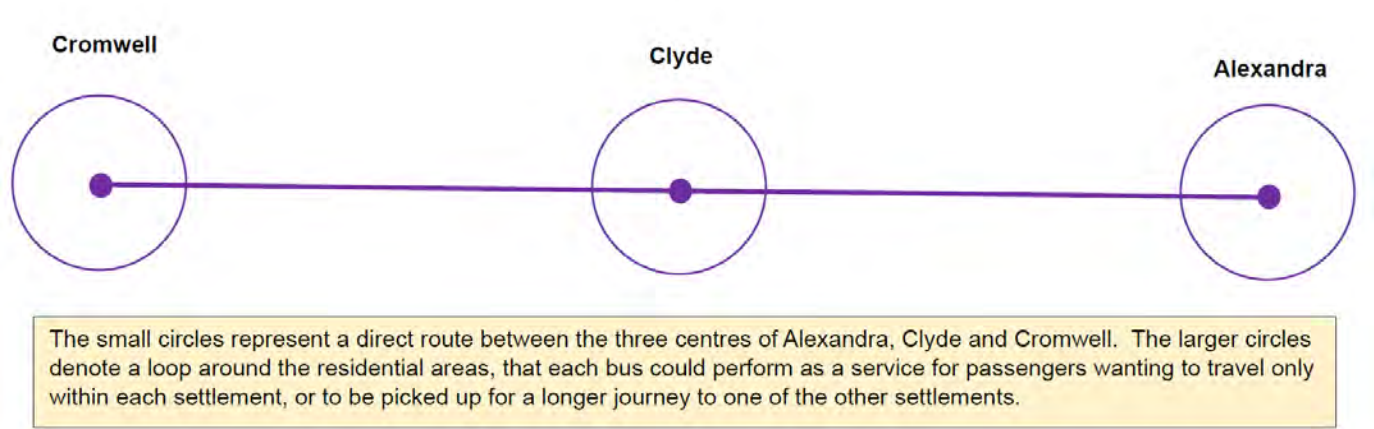
Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
Hourly	108,600	54,300	18.10

* Based on 250 weekdays per year and 12 return trips a day.

An alternative operating concept would be for one bus to service both towns, and connect to Clyde in between (see Figure 5.1 below).

In this instance, the vehicle would perform a loop in Alexandra, run to Clyde, perform a small loop there, run on to Cromwell and then perform a final loop before terminating. The bus would then head straight back to Clyde and Alexandra from Cromwell. If it were possible to complete this duty cycle in three hours, there could be four round trips per day between 07.00am and 07.00pm (Table 5.9 below).

Figure 5.1: Possible Route Operating Concept



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Table 5.9: Illustrative Timetable for Alexandra, Clyde, and Cromwell

Timing Point	Journey Number			
	1	2	3	4
Alexandra (depart)*	7.00am	10.00am	1.00pm	4.00pm
Clyde (depart)*	7.55am	10.55am	1.55pm	4.55pm
Cromwell (arrive)*	8.30am	11.30am	2.30pm	5.30pm
Cromwell (depart)	9.00am	12.00pm	3.00pm	6.00pm
Clyde (depart)	9.30am	12.30pm	3.30pm	6.30pm
Alexandra (arrive)	9.45am	12.45pm	3.45pm	6.45pm

* Bus undertakes one circuit of Alexandra and Cromwell, which is assumed to take no more than 30 minutes. The Clyde loop is assumed to take only 10 minutes.

Tables 5.10 and 5.11 set out the estimated annual operating costs and cost recovery for a single-bus operation running between Alexandra, Clyde, and Cromwell.

Table 5.10: High Level Service Annual Operating Costs for Alexandra, Clyde, and Cromwell Fixed Route

Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
Hourly	31,200	105,000	81,000	217,200

Table 5.11: High Level Cost Recovery (Based on \$5 Flat Fare) Per Year

Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
Hourly	108,600	21,720	21.72

* Based on 250 weekdays per year and four return trips a day.

If a Timaru-style on-demand operation were desired, it is likely that two zones would have to be set up – one in Alexandra / Clyde and one in Cromwell. Given size of the settlements and high costs of a frequent (15-minute average wait) service, a lower specification of 30 minutes would require fewer vehicles and drivers (around two in each location).

As outlined in the Oamaru section, based on pro rata Timaru service costs a six-vehicle operation is estimated to be **\$533,791 per year**, although the potential for travel between the three towns could increase this amount because of greater distances covered. Much will depend on whether travel is largely contained within each of the three towns, or not.

Table 5.12 provides a comparable cost recovery estimate. As it is impossible to estimate the total number of round trips (because there is no fixed route), an assessment of average passenger numbers has not been included.

Table 5.12: High Level Cost Recovery (Based on \$2.50 Flat Fare) Per Year

Average Wait	50% Cost Recovery (\$)	Total Number of Passengers Required
30 Minutes	266,896	106,758

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The Alexandra, Clyde and Cromwell axis is potentially attractive for an on-demand or even fixed route community transport operation as the three settlements are relatively close to each other. This means there is likely to be demand for travel both within each settlement, and between them. A three or four vehicle operation, with one based in each settlement and staffed by a local pool of drivers, could provide a very cost-effective alternative, or addition to, a fixed route service. Based on the costs of the north Waikato operation, a CVT operation with three vehicles – plus a spare to cover longer distance trips – would cost around **\$164,000 per year**.

5.4.3 Links to Dunedin and Queenstown

As with Oamaru, the only regular public transport link is the Inter City coach service which runs between Dunedin and Queenstown.

Table 5.13: Intercity Weekday Timetable for Alexandra, Clyde, and Cromwell

Timing Point From Dunedin	Journey Number		Timing Point From Queenstown	Journey Number	
	1*	2		1	2*
Dunedin (depart)	8.30am	2.30pm	Queenstown (depart)	8.00am	4.00pm
Alexandra (arrive)	11.39am	10.46am	Cromwell (arrive)	8.56am	4.55pm
Clyde (arrive)	11.49am	6.06pm	Clyde (arrive)	9.16am	5.15pm
Cromwell (arrive)	12.04pm	6.26pm	Alexandra (arrive)	9.26am	5.25pm
Queenstown (arrive)	1.15pm	7.22pm	Dunedin (arrive)	12.59pm	8.24pm

* Fridays only.

Cromwell also benefits from the Inter City service between Christchurch and Queenstown, which means a doubling of the service – a 3.30pm departure to Queenstown and a 9.10am arrival from Queenstown. However, service timings for all three settlements mean that it is impossible to undertake a day trip to Queenstown.

In 2019, a privately operated shuttle service – exempt under the Public Transport Operating Model (PTOM) – commenced between Cromwell and Queenstown. However, it only lasted a few weeks. Given the continuing employment growth and housing shortage in the Wakatipu Basin, the demand for travel from Cromwell is likely to be high. The location of the nearest large hospital and an international airport are further generators of travel demand.

A fixed route service from Alexandra, Clyde and Cromwell to Queenstown has a couple of operating concept options.

The first option is to run a Cromwell to Queenstown service four times per day, assuming a three-hour round trip (which may appear generous, but accounts for traffic congestion in the Wakatipu Basin). An indicative timetable is shown in Table 5.13 below.

This option would provide a 15-minute waiting time to transfer on to the proposed local service between Cromwell, Clyde, and Alexandra (shown in shaded italics). In effect this timetable requires two buses both operating on a three-hour round-trip cycle, to and from Cromwell. The total end to end journey time from Alexandra to Queenstown is long – at two hours 15 minutes. This is because the local service incorporates local service loops in Alexandra and Clyde.

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Table 5.14: Alexandra, Clyde, and Cromwell to Queenstown (Option 1)

Timing Point	Journey Number			
	1	2	3	4
Alexandra (depart)	-	7.00am	10.00am	1.00pm
Clyde (arrive)	-	7.55am	10.55am	1.55pm
Cromwell (arrive)	-	8.30am	11.30am	2.30pm
Cromwell (depart)	6.00am	9.00am	12.00pm	3.00pm
Frankton Hub (arrive)	7.15am	10.15am	1.15pm	4.15pm
Queenstown (arrive)	7.30am	10.30am	1.30pm	4.30pm
Queenstown (depart)	7.30am	10.30am	1.30pm	4.30pm
Frankton Hub (arrive)	7.45am	10.45am	1.45pm	4.45pm
Cromwell (arrive)	8.45am	11.45am	2.45pm	5.45pm
Cromwell (depart)	9.00am	12.00pm	3.00pm	6.00pm
Clyde (arrive)	9.30am	12.30pm	3.30pm	6.30pm
Alexandra (arrive)	9.45am	12.45pm	3.45pm	6.45pm

The second option is to run a single direct longer distance bus operation between Alexandra, Clyde, Cromwell, and Queenstown – either in addition to or instead of the local service. An indicative timetable is shown in Table 5.15:

Table 5.15: Alexandra, Clyde, and Cromwell to Queenstown (Option 2)

Timing Point	Journey Number		
	1	2	3
Alexandra (depart)	6.00am	10.00am	2.00pm
Clyde (arrive)	6.10am	10.10am	2.10pm
Cromwell (arrive)	6.40am	10.40am	2.40pm
Frankton Hub (arrive)	7.40am	11.40am	3.40pm
Queenstown (arrive)	7.55am	11.55am	3.55pm
Queenstown (depart)	8.05am	12.05pm	4.05pm
Frankton Hub (arrive)	8.20am	12.20pm	4.20pm
Cromwell (depart)	9.20am	1.20pm	5.20pm
Clyde (arrive)	9.50am	1.50pm	5.50pm
Alexandra (arrive)	10.00am	2.00pm	6.00pm

This option provides a less frequent service, but faster journey times from Alexandra and Clyde, as there are no local loops and transfer time penalties. Including a second bus would double the above frequency, but also the cost.

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Tables 5.16 and 5.17 set out the estimated annual operating costs and cost recovery for a single-bus operation running between Alexandra, Clyde, and Cromwell to Queenstown.

Table 5.16: Alexandra, Clyde, and Cromwell to Queenstown

Option	Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
1	4 per day	31,200	105,000	216,000	352,200
2	3 per day	31,200	105,000	248,400	384,600

Table 5.17: High Level Cost Recovery (Based on \$5 Flat Fare) Per Year

Option	Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
1	4 per day	176,100	17,610	17.61
2	3 per day	192,300	12,820	17.09

* Based on 250 weekdays per year and three or four return trips a day.

For option 1 to provide a through service from Queenstown to Alexandra, it would need to be combined with the local Cromwell – Clyde - Alexandra service.

5.5 Wānaka

5.5.1 Introduction

The ski and summer resort town of Wānaka (population of just over 12,000) is part of Queenstown Lakes District Council (QLDC) area. In holiday periods, the population increases significantly with an influx of tourists, in both summer and winter.

There is currently no comprehensive local public transport service within the town. Ritchies operate a daily commercial shuttle service (exempt under PTOM) between Queenstown and Wānaka, according to the following timetable:

Table 5.18: Wānaka to Queenstown Service Timetable

Timing Point	Journey Number				
	1	2	3	4	5
Queenstown (depart)	-	9.00am	11.00am	2.30pm	4.40pm
Airport (arrive)	-	9.15am	11.15am	2.45pm	5.00pm
Frankton Hub (arrive)	-	9.20am	11.20am	2.50pm	5.05pm
Cardrona (arrive)	-	10.00am	-	3.30pm	-
Cromwell (arrive)	-	-	12.05pm	-	6.00pm
Wānaka (arrive)	-	10.30am	12.50pm	4.00pm	7.00pm
Wānaka (depart)	7.45am	11.00am	2.00pm	4.15pm	-
Cromwell (arrive)	8.45am	-	-	-	-
Cardrona (arrive)	-	11.30am	2.30pm	4.45pm	-

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Timing Point	Journey Number				
	1	2	3	4	5
Airport (arrive)	9.40am	12.15pm	3.15pm	5.30pm	-
Frankton Hub (arrive)	9.45am	12.20pm	3.20pm	5.35pm	-
Queenstown (arrive)	10.00am	12.30pm	3.30pm	5.45pm	-

Within Wānaka, this service calls at the Lakefront and Medical Centre only, which means that it does not offer a local route within the town itself.

Fares reflect the commercial imperative of a two-vehicle service:

- **Adult (12+ years):** \$40 one way / \$80 return.
- **Senior 65+ / Student:** \$30 one way / \$60 return.
- **Child (3-12 years):** \$25 one way / \$50 return.

As a result, the service is used primarily by tourists.

5.5.2 Wānaka Shuttle

Unlike the other districts in this study, there have been recent and current trials of a community-transport style shuttle service.

Promoted by Community Links Wānaka, the first Community Shuttle Trial ran from 28 September to 21 December 2022, connecting Hāwea, Hāwea Flat, Albert Town, Three Parks, and Wānaka town centre three days a week. The aims of the trial were to:

- Address and enable community led action around the issue of a lack of public transport options in the Upper Clutha;
- Provide a short-term transport service connecting neighbourhoods in Upper Clutha in response to growing need; and
- Collect data to test anecdotal demand and inform longer term planning involving multiple parties, including the QLDC and ORC, as the population base grows, and comprehensive public transport becomes more feasible.

The Trial was a huge success in terms of positive feedback from people both on and off the bus. The service obtained an average 4.8 out of 5-star rating from users, with “comfortable,” “safe,” “convenient,” and “friendly” the most used words to describe it.

In total, there were 665 rides during the Community Shuttle Trial. The number of unique users is estimated at 150. Total ridership numbers were not what was hoped for, although they appeared to be slowly increasing over time, and three months is not long for a trial. The booking data revealed the following conclusions:

- Passenger numbers gradually increased over the three-month period, but remained low, with most days seeing between 10 and 25 rides taken across the six services.
- Usage was highest on a Friday out of the three days the Trial ran (Mondays, Wednesdays, and Fridays).

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- The spread of people using inbound (Hāwea-Wānaka) and outbound (Wānaka - Hāwea) services was even.
- Pick-ups in Hāwea were spread out across the stops with Hāwea Flat usage in general (and Hāwea Flat Hall in particular) being the lowest.
- Pick-ups in Wānaka tended to be more concentrated to the Countdown stop.

Feedback indicated that while people would use a fuller service (e.g. five days a week, with more regular trips), the partial service didn't quite meet their needs.

The trial was widely publicised in local print and online media; on local radio; social media and was kindly profiled by Cinema Paradiso as part of their pre-film advertisements.

A second trial is ongoing from 29 May to 18 August 2023, with financial support from Queenstown Lakes District Council (QLDC) and Lake Wānaka Tourism (LWT), led by a working group with representatives from QLDC, LWT, Yello, Community Networks / LINK and ORC¹⁴.

The aim of this second trial is to refine elements of the first phase in response to feedback; test different network design options; and collect further patronage data and feedback to inform long-term public transport planning. Details of the service are as follows:

- Two routes operate:
 - o A streamlined Lake Hāwea - Wānaka express route, and:
 - o Local loops around Wānaka connecting the Health Centre, Three Parks, Albert Town, Northlake, and Anderson Road to the town centre.
- Runs five days a week (Monday to Friday).
- Price per trip is \$2.
- Eleven passenger seats on the bus.
- Booking is still encouraged to guarantee a seat on the express service, but is not required to jump on the local loop service – and people can wait at a marked bus stop.

The timetable makes good use of one vehicle, by combining the express service with the local loop. In theory up to three additional local loops could be performed departing Countdown at 9.30am, 1.30pm, and 2.30pm.

The operating cost of the May to August three-month trial is around \$45,000, higher than the previous which was just under \$10,000 (albeit for a much less frequent service which did not run every day).

The promoter reports that preliminary numbers are unfortunately quite disappointing: 157 passengers carried between 29 May – and 22 June. The promoter has investigated the reasons for the slow uptake, and believe it may be a combination of some areas now not being served (even though they generated little demand in the first trial) and service times that do not match with people's shift work (for example in the hospitality sector).

¹⁴ [Community Shuttle Trial — Community Networks/LINK Upper Clutha](#)

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Figure 5.2: Wānaka Shuttle 2023 Trial Timetable

Express Service	Hāwea - Wānaka	Wānaka - Hāwea	Hāwea - Wānaka	Wānaka - Hāwea
Lake Hāwea - Bodkin St	08.00	-	12.00	-
Maungawera Corner - Camphill Road nr SH6	08.06	-	12.06	-
Albert Town shops - Alison Ave	08.15	-	12.15	-
Wānaka CBD - Countdown Metro	08.25	11.30	12.25	17.15
Albert Town shops - Alison Ave	-	11.40	-	17.25
Maungawera Corner - Camphill Road nr SH6	-	11.49	-	17.34
Lake Hāwea - Bodkin St	-	11.55	-	17.40

Intra-City Loop					
Wānaka CBD - Countdown Metro	08.30	10.30	12.30	15.30	16.30
Wānaka CBD - Dungarvon Street	08.32	10.32	12.32	15.32	16.32
Wānaka Lakes Heath Centre	08.38	10.38	12.38	15.38	16.38
Three Parks - Sir Tim Wallis Drive	08.45	10.45	12.45	15.45	16.45
Albert Town shops - Alison Ave	08.52	10.52	12.52	15.52	16.52
Aubrey Road - near Mount Linton Ave	08.57	10.57	12.57	15.57	16.57
Anderson Road - Distinction Wanaka driveway	09.00	11.00	13.00	16.00	17.00
Anderson Road - near Aeolus Place	09.03	11.03	13.03	16.03	17.03
Wānaka CBD - Countdown Metro	09.06	11.06	13.06	16.06	17.06

5.5.3 Future Options

Once the second Wānaka trial has finished, the results evaluated, there is a need to consider the same three options as in the other areas, namely:

- Fixed route;
- On-demand; and
- Community Vehicle Trusts.

All these options should cover Wānaka township, Albert Town, and Lake Hāwea, as per the current trial.

Tables 5.19 and 5.20 set out estimated annual operating costs and cost recovery for a single-bus fixed route operation running:

- Two return trips between Lake Hāwea, Albert Town and Wānaka; and
- Eight circular return loops around Wānaka and Albert Town.

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Table 5.19: High Level Service Annual Operating Costs for Wānaka Fixed Route

Service	Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
Lake Hāwea - Wānaka	2 per day	31,200	80,938	28,800	198,538
Wānaka Circular	8 per day			57,600	

Table 5.20: High Level Cost Recovery (Based on \$2 Flat Fare) Per Year

Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
10 per day	99,269	49,634	19.85

* Based on 250 weekdays per year and 10 return trips a day.

If a Timaru-style on-demand operation were desired, the zone would need to cover the same area as the fixed route, but could also be extended to the airport and Luggage.

As outlined in the Oamaru section, a six-vehicle operation is estimated to cost **\$533,791 per year**, which is well over double that of the fixed route. The relatively large geographic area that would be covered by the service suggests that a wait time of around 20-25 minutes would be possible for this level of investment. A smaller four vehicle operation would likely increase the wait time to between 35 and 40 minutes, which is less attractive for passengers but would be lower cost.

Table 5.21 provides a comparable cost recovery estimate. As it is impossible to estimate the total number of round trips (because there is no fixed route), an assessment of average passenger numbers has not been included.

Table 5.21: High Level Cost Recovery (Based on \$2.50 Flat Fare) Per Year

Average Wait	50% Cost Recovery (\$)	Total Number of Passengers Required
20-25 Minutes	266,896	106,758

A three or four vehicle Community Vehicle Trust operation, based in Wānaka and staffed by a local pool of drivers, could provide a very cost-effective alternative, or addition to, a fixed route service. Based on the costs of the north Waikato operation, a CVT operation with three vehicles – plus a spare to cover longer distance trips – would cost around **\$164,000 per year**.

5.6 Clutha District Council

5.6.1 Introduction

Around 18,500 people live in Clutha District – located to the south and west of Dunedin. The population is largely rural, although there are nine townships, the largest being Balclutha, with a population of around 4,000. Other main centres are Milton, Waihola, Lawrence, Owaka, Heriot, Clinton, Tapanui and Kaitangata.

5.6.2 Options

Clutha is the smallest district in the Otago region and the only one without a town of over 5,000 people. As such it is unlikely that a local fixed route or Myway type of on-demand

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service would be financially viable, especially as it would also need to serve the outlying townships which are scattered throughout the district.

Clutha appears to be similar in size and geography to many of the smaller Canterbury townships which support Community Vehicle Trusts, and this is an option that should be actively considered for the district.

Based on the costs of the north Waikato operation, a CVT operation with three vehicles – including one to cover longer distance trips to Dunedin – would cost around **\$123,000 per year**.

As with Waitaki, there is a strong relationship with Dunedin along the coast and potential demand for travel. Balclutha and Milton are currently served by the long-distance St John community transport services between Invercargill and Dunedin.

A service between Balclutha and Dunedin (via Milton) could be provided based on one or two return trips per day:

Table 5.22: Illustrative Timetable for Balclutha and Dunedin

Depart	Time	Arrive	Time
Balclutha	6.30am	Dunedin	7.45am
Dunedin	8.00am	Balclutha	9.15am
Balclutha	4.00pm	Dunedin	5.15pm
Dunedin	5.30pm	Oamaru	6.45pm

Note: ERAA statutory breaks and meal relief needs to be factored into any operating schedule.

Tables 5.23 and 5.24 set out estimates of operating costs and cost recovery. Two round trip headways have been compared to illustrate the changes in costs because of running higher vehicle kilometres.

Table 5.23: High Level Service Annual Operating Costs for Oamaru to Dunedin Fixed Route

Headway	PVR (\$)	In-Service Hours (\$)	In-Service Kilometres (\$)	Total (\$)
2 per day	31,200	52,500	142,200	225,900
1 per day	31,200	26,250	71,100	128,550

Table 5.24: High Level Cost Recovery (Based on \$10 One Way Flat Fare) Per Year

Headway	50% Cost Recovery (\$)	Total Number of Passengers Required	Average Passengers per Return Trip*
2 per day	112,950	11,295	22.59
1 per day	64,275	6,428	25.71

* Based on 250 weekdays per year and either one or two return trips a day.

Implementation of any council-operated and subsidised service would need to recognise the commercial interests of Inter City, and the potential for St John to establish a transport service for health appointments.

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5.7 Conclusions

This chapter has set out high level cost estimates and numbers of passengers needed to support a relatively high operating cost recovery level of 50%.

The resulting cost estimates have been compared to known operating costs of services in other regions, and are in the same ballpark. The application of a 40% optimism bias uplift, plus inflation, could increase the figures in the narrative above still further.

In overall terms, setting up either a community transport service, fixed route or Timaru-style On-demand operation could eventually cost anywhere between around \$100,000 to nearly \$1 million per year. This is still small beer compared to large roading projects. The eventual service cost to the ratepayer will be dependent on trade offs between desired level of service, willingness to pay fares which optimise contribution to operating costs and appetite to invest additional funding in routes which could make a huge difference to people's lives. Support from Waka Kotahi and Ministry of Transport will also be important.

Community transport operations almost certainly need to be part of the mix, even if fixed route and more expensive Timaru-style On-demand services are desirable. The relatively low profile of community transport is something that needs to be addressed, both in Otago and at a national level.

Partnerships with essential service providers, community transport operators and public transport companies should be forged when further investigations of these options are undertaken.

6 Recommendations

6.1 Introduction

This chapter sets out a series of recommendations to further develop the accessibility and community transport service offering in Otago.

As with any set of recommendations, it is important to ensure that there is a clear description of:

1. **What** action may be required to solve a particular challenge and / or take advantage of an opportunity;
2. **Why** the action may be required and, on the assumption that there is agreement on the first two points;
3. **How** the action will be taken forward.

These three items will then also help to answer questions as to **who** and **when**?

The question of **who** requires more discussion within ORC and key partners across the region and (in some cases) at national level. It is premature to assign specific responsibilities to individuals or groups at this stage. However, it is anticipated that ORC will take an initial lead on regional actions, and may work with Transport Special Interest Group (TSIG), Waka Kotahi and New Zealand Government Ministries on national actions.

The question of **when** needs to be subject to further detailed work, as it is dependent on obtaining resources in terms of staff time. Further work on programme planning is therefore one of the recommendations below. The proposed public and active travel connectivity strategy is a good opportunity to consider the resources and practicalities in more detail.

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Implementation of longer-term actions will be subject to successful completion of short to medium term work, possibly including feasibility studies, stakeholder engagement, public consultations, business cases and funding. The presence of a recommendation as a longer-term action is no guarantee it will be implemented, either in its currently suggested form or even at all. Like any programme, there will be changes as further work is undertaken and priorities established.

The recommendations are divided into three tables:

- Policy and strategy;
- Customer accessibility; and
- Operational.

6.2 Policy and Strategy Recommendations

Table 6.1 summarises policy and strategy recommendations:

Table 6.1: Policy and Strategy Recommendations

Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
a. Establish community and accessible transport as a programme as part of the Otago public transport service portfolio.	C: Community and accessible transport is about organisational change and doing things differently. O: International best practice guidance (for example <i>Managing Successful Programmes</i>) is available and is proven to work if applied correctly.	• Deliver proposed public and active travel connectivity strategy, as per direction of the ORC committee. • Prepare key documents, including brief, plan, resource assessment, risk assessment, stakeholder mapping and engagement plan, internal business case. • Use material in this report to assist with these key documents. • Consult internal ORC colleagues to gain understanding, buy-in and commitment to be involved in the programme. • Appoint Senior Responsible Owner and Programme Board. • Gain senior management and councillor sign off.
b. Develop community and accessible transport policy framework which supports identification, assessment,	C: There is currently no detailed community and accessible transport policy framework which enables ORC to establish criteria for	• Develop revised community and accessible transport

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
prioritisation, and funding of proposals.	making investment decisions on projects and services – either internally or externally. O: There is an outline community transport policy in the RPTP, which provides the mandate to develop the framework.	funding policy for the RPTP. • Prepare project brief and plan for policy framework. • Use the material in this report, along with the public and active travel strategy, to develop policy framework. • Consult with operators, health / social service commissioners and other government departments (including Ministry of Disabled People)
c. Undertake stakeholder and user engagement to test different community and accessible transport options and operating models.	C: To date the voice of the user has been relatively limited in this community transport study. O: Engagement could be undertaken as part of the public and active travel strategy work, or separately.	• Develop links with existing community and accessible transport providers, and those with aspirations to deliver services. • Develop a shared vision for community and accessible transport with stakeholders. • Undertake workshop sessions with stakeholders to surface the problems, objectives, and benefits. • Request views on journey types and locations which are important for providing a range of customer needs and wants. • Assess willingness to pay to understand affordability and financial sustainability. • Establish a community and accessible transport service user panel who will be engaged on a regular basis on programme and project matters.
d. Prepare community transport project and any	C: National Land Transport Fund (NLTF) investment for	• Engage with councils, and existing / prospective

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
necessary business case funding bids for inclusion in the 2024-27 Regional Land Transport Plan (RLTP).	new transport activities is likely to be constrained. O: Many community and accessible transport initiatives could represent better value for money than existing schemes which are already funded through continuous programmes.	community transport operators, to identify potential projects for consideration. • Work with RLTP team to understand the opportunities and constraints. • Long list potential community and accessible transport projects across the region. • Prioritise long list into short list of activities to be considered as part of the RLTP.

6.3 Customer Accessibility

Table 6.2 summarises customer accessibility recommendations:

Table 6.2: Customer Accessibility Recommendations

Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
a. Develop a basic ORC web page which provides user information on all community and accessible transport services in the region.	C: Information for users on community and accessible transport in their area is often hard to find and out of date. O: There are examples of good practice from Waikato and Canterbury who have produced web sites and leaflets with relevant information for users.	• Develop the initial list of community and accessible transport operators in Otago to populate web page content. • Review examples of good practice in detail to understand the optimal user experience. • Produce draft and consult users to ensure that it has information they need. • Ensure that information is regularly reviewed and updated.
b. Produce a printed and web-based Community Transport Guide.	C: Not all community and accessible transport users will get their information from a web site because they do not have access to the internet or may be not comfortable in using it.	• Develop the initial database of community and accessible transport operators in Otago to populate leaflet content. • Review examples of good practice to understand

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
	O: Provides more information for both users and wider stakeholders on how to use the system, and the potential benefits of doing so.	the optimal content, format, and layout. • Produce draft and consult users to ensure that it has information they need. • Ensure that information is regularly reviewed and updated (at least annually).
c. Develop community transport user, driver, and staff service training standards – in partnership with the sector.	C: There are concerns that standards of user service and driving are variable, especially as volunteers are often hard to come by. O: Operators are aware of the issue and fully committed to raising the bar based on best practice elsewhere in New Zealand and the rest of the world.	• Review existing ORC documents for material which can be used in the community and accessible transport sector. • Engage with Regional Councils through TSIG to promote a national best practice approach. • Engage with operators and users to understand the key services requirements and attributes that are most important to them. • Obtain documents and best practice examples from the community transport sector abroad. • Draft guidelines and standards, for consultation with and finalisation by the community transport sector.
d. Initiate regional accessibility and community and accessible transport user surveys.	C: There is very little comprehensive whole-of-system data on either existing users or people who would like to get better access but currently cannot. O: Electronic and paper-based user surveys can enable rich data to be built up, and current computing power enables much easier analysis.	• Undertake review of data gaps and develop proposals for collection programme. • Use geo-spatial data to assess accessibility deficiencies at an area-wide level. • Produce and distribute comprehensive survey of current community transport usage and aspirations for increasing

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
		accessibility for transport disadvantaged people. Assess results and develop list of current service gaps which need to be plugged to meet accessibility needs.

Table 6.3: Operational Excellence Recommendations

Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
a. Progress the outline community and accessible transport proposals outlined in this report.	C: There are few regular public transport services outside of Dunedin and Queenstown. O: There is a genuine appetite at both Regional and local council level to address the situation.	- Share the contents of this report with local council officers, and invite comment. - Provide an update to ORC councillors on the report conclusions, and opportunities for service improvements. - Undertake further service assessment work, including more detailed route proposals which will refine in-service hours and kilometres assumptions. - Undertake local engagement on service proposal options, and use this to refine proposals. - Produce a more sophisticated demand forecasting exercise, based on an understanding of local needs and willingness to use / pay for a service. - Produce business case for service improvement proposals (even if they are funded by low cost low risk, a short fit-for-purpose document is still good practice).
b. Develop a detailed database which	C: A lack of knowledge about what community	Validate service details of all Otago community

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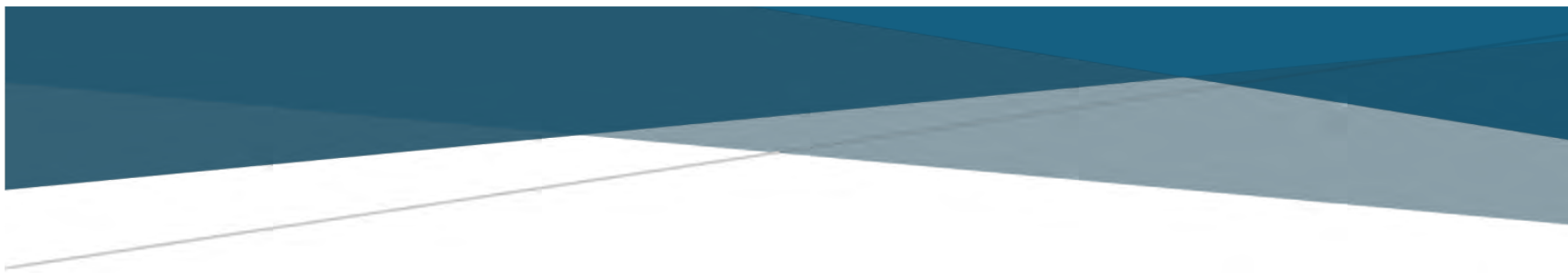
Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
summarises all community and accessible transport services in the region, and ensure that information is regularly updated.	transport services are out there, who they are provided for and how they operate. O: Understanding gaps service provision which could be addressed in future.	transport operators identified in this study. Designate a member of staff to check and revise details on a regular basis.
c. Set up an Otago Community Transport Forum as a means of exchanging ideas, challenges, resources, and best practice.	C: No collective group currently exists to exchange information, ideas and support amongst community transport operators and wider stakeholders. O: Groups in Waikato and Canterbury have proven very effective, and are best practice.	- Convene regional symposium of existing operators, prospective operators, community groups and government stakeholders to explore options and identify solutions. - Invite applications for forum membership. - Set up regional forum web site, using Waikato as a template. - Convene regular (ideally quarterly) meetings of the forum, and ensure that actions are progressed through a robust secretariat function. - Organise future regional symposiums as required.
d. Establish a dedicated community transport fund to support both existing and new services across the region.	C: There are no regular and dedicated local government funding sources for existing community transport operators, or those who wish to start a new service. O: Waikato and Canterbury both operate funds, and they prove highly effective as part of the overall investment mix.	- Consider options of general or targeted rate. - Decide policy on rating per unit. - Assess extent to which the fund should be contestable. - Establish funding criteria and due diligence requirements. - Decide on performance monitoring and evaluation framework.
e. Designate a staff member as Programme Manager having overall responsibility for community transport	C: There is currently no single person within ORC who has community transport as their specific responsibility.	- Identify existing or new budget for role. - Produce job description.

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
policy, strategy, and delivery.	O: Waikato and Canterbury have employed dedicated staff resources and have proven very effective in developing community transport services on the ground.	• Undertake internal or external recruitment process. • Identify other resources and support mechanisms, including budgets. • Consider interim consultancy cover if early need for role is agreed.
e. Undertake health shuttle service review with Te Whatu Ora to assess the potential for operational efficiencies across the former District Health Board (DHB) areas, and greater integration with the ORC fixed public transport network in Dunedin and Queenstown.	C: There are concerns that existing shuttle services are not meeting the needs of all users, and expensive taxi journeys are therefore required. O: Creation of Te Whatu Ora is an opportunity to review not only transport service provision but also current demand through existing programmes.	• Obtain data on current service supply and demand. • Liaise with current operators to understand the challenges and future opportunities. • Identify gaps in service provision through assessment of user requirements. • Consider options for future provision, which could include a range of community transport operators. • Consult with service users and wider stakeholders. • Produce business case to outline preferred option, costs, benefits, risks, and timescales.
f. Develop community and accessible transport monitoring and evaluation programme.	C: There is insufficient detailed evidence of unmet demand, although existing data suggests that it could be significant. O: Technology and good practice across community transport operators, including approaches to quantifying social value.	• Collect, collate, and analyse detailed patronage data provided by operators. • Undertake comprehensive survey within communities to establish existing and unmet demand (and hence transport disadvantage). • Investigate best practice in user surveys and data collection. • Develop benefits management and

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Recommendation (What)	Challenge / Opportunity Addressed (Why)	Key Actions / Next Steps (How)
		realisation framework (including Social Value Toolkit). Assess options for using technology to collect and analyse data.
g. Produce community and accessible transport service planning toolkit.	C: Individuals and organisations in communities are expected to develop transport service proposals with very little guidance, which means that they do not always know what they are doing. O: There appears to be an appetite for communities to take more ownership of accessibility issues and solutions.	- Use existing examples of toolkits to provide an overview of good practice. - Engage with interested communities to understand what advice and information they need from a toolkit. - Engage with councils who have produced similar types of guidance. - Discuss joint production of toolkit with Transport Special Interest Group. - Draft toolkit, and publish toolkit following user / stakeholder consultation.



UNDERSTANDING COMMUNITY TRANSPORT IN OTAGO

PROVIDERS, FUNDING, CHALLENGES,
AND KEY STRATEGIC INSIGHTS

Final Report
Client:



Otago
Regional
Council



Report Prepared by Xavier Ennals-Pellett
Toitū te Taiao: Summer Research Project
University of Otago

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Notice

This report has been prepared by a student researcher as part of a summer research project through the Sustainability Office (Toitū te Taiao) at the University of Otago | Ōtākou Whakaihu Waka, on behalf of the Otago Regional Council (ORC). The contents of this report do not necessarily represent the policy of Otago Regional Council, and therefore constitute independent student research.

The student researcher has endeavoured to ensure that the material in this document is factually accurate and reflects publicly available information. However, this report does not override governing legislation or formal council policy. Data and information drawn from interviews, online searches, and other sources upon which findings are based has not been independently verified beyond the stated methodology, and the researcher makes no representation as to its completeness. All reasonable care has been taken to ensure accuracy within the scope and limitations of a student summer research project.

This document has been produced for the primary use of Otago Regional Council. Any use of this document by a third party is without liability on the part of the researcher or the University of Otago.

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The researcher is especially grateful to the nine community transport operators across the Otago region who generously gave their time to participate in interviews. Their openness in sharing the realities of operating community transport services, the challenges they face, the resourcefulness they demonstrate, and the difference they make to the lives of those they serve forms the heart of this research.

Abstract

Transport disadvantage represents a growing challenge for vulnerable populations in rural and regional areas where conventional public transport is absent or inadequate. Community transport services are volunteer-based, non-profit operations that sit outside regular public transport models. While the model has emerged internationally as a pragmatic response to these gaps, the sector remains fragmented and under-resourced across New Zealand. This research investigates the community transport landscape in the Otago region to inform the Otago Regional Council's (ORC) potential development of the sector. This was achieved through a systematic online search to identify and document existing operators and funding sources, and semi-structured interviews with nine community transport providers across the region. The two research questions guiding this study are: What community transport operators currently exist in Otago and what funding sources are available to support them? What challenges do community transport providers in Otago encounter and what types of support do they require? The research identified 12 active operators concentrated primarily in Dunedin (42%) and Central Otago (25%), alongside 24 potential funding sources at national, regional, and local levels. Interviews revealed that volunteer capacity constraints and vehicle infrastructure limitations are the dominant operational challenges, while financial assistance was identified as the most critical support requirement by 89% of providers. Three key insights emerged to inform ORC's approach: community transport operators require financial assistance for both operational and capital expenditure; regulatory clarity is needed regarding where community transport sits within New Zealand's transport legislative framework; and a centralised online service directory could improve public awareness of community transport services while keeping operator autonomy.

Keywords: Community transport, volunteer driver services, Otago, funding sources

Chapter 1

1. Introduction

Community transport services play an essential role in connecting people to healthcare, social activities, and essential services across Aotearoa New Zealand, particularly in areas where conventional public transport is absent or inadequate. In the Otago region, a combination of dispersed settlement patterns, challenging mountain terrain, and an ageing population creates significant transport disadvantage for residents who cannot drive or do not have access to a private vehicle. Addressing these transport gaps is increasingly recognised as a priority for equitable and sustainable regional development.

This report was commissioned by the Otago Regional Council (ORC) as part of its ongoing commitment to understanding and supporting the community transport sector across the region. It was prepared by a student researcher through the Sustainability Office (Toitū te Taiao) at the University of Otago, as part of a summer research project, and represents an independent evidence-based investigation into the current state of community transport in Otago.

1.1 Study Purpose

There is a growing interest within ORC and across the Otago region in understanding the current community transport landscape and identifying how it might be better supported. Many residents across the region, particularly older adults, people with disabilities, and those in smaller rural and semi-rural communities, face significant barriers to accessing health services, social participation, and everyday necessities due to inadequate transport options. While fixed-route public transport operates in Dunedin and Queenstown, the majority of Otago's geographic area has no conventional public transport services. In this context, community transport services operated by local organisations and volunteers represent a critical, if fragile, safety net.

ORC is seeking to better understand the existing community transport landscape in order to consider what role, if any, it may play in supporting and developing this sector. This research contributes to that goal by systematically mapping existing operators, identifying available funding sources, and gathering direct evidence from providers about their challenges and support needs.

Research Questions:

This research is guided by two primary research questions:

1. What community transport operators currently exist in Otago and what funding sources are available to support them?
2. What challenges do community transport providers in Otago encounter and what types of support do they require?

1.2 Study Aim and Objectives

The overarching aim of this research is to develop an evidence-based understanding of community transport provision in Otago that can inform ORC's strategic decision-making with respect to the sector.

To achieve this aim, the research pursued the following objectives:

- **Objective 1:** To systematically identify and document all active community transport operators across the Otago region, including their service coverage, vehicle infrastructure, operating models, and service characteristics.
- **Objective 2:** To identify and catalogue funding sources available to community transport organisations in Otago at national, regional, and local levels, including eligibility criteria and funding priorities.
- **Objective 3:** To gather direct evidence from community transport providers about the operational challenges they face and the types of support they require through semi-structured interviews.
- **Objective 4:** To synthesise research findings into key strategic insights that may inform ORC's consideration of potential support mechanisms for the community transport sector.

These objectives are addressed through a mixed-methods approach combining systematic online research and semi-structured telephone interviews, as detailed in Chapter 3.

1.3 Report Structure

This report is structured as follows:

- **Chapter 2 – Literature Review:** Provides context for the research by reviewing the international and New Zealand literature on community transport, including its definition, prevalence, importance, and the operational and policy landscape. It also introduces the Otago region, its demographic and geographical characteristics, and the current state of public transport provision.
- **Chapter 3 – Methodology:** Describes the research design, including the methods used to identify community transport operators and funding sources, the semi-structured interview process, data analysis approach, and ethical considerations.
- **Chapter 4 – Results:** Presents the findings of the research across two areas: the systematic mapping of community transport operators and funding sources in Otago; and the themes emerging from interviews with nine community transport providers regarding their operational challenges and support requirements.
- **Chapter 5 – Key Insights:** Synthesises the research findings into three key insights relevant to ORC's potential role in supporting community transport: financial assistance for operational and capital needs; clarity around regulatory and policy positioning; and improving public awareness through a centralised information resource.
- **Chapter 6 – Conclusion:** Summarises the overall findings of the research, reflects on the study's contributions and limitations.

Chapter 2

2. Literature Review

2.1 Introduction

This chapter reviews the existing literature relevant to community transport, with a focus on its application in rural and regional contexts. It begins by defining community transport and its

global distribution, before examining the social, economic, and environmental benefits it provides. The chapter then investigates the New Zealand context, exploring the operational and regulatory landscape, examples of established initiatives in Waikato and Canterbury, and the populations community transport serves. The Otago region is then introduced as the study area, with an analysis of its geography, demographics, and current public transport provision. The chapter concludes by identifying the research gap that this study addresses.

2.1.1 What is community transport?

Community transport is a unique model of passenger transport that operates outside conventional public and private transport systems. Unlike traditional public transport services such as on demand services, ferry services, and bus services which are operated by public transport authorities or commercial operators, community transport is typically characterised by its non-profit orientation, community-based governance structures, and focus on serving populations with limited mobility options (Mulley & Nelson, 2012). Community transport is designed to address transport gaps that traditional public transport services cannot economically or practically fill, particularly in areas where population density, geographical constraints, or demographic factors make standard public transport unfeasible (Nelson et al., 2017).

The defining characteristics of community transport are fundamentally shaped by their responsiveness to local needs, their flexibility in service design, and their embeddedness within community structures (Nelson & Wright, 2016). Community transport schemes typically employ a range of service models including dial-a-ride systems, volunteer driver programmes, scheduled community bus services, and group transport arrangements that are tailored to the specific requirements and resources of the communities they serve (Nelson & Wright, 2016; Mulley et al., 2018). This adaptability distinguishes community transport from conventional fixed-route, fixed-schedule public transport systems (Nelson & Wright, 2016).

2.1.2 Global Distribution and Prevalence

Community transport has emerged as a significant component of transport provision in numerous countries worldwide, though its form and prevalence vary considerably across different national and regional contexts (Mulley & Nelson, 2012; Schiefelbusch, 2025). The

model has become particularly popular in rural and regional areas of developed nations (Nelson & Caulfield, 2022; Xi et al., 2025), where the decline of commercial public transport services and the dispersed nature of populations have created acute transport disadvantages for non-drivers and vulnerable population groups (Carroll et al., 2021; Parolin & Rostami, 2017)

In rural and peripheral regions across Europe, North America, and Australasia, community transport has evolved as a pragmatic response to market failure in conventional transport provision (Mulley et al., 2012; Ravensbergen & Schwanen, 2025). These schemes often represent the only available alternative to private vehicle ownership in areas where commercial bus services have been withdrawn due to insufficient patronage or where such services never existed (Nelson & Caulfield, 2022). The prevalence of community transport in these contexts reflects both the inadequacy of existing transport networks and the capacity of community organisations to mobilise resources and volunteer labour in response to local needs (Hosford et al., 2024).

2.1.3 The Importance of Community Transport Social, economic, and environmental benefits of community transport

The significance of community transport extends across social, economic, and environmental dimensions. At its core, community transport addresses fundamental issues of accessibility and social equity. Transport disadvantage is the inability to access essential services, employment, education, healthcare, and social activities due to inadequate transport options (Mulley & Nelson, 2012), and is a critical barrier to social participation and quality of life (Dabelko-Schoeny et al., 2021; Yu & Liu, 2024). For populations without access to private vehicles, including older adults, people with disabilities, low-income households, and young people, the absence of adequate transport can result in social isolation, reduced economic opportunities, and compromised health outcomes (Williams et al., 2024; Musselwhite, 2017).

This is particularly acute in rural areas and smaller communities where no public transport alternative exists. Where no transport alternative exists, residents who are unable to drive may face pressure to relocate to larger urban centres or supported living environments, simply to maintain access to the services and social connections that sustain quality of life. Community transport removes this pressure, enabling people to remain in their homes and communities for longer. It is also a vital lifeline for those without family or social networks able to provide informal transport support, for whom there may be no other option at all.

From an economic perspective, community transport supports local economies by connecting residents to employment opportunities, retail centres, and services (Crisp et al., 2017; Nelson et al., 2017). The provision of accessible transport can be particularly crucial in regional economies where labour market participation is constrained by mobility barriers (Crisp et al., 2017). Furthermore, community transport schemes can generate economic activity through their own operations (Nelson et al., 2017).

The environmental benefits of community transport, while sometimes cited in sustainable transport policy discussions, require careful consideration in this context. Many community transport services are demand-responsive and carry a single passenger per trip, meaning they do not function as shared mobility in the conventional sense and may not reduce the total number of vehicle trips compared to private car travel (Mulley et al., 2018; Ozaki et al., 2022). Crucially, for most community transport users the relevant choice is not between taking a private car or a community transport service, it is between taking a trip at all or not. The primary consequences of community transport provision are therefore wellbeing-related rather than environmental and should be understood and evaluated in those terms.

Community transport fulfils important social functions by fostering community cohesion and social capital. The volunteer-based nature of many schemes facilitates social interaction and community engagement (Ravensbergen & Schwanen, 2024; Smith et al., 2015). In this sense, community transport represents not merely a transport solution but a mechanism for building and sustaining community resilience, particularly in areas experiencing population decline or demographic change (Ozaki et al., 2022; Schiefelbusch, 2023).

2.2 Community Transport in New Zealand

2.2.1 Operational Context and Legal Framework

In New Zealand, community transport occupies a distinctive and somewhat ambiguous position within the transport policy landscape. Unlike conventional public transport services, which operate within a comprehensive legislative and funding framework established under the Land Transport Management Act 2003 (LTMA), community transport exists largely outside formal recognition as an "integral" component of the public transport network as defined by section

120 of the LTMA (Llewellyn, 2024). This lack of formal integration creates a regulatory grey area that shapes both the opportunities and constraints facing community transport operators.

The community transport sector operates predominantly through charitable trusts and not-for-profit organisations that have emerged organically in response to identified local needs rather than through centrally coordinated planning or procurement processes (Llewellyn, 2024). Services are characterised by their flexibility, community governance, and reliance on volunteer labour which are attributes that distinguish them fundamentally from commercially contracted bus services but also complicate their integration into formal transport planning frameworks (Llewellyn, 2024).

The absence of a dedicated policy and funding framework comparable to that supporting conventional public transport means that community transport services operate without the stability, resources, or official recognition that is afforded to other transport modes (Llewellyn, 2024). While some Regional Councils have developed local frameworks and funding mechanisms to support community transport, most notably Waikato Regional Council and Environment Canterbury, these represent exceptions rather than the norm (Llewellyn, 2024). The sector continues to function largely through the dedication of community volunteers and the piecemeal assembly of funding from diverse charitable and philanthropic sources, creating an inherently precarious operational environment.

2.2.2 Examples of Community Transport Initiatives in New Zealand

Despite these structural challenges, several community transport initiatives in New Zealand have demonstrated the viability and value of the model, providing important insights into effective operational approaches.

2.2.2 Waikato Regional Council Community Transport Programme

The Waikato region represents arguably the most developed community transport framework in New Zealand, characterised by coordinated regional oversight and sustained financial support (Llewellyn, 2024). Waikato Regional Council employs a dedicated Community Transport Lead officer who provides operational and advisory support, facilitating collaboration among stakeholders including multiple community transport operators, health agencies, and local councils (Llewellyn, 2024). During the 2022/23 financial year, community

transport services across the Waikato region delivered 23,662 one-way passenger trips, covering approximately 858,000 vehicle kilometres (Llewellyn, 2024). Services relied on the equivalent of five full-time staff positions delivered entirely through volunteer labour, representing 52,020 donated volunteer hours (Llewellyn, 2024).

The Waikato Regional Council's contestable Community Transport Grant Fund has grown substantially since its establishment, rising from \$200,000 per annum in FY 2022/23 to \$300,000 in FY 2024/25, and reaching \$500,000 in FY 2025/26 (Waikato Regional Council, 2026). Notably, this fund is wholly rates-funded, financed through a flat per-property charge, without subsidy from NZTA Waka Kotahi, a significant distinction from conventional public transport funding models which typically rely on substantial central government co-funding (Llewellyn, 2024). This funding model demonstrates both the cost-effectiveness of community transport and the capacity of regional councils to support it through local investment alone. The Waikato Community Transport Forum further supports the sector by providing a comprehensive online resource for both service users and operators, offering guidance on service establishment, operational policies, administrative templates, and information about available services organised by territorial authority area (Llewellyn, 2024).

2.2.2 Environment Canterbury Community Vehicle Trusts

Environment Canterbury (ECan) has established a network of 17 Community Vehicle Trusts (CVTs) across the Canterbury region (including one in the Waitaki Valley), supported by a dedicated council staff member responsible for oversight, administrative support, and coordination (Llewellyn, 2024). ECan provides annual grants to operators and assists with establishing new services, creating a professionalised and sustainable operational framework. The CVT model represents a particularly effective approach to rural and small-town transport provision, with services tailored to local circumstances and governed by community-based trust boards (Llewellyn, 2024).

ECan maintains a comprehensive online resource detailing available services, operational requirements, and guidance for new operators (Llewellyn, 2024). The website includes current service information, volunteer recruitment opportunities, and detailed guidance on establishing new trusts, covering legal, financial, governance, and administrative requirements. This level

of institutional support significantly reduces barriers to service establishment and improves operational standards across the network.

2.2.3 Primary Users of Community Transport in New Zealand

Community transport in New Zealand generally serves populations experiencing transport disadvantage, who are individuals and groups unable to access essential services, employment, healthcare, education, and social activities due to inadequate conventional transport options and limited access to private vehicles (Meher et al., 2021; Doran et al., 2022). Primary user groups include older adults, people with physical and cognitive disabilities, low-income households, and residents of rural and peripheral areas where commercial public transport is absent or minimal (Fitzgerald, 2012; Jaye et al., 2023).

The importance of community transport extends beyond simple mobility provision to address fundamental issues of social equity and access to essential services (Meher et al., 2021). For example, research conducted by Environmental Health Intelligence New Zealand identified that approximately 101,000 adults (2.4% of the adult population) and 9,000 children failed to attend General Practitioner appointments over a twelve-month period specifically due to lack of transport access (EHINZ, n.d.). Among disabled adults, this figure reached 7.6%, with disabled adults being nearly five times more likely than non-disabled adults to experience transport-related barriers to healthcare access (EHINZ, n.d.). These statistics reveal significant unmet demand and highlight the public health consequences of inadequate transport provision for vulnerable populations (Doran et al., 2022).

Community transport can address multiple journey purposes beyond healthcare access, including shopping, visiting family and friends, attending education, and participating in social and recreational activities (Llewellyn, 2024; Doran, 2025). It also enables older adults to maintain independence and remain within their communities, rather than entering residential care prematurely due solely to mobility constraints (Colhoun et al., 2025; Doran, 2025). For people with disabilities, accessible community transport may represent the only viable means of independent travel, with testimonials from community transport services like Waka Eastern Bay describing the positive impact on users' autonomy and quality of life (Llewellyn, 2024; Doran et al., 2022).

Despite these positive benefits, a key challenge for community transport is their financial sustainability. Community transport services typically rely heavily on philanthropic grants to maintain operations. Operational costs can be substantiative, the typical operating costs for a two-vehicle service approximate \$80,000 annually, covering vehicle maintenance and renewal, fuel, insurance, training, communications, and limited staff remuneration (Llewellyn, 2024). These costs are met through a fragmented funding model combining regional council grants, applications to charitable foundations, direct fundraising through events and appeals, and voluntary donations from passengers (Llewellyn, 2024). Nevertheless, the reliance on volunteer drivers enables services to operate at costs far below those of equivalent commercial provision yet also creates vulnerabilities around service continuity and capacity (Llewellyn, 2024).

2.3 The Otago Region

The Otago region is located on the lower South Island of New Zealand and has a population of approximately 245,300 residents (Statistics NZ, 2020; ORC 2025b). The region extends from the southernmost peaks of the Southern Alps through Central Otago to the coastal areas and Catlins hill country and is characterised by its diverse topography, dominated by inland mountain ranges, extensive basin systems, and coastal lowlands. Unlike the neighbouring Canterbury and Southland regions, which feature large expansive plains, Otago's landscape is notably more varied and geographically complex (ORC, 2025b).

The Otago Regional Council (ORC) administers the region in conjunction with five territorial authorities: Dunedin City Council, Queenstown Lakes District Council, Central Otago District Council, Clutha District Council, and Waitaki District Council (ORC, 2025b).

2.3.3 Geography, demographics, and public transport challenges

Otago's complex topography presents substantial challenges for transport provision. Mountain ranges create natural barriers between population centres, with transport routes necessarily following river valleys and gorges, resulting in long and often indirect connections between settlements (ORC, 2025b). Many smaller communities, including those in the Maniototo basin, Central Otago, and the Clutha Valley, are located in basins or valleys with limited road connections, leaving residents who cannot drive effectively isolated from the regional centres

where essential services are concentrated (Fitzgerald, 2012; Llewellyn, 2023). Combined with low population density and dispersed settlement patterns across much of the region, these geographical realities create significant barriers to providing accessible and efficient transport services, and are critical considerations in assessing the feasibility of both public and community transport initiatives in Otago (Llewellyn, 2023; ORC, 2025b).

Otago's demographic profile and geographical characteristics combine to create public transport needs that conventional service models fail to address (Llewellyn, 2023; ORC, 2025b). The region exhibits a distinctive settlement pattern characterised by low population density across vast geographical areas, with concentrations in Dunedin, Queenstown, and several smaller urban centres including Oamaru, Alexandra, and Wānaka. Outside these urban areas, the population is dispersed across rural communities, small townships, and isolated properties, creating inherent challenges for fixed-route public transport provision (Fitzgerald, 2012).

Additionally, Otago's ageing demographic creates transport challenges (Jaye et al., 2023; Colhoun et al., 2025). People aged 65 and older currently constitute 15% of New Zealand's population, with the older population predicted to double to 1.30 million in the next 20 years (EHINZ, n.d.). At the 2023 Census, 16.6% of New Zealand's population was aged 65 years and over nationally, up from 15.2% in 2018, and Otago's proportion was higher still, at 17.7%, reflecting the region's older-than-average demographic profile (EHINZ, n.d.). Like much of rural New Zealand, Otago is experiencing significant demographic change, with an increasing proportion of residents aged 65 years and over (Jaye et al., 2023). This ageing population is concentrated disproportionately in smaller towns and rural areas, where younger residents have often relocated to larger urban centres for employment and educational opportunities (Jaye et al., 2023).

Older adults face heightened transport vulnerability due to higher rates of driver cessation, increased prevalence of disabilities affecting mobility, greater reliance on healthcare services requiring regular trips, and elevated risks of social isolation when transport options are limited (Colhoun et al., 2025; Doran, 2025). Older adults may have limited mobility, strength and balance, meaning they are in one place for longer periods and depend on others to move them. They also have higher rates of chronic disease, which can make them more sensitive to environmental challenges.

The combined factors of low population density, dispersed settlement patterns, challenging topography, and an ageing population create conditions where conventional public transport cannot be economically sustained, yet the need for accessible, affordable transport is arguably greater than in densely populated urban areas (Llewellyn, 2023; ORC, 2025b). This paradox highlights the importance of alternative transport models such as community transport capable of serving populations experiencing transport disadvantage in rural and regional contexts (Meher et al., 2021).

2.3.4 Current Extent of Public Transport in Otago

Public transport provision across the Otago region is highly variable, concentrated predominantly in urban areas with limited services in other centres and minimal to non-existent provision in rural areas (ORC, 2025b; Llewellyn, 2023). The ORC provides bus services in Dunedin and bus and ferry services in Queenstown (ORC, 2025b). The central Dunedin Bus Hub on Great King Street is the city's major public transport hub, with all city-bound services running through it (ORC, 2025a). In total, Orbus operates 23 routes in the Dunedin area, serving 789 stops or stations (ORC, 2025a). These services operate on fixed routes with scheduled timetables, predominantly serving commuter, educational, and retail journey purposes during weekday business hours, with reduced weekend services. Services connect urban and suburban areas including Mosgiel, Port Chalmers, Palmerston, and surrounding communities (ORC, 2025a).

Outside Dunedin, public transport is significantly more limited (Llewellyn, 2023; ORC, 2025b). Queenstown operates a local bus network and ferry services serving the resort town and immediate surroundings, though this service is focused primarily on tourist traffic and commuter routes rather than addressing broader community transport needs (ORC, 2025b). Across the remainder of the region, including centres such as Ōamaru, Alexandra, Cromwell, Wānaka, and the numerous smaller townships and rural areas, conventional public transport is entirely absent and does not meet the everyday mobility needs of residents without private vehicles (Llewellyn, 2023).

The national Total Mobility scheme operates throughout the region in Alexandra, Balclutha, Dunedin, Ōamaru, Wānaka and Queenstown, providing subsidised taxi services for eligible

users with disabilities or mobility impairments (ORC, 2025c; MRCagney, 2024). The subsidy is 75% of the fare, up to a maximum of \$37.50. If the total fare is more than \$50 the client must meet the additional cost (ORC, 2025c). While this scheme addresses some accessibility needs, it functions as a supplement to rather than replacement for comprehensive public transport (Doran et al., 2022; MRCagney, 2024). The subsidy structure makes Total Mobility suitable primarily for occasional essential trips rather than regular transport needs, and eligibility criteria exclude many transport-disadvantaged populations including older adults without formal disability assessments and low-income households (Doran et al., 2022).

Regional bus services connecting major centres are operated by commercial providers, primarily serving intercity tourist traffic and long-distance passenger movements rather than providing practical transport options for local residents (Llewellyn, 2023). These services typically operate limited schedules, charge commercial fares that may be prohibitive for regular use, and do not extend to smaller towns or rural areas. Consequently, large areas of the Otago region, encompassing the majority of the geographical area and a substantial proportion of the population, have no viable public transport alternative to private vehicle ownership (Fitzgerald, 2012; Llewellyn, 2023).

2.3.5 Community Transport as a Potential Transport Solution for Otago Communities

The absence of public transport services in rural areas and smaller towns necessitates private vehicle ownership for accessing employment, healthcare, education, shopping, and social participation (Fitzgerald, 2012; Meher et al., 2021). For people who are unable to drive, including older adults who have stopped driving, people with disabilities, young people, and households unable to afford vehicle ownership and operation, this creates barriers to aspects of daily life and can result in social isolation, reduced economic participation, and compromised health (Jaye et al., 2023; Colhoun et al., 2025; Doran et al., 2022).

The economic and operational challenges facing conventional public transport expansion in Otago are substantial (Llewellyn, 2023; ORC, 2025b). Low population densities across most of the region make fixed-route bus services financially unsustainable, even with significant subsidy (Llewellyn, 2023). The distances between communities and the nature of road networks due to topographical constraints result in long journey times and high operating costs per passenger (ORC, 2025b). The concentration of essential services in regional centres means

that viable public transport would need to operate across considerable distances, further undermining commercial viability (Llewellyn, 2023). Traditional public transport planning models, predicated on sufficient passenger volumes along corridors, are mismatched to Otago's settlement geography (Fitzgerald, 2012; Llewellyn, 2023).

These challenges are unlikely to be resolved through expanded conventional public transport provision in the foreseeable future (Llewellyn, 2023; ORC, 2025b). The financial constraints facing local government, combined with the structural unsuitability of fixed-route services for dispersed rural populations, mean that significant areas of Otago will continue to lack adequate public transport under current plans (ORC, 2025b). This necessitates consideration of alternative approaches capable of addressing transport disadvantage within the region's unique demographic and geographical context (Llewellyn, 2023; Meher et al., 2021).

Community transport represents a potentially viable solution to address these gaps in provision (Llewellyn, 2023, 2024). Critically, however, community transport is only viable where communities are empowered and supported to design and operate their own services. The solution does not rest solely with the Otago Regional Council or any single local authority; rather, it depends on a partnership between funders, including councils and other organisations, and the community volunteers who ultimately deliver services on the ground. The relatively low operating costs of community transport, achieved through volunteer labour and community participation, make services feasible in areas with limited passenger volumes (Llewellyn, 2024). In this model, the role of councils and funders is less that of service provider and more that of enabler: providing seed funding, coordination resources, and ongoing support that unlocks a far greater contribution of volunteer time and community effort. The value proposition is therefore compelling, a comparatively modest public investment has the potential to leverage thousands of hours of volunteer labour, generating accessible, locally governed transport services at a fraction of the cost of conventional provision.

The flexibility of community transport models, including door-to-door services, demand-responsive scheduling, and volunteer-driver programmes, enables service provision in contexts where conventional public transport cannot operate sustainably (Llewellyn, 2024). Furthermore, the community-based governance structure ensures that services respond to locally identified needs rather than imposing standardised service models inappropriate to local circumstances (Llewellyn, 2024). Whether such an enabling approach can be effectively

implemented in Otago's diverse rural communities is the central question motivating this research.

2.4 Research Gap

The literature reviewed in this chapter establishes that rural and small-town communities in Otago face significant transport disadvantage; conventional public transport cannot viably serve these areas; and community transport represents a potentially effective, low-cost alternative that has demonstrated success in comparable international and New Zealand contexts. Yet a critical gap remains between recognising community transport as a promising solution and understanding how to actually implement it in Otago.

The Otago Regional Council is currently exploring the establishment of a community transport programme as a practical response to these challenges, with a trial already underway in Oamaru (Llewellyn, 2023; ORC, 2025b). However, effective implementation requires more than a proof of concept, it requires a detailed understanding of the existing landscape of community transport in the region and the real-world barriers that operators encounter. Without this foundation, any broader rollout risks being poorly targeted, inadequately resourced, or unsustainable over time.

This report addresses two research gaps that are directly relevant to ORC's decision-making process. First, it asks: what community transport operators currently exist in Otago, and what funding sources are available to support them? This matters because ORC cannot build on, coordinate with, or appropriately fund a sector it does not yet fully understand. Knowing who is already operating, how they are funded, and where gaps in provision exist is an essential prerequisite for strategic investment and programme design.

Second, it asks: what challenges do community transport providers in Otago encounter, and what types of support do they require? This matters because community transport is only sustainable where operators, and the volunteers who power them, are supported. If the barriers facing existing providers are not understood and addressed, the community-enabling model that makes community transport viable will fail in practice, regardless of funding.

Together, these questions provide the empirical foundation ORC needs to move from exploring community transport in principle to implementing it effectively and equitably across the region.

2.5 Conclusions

The literature reviewed in this chapter establishes a clear and compelling case for the significance of community transport as both a practical transport solution and a mechanism for social equity. Internationally, community transport has emerged as a pragmatic response to market failure in conventional public transport, particularly in rural and peripheral areas where dispersed populations, low density, and challenging terrain make fixed-route services economically unviable. Its defining strengths (flexibility, community governance, and the use of volunteer labour) enable it to serve populations that other transport modes cannot reach, while generating broader social and economic benefits that extend well beyond the journey itself. Critically, community transport also enables people who can no longer drive to remain in their homes and communities, rather than facing pressure to relocate to larger centres or supported living environments simply to maintain access to services and social connection.

In the New Zealand context, community transport occupies an ambiguous regulatory position that creates both operational constraints and funding precarity for providers. The absence of a national policy and funding framework means the sector relies heavily on charitable grants and volunteer goodwill, with financial sustainability representing a persistent structural challenge. However, the examples of Waikato Regional Council and Environment Canterbury demonstrate that targeted regional investment and institutional support can transform fragmented volunteer efforts into coordinated, effective, and cost-efficient service networks. Importantly, these models illustrate a compelling value proposition in which comparatively modest rates-funded investment by councils unlocks thousands of hours of volunteer labour and community effort, delivering accessible transport at a fraction of the cost of conventional transport services.

In Otago, the combination of mountainous terrain, dispersed rural settlements, limited public transport outside Dunedin and Queenstown, and an ageing population creates conditions in which transport disadvantage is both widespread and growing. For older adults in small towns and rural areas, for people with disabilities, and for households without access to private vehicles, inadequate transport carries serious consequences including foregone healthcare,

social isolation, reduced independence, and barriers to economic participation. Conventional public transport expansion cannot realistically address these gaps given the region's geography and population density, and the Total Mobility scheme, while valuable, does not provide the regular accessible transport that many residents require.

Community transport, as evidenced by initiatives elsewhere in New Zealand, represents a viable and cost-effective complement to formal public transport in this context. Its viability, however, depends not on councils acting as service providers, but on funders and community organisations working in partnership to empower communities to run their own services. The research presented in Chapters 4 and 5 investigates the extent to which this potential is currently being realised in Otago, examines the barriers that constrain the sector, and identifies what forms of support might enable existing and future services to better meet the transport needs of the region's most vulnerable residents.

Chapter 3

3. Methodology

3.1 Overview

This research employed a mixed-methods approach combining primary qualitative data collection through semi-structured interviews and secondary data collection through systematic online searches. The methods were specifically designed to address the two research questions:

1. What Community Transport operators currently exist in Otago and what funding sources are available to support them?
2. What challenges do Community Transport Trusts (or providers) in Otago encounter and what types of support do they require?

3.2 Identifying Community Transport Operators (Research Question 1)

Community transport operators in Otago were systematically identified through online searches using targeted search terms including "community transport [location]", "mobility services [location]", and "volunteer driver services [location]" across all districts within the Otago region. This process involved searching council websites, community organization databases, and social service directories.

Details of identified organizations providing volunteer driver services were recorded in an Excel spreadsheet, including organization name, location, service area, contact information, and service type. This mapping exercise established the baseline understanding of the community transport landscape in Otago and formed the sampling frame for subsequent interviews.

3.3 Funding Source Identification

To identify funding sources available to community transport organizations, systematic online searches were conducted using keywords including "community grants [location]", "operational grants [location]", "transport funding [location]", and "volunteer service grants [location]" across national, regional, and local funding bodies.

A list of funding sources was compiled in Excel, documenting key information including:

- Funding organization name and contact details
- Eligibility criteria
- Application requirements
- Geographic coverage
- Specific policies relevant to community transport

This process identified both general community funding sources and transport-specific funding mechanisms available to Otago-based community transport providers.

3.4 Semi-Structured Interviews (Research Question 2)

3.4.1 Participant Selection and Recruitment

Interview participants were selected from the identified community transport operators, with purposive sampling targeting organizations involved in either the management or decision-making of community transport services in Otago. The student researcher contacted potential participants using publicly available contact details to invite them to participate in a short interview about community transport. Participants were provided with an information sheet and consent form, and the voluntary nature of participation was clearly emphasized.

Nine organizations agreed to participate, representing diverse service models across urban and rural areas of the Otago region, including community houses, friendship networks, health organizations, and social clubs.

3.4.2 Interview Process

Data was collected through semi-structured telephone interviews conducted by the student researcher between 19/01/2026 and 05/02/2026. Interviews ranged from 10 to 30 minutes and were recorded using the built-in recording feature on an iPhone, which captured audio and created AI-generated transcripts using Apple's built-in transcription software. Participants were informed that this process may involve audio recordings being processed by third-party servers located overseas and outside the direct control of the research team.

The interviews employed an open-questioning technique designed to elicit detailed responses about operational challenges and support needs. While core themes were identified in advance (service structure, operational challenges, funding sources, volunteer management, support requirements), the precise nature of questions was not predetermined but developed naturally during each interview. This approach allowed for flexibility in exploring emerging themes while maintaining focus on the research objectives.

3.4.3 Interview Themes

The interviews covered the following key areas:

- Context and background of the organization's involvement in community transport
- Current service structure and daily operations
- Volunteer recruitment, vetting, and management
- Service demand and utilization
- Financial and operational challenges
- Current funding sources and adequacy
- Limitations in vehicle fleet, scheduling systems, or volunteer capacity
- Support requirements (funding, training, partnerships, regulatory guidance)
- Preferences for Otago Regional Council support
- Community willingness to contribute to service funding

3.5 Data Analysis

Interview transcripts were systematically analysed to identify patterns and themes related to operational challenges and support requirements (Research Question 2). Responses were organized in an Excel spreadsheet with interview questions as rows and participating organizations as columns, enabling cross-case comparison and pattern identification.

Quantitative analysis was conducted to determine the frequency of specific challenges, support needs, and operational characteristics across the nine organizations. This included:

- Categorization and counting of operational challenges (e.g., volunteer capacity, vehicle fleet limitations, scheduling issues)
- Frequency analysis of support requirements (e.g., funding, community vans, marketing support)
- Classification of service characteristics (e.g., operating days, demand levels, vetting procedures)
- Summary statistics on service utilization (e.g., trip volumes, passenger numbers)

Key findings from the interview analysis were visualized using charts and graphs to help with interpretation and presentation.

3.6 Ethical Considerations

All participants provided informed consent prior to interview participation. Confidentiality was maintained through the use of organization names rather than individual participant names in reporting. Participants were informed of their right to withdraw from the study and to request deletion of their data. Interview recordings and transcripts were stored securely and will be destroyed according to the University of Otago's data retention policies.

3.7 Limitations

Several methodological limitations should be acknowledged:

- The sample of nine organizations, while representing diverse service models, may not capture all community transport providers operating in Otago, particularly informal or very small-scale services.
- Self-reported data on challenges and needs may be influenced by participants' awareness of potential funding opportunities or support mechanisms
- Telephone interviews, while practical, may have limited the depth of discussion compared to in-person interviews.
- The cross-sectional nature of the data collection provides a snapshot of current challenges but does not capture temporal trends or seasonal variations in service provision.
- Funding source identification relied on publicly available information and may not capture all informal or emerging funding opportunities.

Chapter 4

4. Results

4.1 Introduction

This chapter presents the findings of the study across two primary areas of inquiry. The first section reports on the systematic research of community transport operators and funding sources across the Otago region, drawing on desktop research and publicly available

information. The second section presents findings from semi-structured interviews with nine community transport providers, exploring their operational challenges and support requirements. Together, these findings provide a comprehensive baseline picture of the community transport landscape in Otago and inform the key insights in Chapter 5.

4.2 Community Transport Operators in Otago

A systematic search of community transport services across the Otago region identified 12 active community transport operators (Table 1). These operators are geographically distributed across five territorial authority areas, with the highest concentration in Dunedin City Council (DCC) jurisdiction (n=5, 42%), followed by Central Otago District Council (CODC) areas (n=3, 25%), Queenstown Lakes District Council (QLDC) (n=1, 8%), and Waitaki District Council (WDC) (n=1, 8%). Four operators (St John Health Shuttle, Presbyterian Support Otago, Blind Low Vision NZ, Cancer Society) provide region-wide services across multiple territorial authorities.

The identified operators represent diverse organizational models, including community houses, health organizations, social service agencies, and membership-based organizations. Service coverage spans from localized town-based operations (e.g., Cromwell, Alexandra, Mosgiel) to region-wide services extending across multiple districts.

Table 1: Community Transport Operators Identified in Otago

Operator Name	Base Location	Territorial Authority	Service Coverage
Alexandra Community House (Advice Network)	Alexandra	CODC	Alexandra and Clyde
Blind Low Vision NZ	Dunedin	DCC	Region-wide

Cancer Society - Transport To Treatment	Dunedin	DCC	Dunedin, Waitaki, Central Otago, Clutha
Central Otago Friendship Network	Alexandra	CODC	Alexandra and Clyde
Community Link Upper Clutha - Wheels To Dunstan (WTD)	Wanaka	QLDC	Wanaka to Dunstan Hospital
Cromwell Community House	Cromwell	CODC	Cromwell
Dunedin Community Transport Trust Inc.	Dunedin	DCC	Dunedin - Port Chalmers
Milton Community Health Trust	Milton	DCC	Milton
Mosgiel RSA Welfare Van	Mosgiel	DCC	Mosgiel
St John Health Shuttle	Region-wide	N/A	Otago region
Oamaru-Palmerston Community Shuttle	Oamaru	WDC	Oamaru-Palmerston
Presbyterian Support Otago	Region-wide	N/A	Otago region

4.2.1 Vehicle Infrastructure

Analysis of vehicle infrastructure revealed that the majority of operators (n=5, 42%) rely on volunteers using their personal vehicles rather than organization-owned fleet. Four operators (33%) utilize organization-owned vehicles, ranging from single cars to multiple vans. The vehicle configurations identified include:

- Volunteer-owned personal vehicles: 5 operators (42%)
- Single organization-owned van: 3 operators (25%)
- Single organization-owned car: 1 operator (8%)
- Multiple organization-owned vans: 1 operator (8%)
- Mixed fleet (vans and cars): 1 operator (8%)
- Infrastructure not specified: 1 operator (8%)

4.2.2 Service Characteristics

Services predominantly operate Monday to Friday on weekday schedules (n=6). However, there is variation across providers. Mosgiel RSA provides a Friday-only service, while Central Otago Friendship Network operates on a monthly basis. The Oamaru–Palmerston Community Shuttle runs on Tuesdays, Thursdays, and Saturdays, and the Dunedin Community Transport Trust Inc. (Plus Bus service) operates on Tuesdays and Thursdays. Blind Low Vision NZ

provides a flexible service schedule tailored to client needs. Fare structures varied from free services (n=2), donation-based systems (n=4), to fixed fares ranging from \$5-\$15 per trip. Two operators (St John Health Shuttle, Ōamaru–Palmerston Community Shuttle Group) operates under a Small Passenger Service License as a regulated transport provider.

Primary service purposes include medical appointments and health-related transport (n=7), grocery shopping (n=2), and social connection activities (n=3). The predominant passenger demographic served is elderly populations, though several operators accept broader client groups including people with disabilities, cancer patients, and organization members.

4.2.3 Available Funding Sources

The funding source identification process revealed 24 potential funding organizations accessible to community transport operators in Otago (Table 2). These funding sources are distributed across national, regional, and local levels, with varying eligibility criteria and funding priorities.

Funding sources were categorized by geographic coverage:

- **National funding sources:** 9 organizations (38%) offering funding across New Zealand, though some have geographic restrictions based on gaming venue proximity
- **Otago region-wide:** 4 organizations (17%) specifically serving the broader Otago area
- **District-specific and local funders:** 11 organizations (46%) targeting specific territorial authority areas (Clutha District, Central Otago, Queenstown Lakes, Dunedin City) and specific sub-regions within Otago (West Otago, Wakatipu, Central Lakes)

Table 2: Funding Sources Available To Community Transport Operators In Otago

Funding Organization	Geographic Coverage	Primary Focus	Application Process
National Funders			
The Lion Foundation	National (venue proximity required)	Community organizations	Open application
The Tindall Foundation	National	Charitable trusts	Open application

Aotearoa Gaming Trust	National (grants <\$30k)	Community services	Anytime application
Blue Sky Community Trust	National (priority to Auckland/Whakatane)	Charitable trusts	Open application
Grassroots Trust	Regional venues	Community projects	Application process
New Zealand Community Trust	National (Otago presence)	Community organizations	Application process
One Foundation	National (venue-based)	Community initiatives	Application process
Pub Charity Ltd	National (venue-based)	Community organizations	Application process
Hugo Charitable Trust	National	Health and social services	Application process
Community Organisation Grants Scheme (COGS)	National	Operational support	Open application
Regional Funders			
Otago Community Trust	Otago region	Social services, community response	Specific grant streams
Rotary Clubs	Multiple Otago locations	Community projects	Club-specific applications
Dunedin Casinos Charitable Trust	Otago region	Community organizations	Application process
District/Local Funders			
Clutha Foundation	Clutha District	Annual priority focus	Open application
Community Trust South	West Otago, Wakatipu	Grants <\$75k	Anytime application
Clutha Development Incorporated	Clutha District	Community development	Contact for eligibility
Central Lakes Trust	Central Lakes area	Community services	Application process
Queenstown Airport Community Fund	QLDC, CODC	Community benefit	Application process
Impact100 Wakatipu	Queenstown Lakes	Community impact	Annual grant cycle
QLDC Community Fund	Queenstown Lakes	Local community projects	Council grant process
TLCC Community Fund	Clutha District	Local initiatives	Council grant process
CODC Community Grants	Central Otago	Local community projects	Council grant process
DCC Community Grant	Dunedin City	Local community services	Council grant process
Kiwi Gaming Foundation Ltd	Palmerston area	Community organizations	Application process

4.2.4 Funding Eligibility and Considerations

The majority of identified funding sources (n=19, 79%) require applicant organizations to be incorporated as charitable trusts or not-for-profit entities. Several national gaming-based funders impose geographic restrictions based on venue proximity, potentially limiting accessibility for rural community transport operators.

Funding categories relevant to community transport operations include:

- **Operational support:** Community Organisation Grants Scheme (COGS) specifically addresses operational expenses
- **Capital funding:** Several trusts provide vehicle purchase or infrastructure funding
- **Social services funding:** Available from Otago Community Trust and several district-level funders

Notably, Otago Community Trust explicitly stated that while they will not fund core operational expenses such as salaries, they will cover vehicle operational costs, making this a particularly relevant funding source for community transport operators.

4.2.5 Summary

Through online research, contact details and information were gathered for all community transport operators and funders across the Otago region. This research identified a modest but diverse community transport landscape in Otago, with 12 active operators concentrated primarily in urban centres but extending into rural and semi-rural areas. The predominance of volunteer-based services using personal vehicles suggests significant dependence on volunteer capacity and personal resources. A substantial array of 24 potential funding sources exists at national, regional, and local levels, though accessibility varies by geographic location and organisational structure. The availability of funding specifically for vehicle operational costs shows opportunities for service sustainability, however there are limited funders for this.

4.3 Challenges and Support Requirements of Community Transport Providers in Otago

Nine organizations participated in semi-structured interviews to identify operational challenges and support requirements. Participants represented diverse service models including volunteer driver services, health shuttles, and elderly day care transport. Interview findings are organized thematically to address the challenges encountered and types of support desired by community transport providers.

4.3.1 Service Demand and Utilization

Demand levels varied considerably across the nine interviewed organizations (Table 3). Three organizations (33%) reported high demand with substantial growth trajectories. Cromwell Community House experienced an 80% increase in demand since 2024, averaging 60 trips per month. Community Link Upper Clutha (WTD) recorded a 55% increase in trips and 80% increase in passenger numbers in 2025, with 75% of trips connecting to St John Shuttle services and 25% to Dunstan Eye Clinic or Cromwell Specialists. Between July 1, 2024 and June 30, 2025, Community Link Upper Clutha (WTD) made an average of 30.5 trips per month transporting 39.25 passengers. Cancer Society Dunedin averaged 30 trips per week supported by 40 volunteer drivers.

Table 3: List of Interviewed Organizations which provide Community Transport Services in the Otago Region

Operator Name	Base Location	Primary Trip Purpose
Alexandra Community House (Advice Network)	Alexandra	Medical Appointments
Cancer Society - Transport To Treatment	Dunedin	Medical Appointments
Central Otago Friendship Network	Alexandra	Social Events
Community Link Upper Clutha - Wheels To Dunstan (WTD)	Wanaka	Medical Appointments
Cromwell Community House	Cromwell	Shopping Or Medical Appointments
Dunedin Community Transport Trust Inc. - Plus Bus	Dunedin	Shopping
Mosgiel RSA	Mosgiel	RSA Event
St John Health Shuttle	Region-Wide	Medical Appointments
Presbyterian Support Otago	Region-Wide	Elderly Day Care Service

Five organizations (56%) reported medium demand levels. Alexandra Community Advice Network averaged 25 trips per month, PlusBus transported 4-6 people per trip with regular weekly clients, Presbyterian Support Otago served 8-10 people on average for the Mosgiel service, and Mosgiel RSA transported 18 people across 2-3 van loads each Friday. St John Southern estimated it transported 5-6 clients per van daily, with national operations covering 500 client trips per day using 950 volunteer drivers.

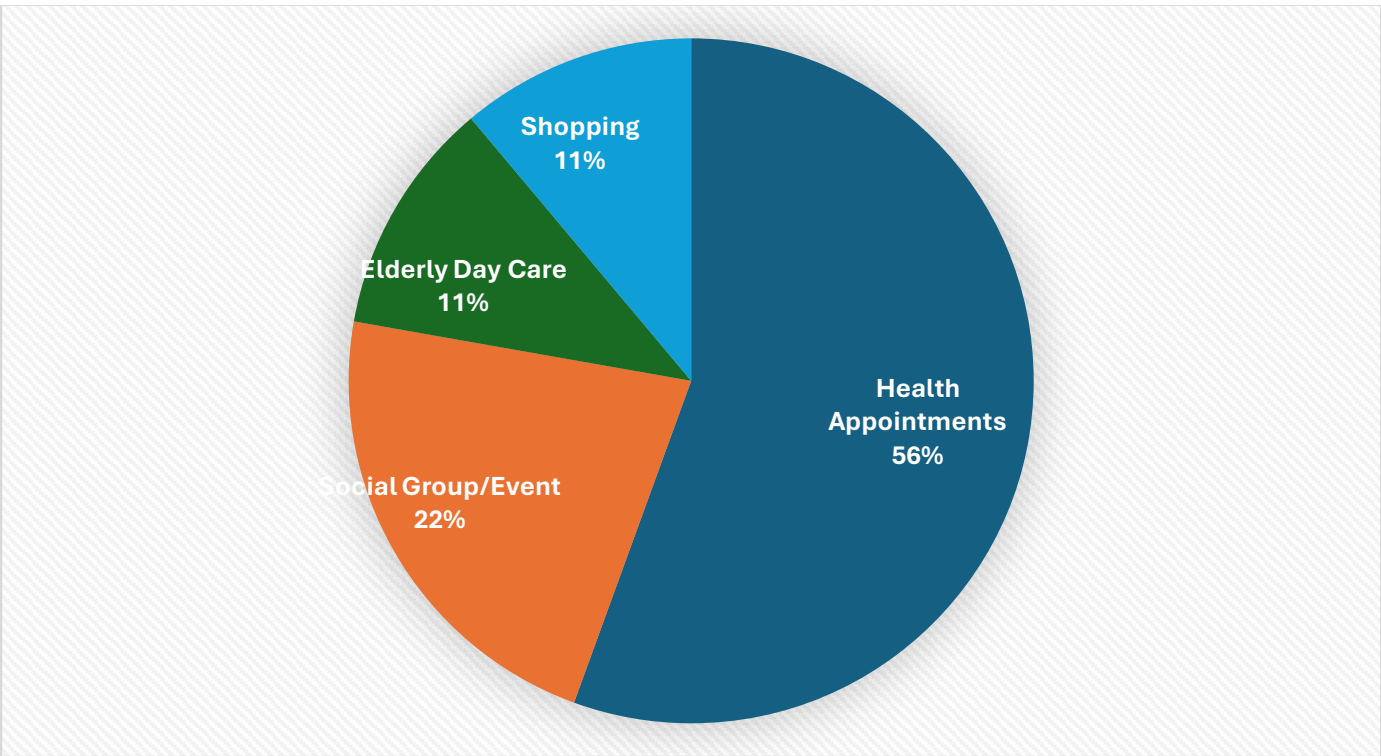


Figure 1: Primary trip purpose of community transport operators in the Otago Region.

One organization (11%) reported low demand, with Central Otago Friendship Network serving 2-4 regular users each week. This service specifically supported Friendship Network members attending events on a weekly to monthly basis.

4.3.2 Financial and Operational Challenges

Organizations identified multiple overlapping operational challenges (Figure 2). The most frequently cited challenge was volunteer capacity, mentioned by six organizations (67%). Organizations reported difficulties recruiting sufficient volunteers to meet service demand and maintain consistent service coverage. Two organizations specifically noted that staff members occasionally needed to fill volunteer gaps when drivers were unavailable.

Vehicle operating costs (particularly fuel) were identified as the largest operating expense for six organizations (67%). Volunteer reimbursement for fuel posed a financial challenge for two organizations, due to the use of volunteers own private vehicles. Vehicle fleet limitations were identified by four organizations (44%). Challenges included unsuitable vehicle types for elderly passengers (vehicle height preventing easy entry), lack of wheelchair accessibility, inability to afford organization-owned vehicles, and dependence on volunteers' personal vehicles. One organization noted they had switched from vans to cars for accessibility reasons, though the ideal vehicle would allow clients to stand upright.

Scheduling challenges affected three organizations (33%). Issues included difficulty matching volunteer availability to client appointment times, trips requested outside operating hours, and coordination complexities in the volunteer scheduling system. One organization noted that there are sometimes communication gaps when coordinating with volunteer drivers.

Two organizations (22%) cited declining patronage requiring increased advertising efforts to recruit both clients and volunteer drivers. Coordinator wages and van maintenance costs were noted by one organization as ongoing operational expenses.

One organization (Mosgiel RSA) reported no operational challenges, indicating their Friday-only model worked effectively for their membership base.

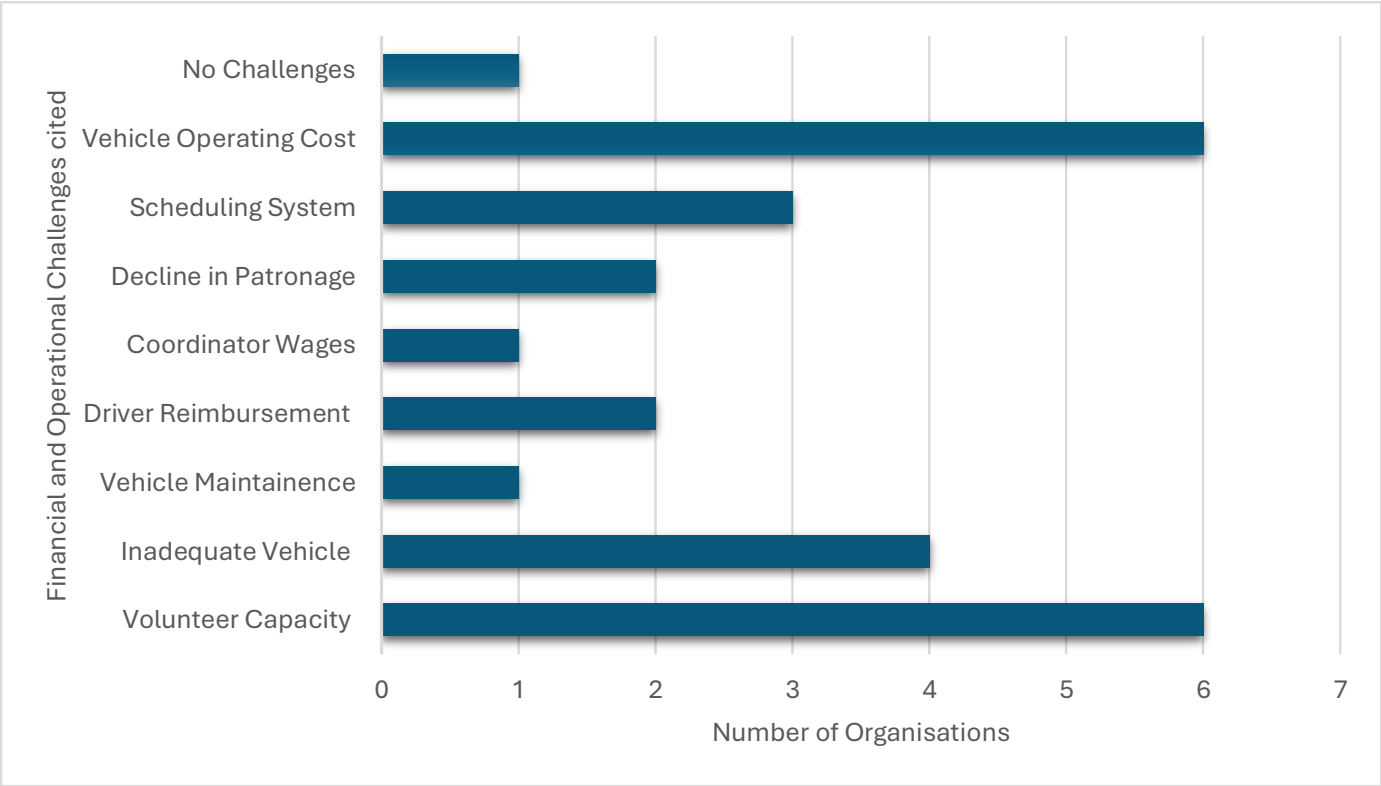


Figure 2: The frequency of reported financial and operational challenges across organisations providing community transport services in the Otago region.

4.3.3. Current Funding Models and Adequacy

Four organizations (44%) relied predominantly on grants ranging from 40-100% of total funding. Specific funders identified included Central Lakes Trust, Hugo Trust, Otago Community Trust, and District Health Board contracts. Three organizations (33%) utilized mixed funding models combining grants with client donations or fares. One organization operated through RSA membership fees, grants and donations. One organization received funding distributed from a national parent organization.

In terms of funding adequacy, one organization explicitly stated funding was "sufficient for now though always in need for more money," while another indicated funding was "always helpful" but not critical to ongoing operations. One organization specifically noted insufficient funding to reimburse volunteers for mileage or fuel costs. One organization (Cancer Society Dunedin) reimbursed drivers at 53 cents per kilometre travelled. One organization (Cromwell Community House) compensated volunteer drivers \$10 per trip when fuel reimbursement was required. One organization emphasized donation fees which were collected and distributed among volunteer drivers at the end of the month based on their trip volume, however some volunteers reportedly providing their service "out of kindness" without actively seeking reimbursement.

Two organizations provided completely free services. Four organizations operated donation-based systems, with suggested amounts ranging from \$5-\$15 depending on trip distance. PlusBus charged fixed fares of \$10-\$14 depending on client distance from the supermarket.

4.3.4 Support Requirements

Organizations conveyed specific support needs and preferences for assistance (Figure 3). Funding was the most frequently requested form of support, with seven organizations requesting capital and/or operational funding. Within these funding requests, three organizations requested funding for a community van, and three organizations requested funding for a wheelchair-accessible community van. Operational funding requests included support for fuel, maintenance, coordination expenses, and broader service delivery costs.

Advertisement and marketing support was requested by three organizations to recruit both clients and volunteer drivers. Organizations noted that service awareness remained low in some communities, limiting both client uptake and volunteer recruitment. One organization specifically suggested ORC involvement in awareness-raising initiatives to educate the community about available transport options.

Training, formal procedures, or regulatory frameworks were mentioned by two organizations. One organization specifically requested “plans and procedures for a volunteer driving service made available” to provide structured guidance for service operations. Another sought “a better framework which describes where Community Transport sits in legislation/the NZ Transport Space,” indicating uncertainty about regulatory positioning and compliance requirements. One organization suggested regulatory advice as a potential ORC support mechanism, though noted uncertainty about whether this fell within ORC’s jurisdiction, and sought clarity on licensing requirements, operational standards, and regulatory compliance for volunteer driver services.

Partnership support was mentioned by one organization, St John Southern, which sought partnerships with Health NZ and the broader community to enhance service coordination and awareness.

Two organizations stated they did not require additional support, with their current models functioning adequately for their service scope and client base.

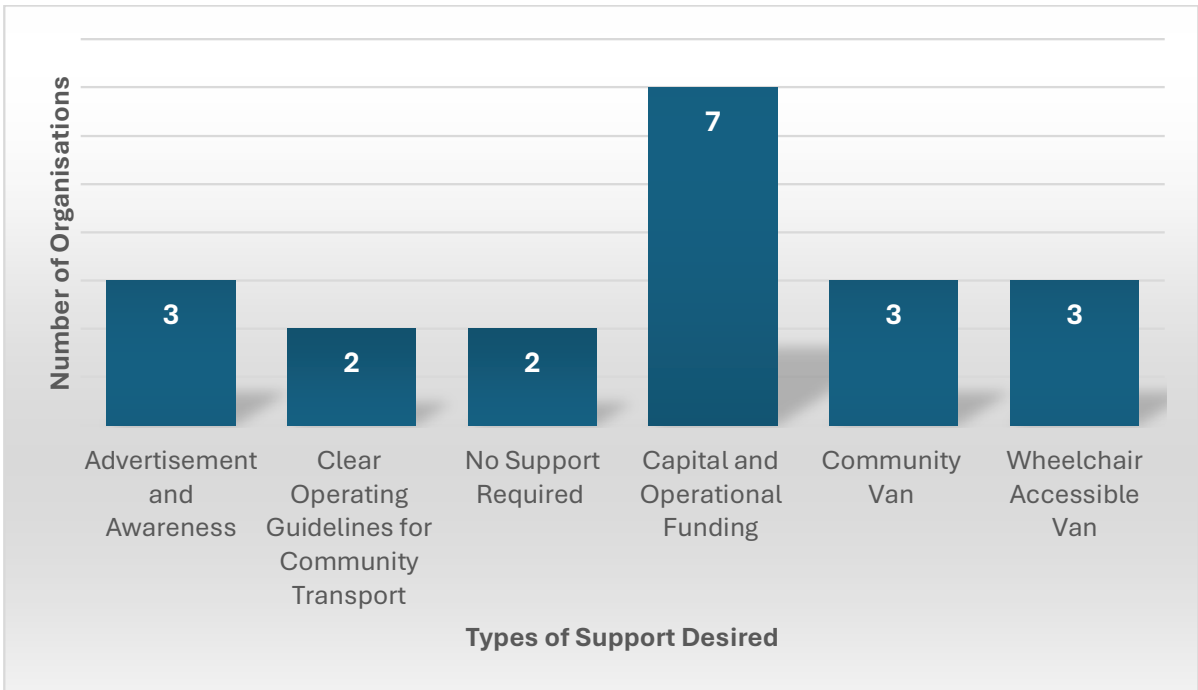


Figure 3: The types of support desired by organisations involved with community transport within the Otago Region.

4.3.5 Community Willingness for Rates Based Funding

Five organizations (56%) indicated this question was not applicable to their operations or did not provide a response. Among the four organizations that responded, one organization (11%) expressed support for rates-based funding, suggesting the service would benefit their demographic. Two organizations (22%) expressed uncertainty about community willingness and suggested ORC conduct direct community consultation to gauge support (Figure 4).

One organization (11%) stated the community would likely be reluctant to support rates-based funding, noting their current service functioned adequately without financial issues, suggesting no perceived need for additional public funding. One organization (11%) indicated the community would be unwilling due to the current economic climate and the limited number of people who would utilize the service, questioning whether broad-based rates funding would be equitable.

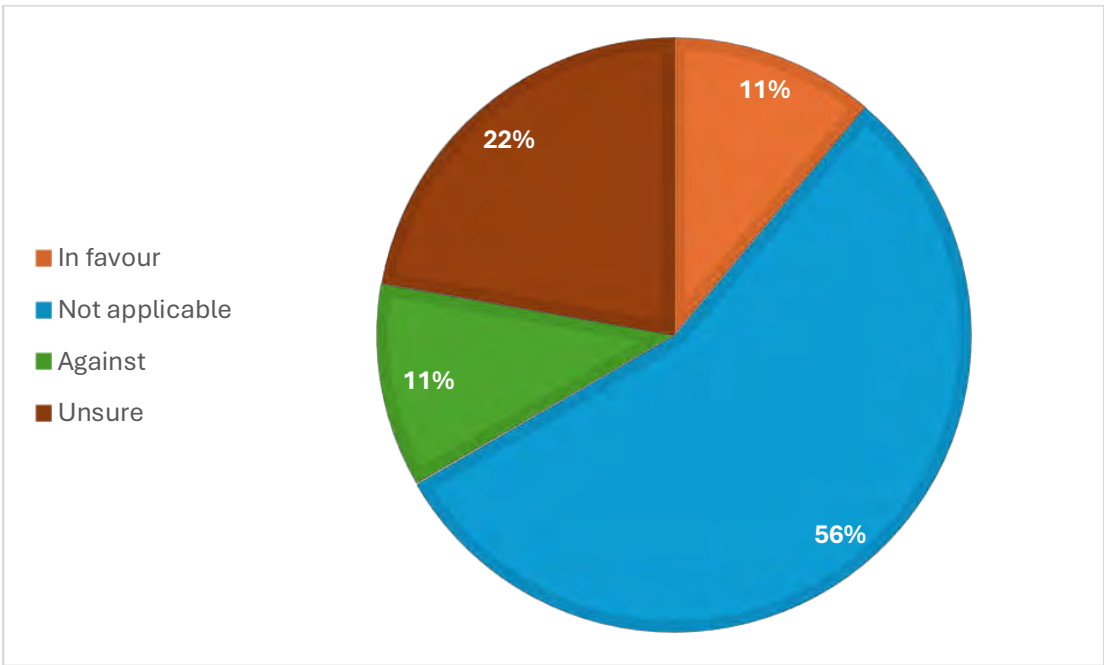


Figure 4: Visualised results from community transport operators when asked whether the community would support rates based funding for a community transport initiative.

4.3.6 Summary

The interview data revealed consistent patterns across operational challenges and support needs. Volunteer capacity emerged as the primary constraint affecting two-thirds of organizations, limiting service expansion despite demand. Vehicle infrastructure limitations

affected nearly half of organizations, in particular accessibility needs for elderly passengers and wheelchair users. Funding adequacy varied substantially, with some organizations operating comfortably on current resources while others identified a need for operational support.

The near-universal request for funding support (89% of organizations) highlights financial sustainability as a major concern, while the specific emphasis on vehicle infrastructure (56% requesting community vans) suggests that capital investment in appropriate vehicles could address multiple operational challenges simultaneously. The need for regulatory and procedural guidance indicates uncertainty about compliance requirements and operational standards for volunteer-based transport services.

Despite identified challenges, all organizations reported achieving their service goals. The prevalence of volunteer capacity limitations and vehicle access barriers indicates potential for service expansion if these constraints were addressed through targeted support mechanisms.

4.4 Conclusion of Results

This research identified 12 active community transport operators across the Otago region, distributed across five territorial authority areas with concentration in Dunedin City (42%) and Central Otago (25%). Twenty-four potential funding sources were identified at national, regional, and local levels, though most require charitable trust status and some impose geographic restrictions. Notably, 42% of operators rely on volunteers' personal vehicles rather than organizational vehicles.

Interviews with nine providers revealed volunteer capacity as the dominant operational constraint, affecting 67% of organizations. Vehicle infrastructure limitations affected 44% of operators, with particular emphasis on accessibility challenges for elderly passengers and wheelchair users. While all organizations reported achieving their service goals, 89% identified specific demand ranging from medium (56%) to high (33%), with one organisation reporting substantial growth including an 80% increase in demand since 2024.

Support requirements centred predominantly on funding (89% of organizations), with 56% specifically requesting community vans to address both volunteer recruitment barriers and

accessibility needs. Additional support requests included marketing assistance (33%), operational cost support (33%), and regulatory guidance (22%). Potential rates-based funding responses ranged from supportive to uncertain, with concerns about economic climate and service utilization equity.

Chapter 5

5. Key Insights for a Potential Community Transport Initiative in the Otago Region

5.1 Introduction

The research identified 12 active community transport operators across Otago, supported by 24 potential funding sources yet constrained by significant operational challenges. Through creating a registry of existing services and interviews with nine community transport providers, three key insights emerged that may inform ORC's future approach to community transport. These insights reflect the primary needs of community transport operators: financial sustainability, regulatory and procedural clarity, and public awareness. This chapter presents these insights as evidence-based observations that could inform potential ORC community transport initiatives.

5.2 Insight One: Financial Assistance for Operational and Capital Expenditure

The research revealed that financial assistance represents the most critical support requirement, with 89% of interviewed organizations requesting funding support. This near-universal need reflects the precarious nature of volunteer-based services operating without reliable funding streams. Currently, 44% of operators rely predominantly on competitive grants ranging from 40-100% of total funding, while 33% operate mixed models combining grants with unpredictable donation revenue. Vehicle operating costs, particularly fuel, were identified as the largest expense by 67% of organizations, with two organizations reporting insufficient funding to reimburse volunteers.

Financial assistance could address both immediate service sustainability and structural capacity barriers. Operational funding for fuel, maintenance, and coordination costs could enable consistent service provision. Cancer Society Dunedin's model of 53 cents per kilometre reimbursement demonstrates that volunteer compensation could enable reliable participation. Capital funding for vehicle acquisition could address accessibility barriers affecting nearly half of organizations. Wheelchair-accessible community vans or vehicles with appropriate entry heights for elderly passengers could simultaneously reduce volunteer vehicle dependence, improve accessibility, and attract new volunteers through reduced personal liability involved with using private vehicles.

However, there are challenges when considering financial assistance. Determining eligibility criteria, establishing allocation mechanisms, and preventing service duplication require careful consideration. The risk of creating funding dependency exists if operators become reliant on ORC support without developing diverse funding portfolios.

5.3 Insight Two: Clear guidance around rules and policies for Community Transport Providers

The research identified critical uncertainty regarding where community transport sits within New Zealand's transport legislative framework. Two organizations (22%) explicitly requested clarity on regulatory positioning, with one seeking "plans and procedures for a volunteer driving service made available" and another requesting "a better framework which describes where Community Transport sits in legislation/the NZ Transport Space." Inconsistent operational approaches highlight why clear guidance around rules and policy is important. While 78% of organizations conduct formal volunteer vetting, one organization reported no vetting for member-only drivers, indicating unclear understanding of safety responsibilities and compliance requirements. Only two organization operates under a Small Passenger Service License, raising questions about licensing requirements and regulatory obligations for community transport operators.

Community transport is highlighted as a priority in the ORC Otago Regional Public Transport Plan 2025-2035, yet the eligibility criteria and policies are still fairly vague. The diversity of operational models identified (from fully vetted volunteer services to informal member-only arrangements) suggests operators navigate this ambiguity independently, creating potential legal and liability risks. Organizations operating transport services for vulnerable populations

without clear understanding of licensing requirements, insurance obligations, or safety standards face exposure that could jeopardize service continuity. This regulatory uncertainty may also constrain service expansion, as risk-averse organizations hesitate to establish or expand services without confidence in their compliance status and legal protections.

5.4 Insight Three: Improving Public Awareness around Community Transport

The research revealed that lack of public awareness represents a fundamental barrier limiting community transport utilization. Three organizations (33%) requested marketing and advertising support, noting that "service awareness remained low in some communities, limiting both client uptake and volunteer recruitment." Current service promotion is fragmented, with each operator maintaining individual promotion efforts resulting in inconsistent public awareness. While 12 operators exist across Otago, their service coverage remains unclear to potential users. The diversity of service purposes (medical transport (44%), shopping (22%), social connection (11%)) complicates matching passengers with appropriate providers without a centralized online directory clarifying each operator's coverage, eligibility, and service type.

A centralized online directory could address awareness of community transport services while maintaining operator autonomy. Environment Canterbury's Community Vehicle Trust website consolidating information about community transport options by region, service type, and eligibility criteria. This creates a single access point for public information, reducing search costs for potential passengers and referral partners such as healthcare providers and social workers. This could also promote smaller operators lacking individual marketing capacity and support volunteer recruitment by creating centralized directory for volunteer vacancies, potentially addressing the volunteer capacity constraint affecting 67% of organizations.

Implementing an online directory involves challenges requiring consideration. Keeping up-to-date information depends on operators actively updating service details as outdated contact information or discontinued services could undermine the websites' credibility. Prominent inclusion on a regional directory may create public expectation that ORC provides or funds these services, necessitating clear communication about the directory's informational rather than operational nature. The directory approach could enable greater information access while

maintaining appropriate boundaries between ORC's potential enabling role and operators' own autonomy with service delivery.

5.5 Summary of Key Insights

The three insights (financial assistance for operational and capital needs, regulatory clarity within the transport legislative framework, and centralized information sharing) have been identified directly from the analysis of Otago's community transport landscape and provider interviews. These insights reflect the primary barriers currently limiting service sustainability and expansion: financial constraints, regulatory uncertainty, and public awareness gaps. However, these insights do not constitute comprehensive solutions to all community transport challenges, nor do they represent prescriptive recommendations for ORC action. How ORC might respond to these insights remains to be determined through broader stakeholder consultation and organizational decision-making processes beyond the scope of this research.

Chapter 6

6. Conclusion

This research set out to investigate the community transport landscape in Otago in order to provide evidence-based insights to inform the Otago Regional Council's consideration of how it might support this sector. Using a mixed-methods approach combining systematic online research and semi-structured interviews with nine community transport providers, the study addressed two research questions: what community transport operators and funding sources currently exist in Otago, and what challenges and support requirements do providers face.

6.1 Summary of Findings

The research identified 12 active community transport operators distributed across five territorial authority areas in Otago, with the highest concentration in Dunedin City (42%) and Central Otago (25%). These operators represent a diverse range of organisational models, from community houses and health organisations to social service agencies and membership-based groups, serving predominantly elderly and transport-disadvantaged populations. A notable characteristic of the sector is its reliance on volunteer labour, with 42% of operators dependent on volunteers using their own personal vehicles rather than organisation-owned fleet.

Twenty-four potential funding sources were identified at national, regional, and local levels. However, the majority (79%) require applicant organisations to be incorporated as charitable trusts or not-for-profit entities, and several national gaming-based funders impose geographic restrictions that limit accessibility for rural operators. While a range of funding types exists, from operational support through the Community Organisation Grants Scheme (COGS) to vehicle capital funding, the funding landscape is fragmented and inconsistently accessible across the region.

Interviews with nine providers revealed that community transport in Otago is characterised by dedication and resourcefulness, but is constrained by persistent structural challenges. Volunteer

capacity limitations affected two-thirds of organisations, representing the most frequently cited challenge across the sector. Vehicle infrastructure limitations affected 44% of operators, with particular emphasis on the need for accessible vehicles suitable for elderly passengers and wheelchair users. Financial sustainability concerns were near-universal, with 89% of organisations identifying funding as a key support requirement, spanning both operational costs such as fuel and coordination, and capital investment in appropriate vehicles.

Beyond funding, providers identified a need for regulatory clarity around where community transport sits within New Zealand's transport legislative framework, and for greater public awareness of the services that exist. These themes aligned closely with the three key insights developed in Chapter 5: the need for financial assistance for both operational and capital expenditure; clearer guidance on rules, policies, and compliance obligations for community transport providers; and improvements to public information and service visibility.

6.2 Contributions of the Research

This research makes a practical contribution by providing ORC with a structured baseline understanding of the community transport sector in Otago, one that did not previously exist in a consolidated form. The operator registry, funding source catalogue, and interview-derived evidence together constitute a foundation for more informed strategic decision-making about if, and how, ORC might support community transport across the region.

The findings also reinforce the relevance of community transport as a policy issue for Otago. The demand trajectories reported by several operators, including an 80% increase in trips at Cromwell Community House since 2024 and significant passenger growth at Community Link Upper Clutha, suggest that the current landscape of volunteer-run, under-resourced services is under increasing pressure at a time when the need for accessible transport is growing, particularly for ageing rural communities. This evidence base strengthens the case for ORC engagement with the sector as articulated in the Otago Regional Public Transport Plan 2025 - 2035.

6.3 Limitations

The sample of nine interview participants, while representing diverse service models across the region, may not fully capture the range of experiences of all community transport providers, particularly smaller or informal services not identified through the online search process. Self-reported data from interviews may reflect organisational priorities or awareness of potential

funding opportunities, and the cross-sectional nature of the data does not capture seasonal or temporal variation in service delivery.

As a student summer research project, this work was necessarily scoped and time-bound. Deeper investigation into specific topics, such as the regulatory framework for community transport in New Zealand, comparative analysis of council support models, or detailed financial modelling of potential ORC interventions, would require further research. This report should therefore be understood as an initial evidence base to inform further decision-making, rather than a comprehensive policy analysis.

6.4 Closing Remarks

Community transport in Otago operates largely out of public view, sustained by the commitment of volunteers and the resourcefulness of small community organisations. The people driving these services, sometimes literally using their own cars, are filling a gap that no other part of the transport system addresses. The evidence gathered in this research makes clear that demand is real, growing, and unmet in many parts of the region.

Whether and how ORC chooses to engage with this sector is ultimately a matter for the Council and its broader stakeholder community to determine. What this research offers is a clearer picture of who is doing what, what they need, and where the barriers lie. It is hoped that this evidence base will support thoughtful, informed decision-making that benefits the transport-disadvantaged communities of Otago for years to come.

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Appendix

Appendix A: Themes Covered in Interviews

Table 4: List of questions that community transport operators were asked in semi-structured, over the phone interviews.

1. Why/how is your organisation involved in community transport?
2. How is your service currently structured and managed on a daily basis?
3. Do you vet your drivers? If so, how?
4. What kind of demand have you seen for your transport service?
5. Are you achieving what you set out to achieve for the community?
6. What are the main financial or operational challenges you face in running the service?
7. How do you currently fund your operations (e.g., grants, donations, philanthropy)? If possible, are you able to share who your funders are? Is this sufficient?
8. Are there any limitations in your vehicle fleet, scheduling system, or volunteer capacity?
9. What kinds of support (e.g., training, funding, partnerships) would help you operate more effectively?
10. How could ORC best support your service more generally (e.g., funding, marketing, regulatory advice, technology)?
11. How would you rate the willingness of the community to contribute through rates?

10.8. Regional Software Holdings Limited Statement of Intent 2026-27

Prepared for: Council
Report No. FIN2606
Activity: Finance
Author: Nick Donnelly (General Manager Finance)
Endorsed by: Richard Saunders (Chief Executive)
Date: 25 March 2026
Portfolio Leads: Cr Malcolm and Cr Gardner, Finance

PURPOSE

- [1] To receive Regional Software Holdings Limited’s Draft Statement of Intent for 2026-27 and Half Yearly Report for the period ended 31 December 2025.

EXECUTIVE SUMMARY

- [2] Regional Software Holdings Limited (RSHL) has delivered its draft Statement of Intent 2026-27 (SOI) which sets out the company’s objectives, the nature and scope of its activities, performance targets and financial forecasts for the next three financial years.
- [3] The attached cover letter to the SOI notes the following key points:
- Services provided by RSHL include the flagship IRIS NextGen Programme, hosting of Te Uru Kahika and other support services to the regional sector including public transport, emissions modelling and well / bore data.
 - The board has been considering how RSHL should respond to Local Government reform and is proposing to reposition over time to support wider local government through the delivery of national and inter-regional shared services
 - The board is seeking shareholder feedback on a revised purpose and objectives.
- [4] The revised purpose and objectives are:
- Our Purpose
- To provide high-quality shared services for local government (and associated agencies) at a national scale to deliver value to shareholders customers and their communities.
- Primary objectives
- Ensure the local government sector is better prepared to respond to current and future challenges.
 - Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
-

- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- Improve key staff attraction and retention.

[5] The budget contained in the draft SOI is separated into six activities:

- IRIS Next Generation
- IRIS Classic
- Shared Services
- Te Uru Kahika Support Services
- Public Transport Ticketing Programme
- Corporate

[6] All programmes operate on a cost-recovery basis and the SOI provides details of the fee allocations applied to Council's participating in the various programmes. The SOI budget for 2026-27 shows a cash surplus / deficit of zero (deficit of \$301,795 less amortisation of \$301,795, see page 24).

[7] RSHL is requesting feedback from Council on the draft SOI by 1 May 2026.

[8] RSHL has also delivered its Half Yearly Report for the period ended 31 December 2025 which is also attached. This shows RSHL has made steady progress in a challenging environment for the sector. Operating expenditure is slightly less than budget due to timing variances across multiple projects and these variances are expected to reduce over the remainder of the year.

RECOMMENDATION

That the Council:

- 1) **Notes** this report and the attached draft Statement of Intent 2026-27 and the Half Yearly Report for the period ended 31 December 2025.
- 2) **Provides** feedback, if any, on the Statement of Intent 2026-27.

BACKGROUND

[9] Otago Regional Council became a shareholder of RSHL in August 2023.

[10] The purpose of RSHL is to provide high-quality services for The Regional Sector (and associated agencies) that delivers value to shareholders, customers and the sector.

[11] RSHL enables the regional sector and councils to act collaboratively and deliver solutions that would otherwise be unaffordable or unachievable.

DISCUSSION

- [12] RSHL delivered the draft SOI and Half Yearly Report on 27 February 2026. Council has the opportunity to provide feedback on the SOI prior to 1 May 2026.
- [13] The board has been considering how RSHL should respond to Local Government reform and is proposing to reposition over time to support wider local government through the delivery of national and inter-regional shared services. As a result, the board is specifically seeking shareholder feedback on a revised purpose and objectives.
- [14] The revised purpose and objectives are:
- Our Purpose
- To provide high-quality shared services for local government (and associated agencies) at a national scale to deliver value to shareholders customers and their communities.
- Primary objectives
- Ensure the local government sector is better prepared to respond to current and future challenges.
 - Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
 - Achieve consistent good practise process across the sector and within councils.
- Supporting objectives
- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
 - Improve key staff attraction and retention.
- [15] The above differs from the previous purpose and objectives as the purpose references local government (previously “the regional sector”) and communities (previously “the sector”). The objectives remain unchanged.
- [16] If Council wishes to provide specific feedback on this or any other matters in the SOI this will be passed onto RSHL for their consideration in the final SOI for 2026-27 which is due for completion by 30 June 2026.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [17] There are no strategic framework or policy considerations.

Financial Considerations

- [18] Council’s cost of participating in the work programmes reflected in the SOI have been included in the Annual Plan 2026-27.

Significance and Engagement

- [19] There are no significance and engagement considerations.

Legislative and Risk Considerations

- [20] Otago Regional Council has a 10% shareholding in RSHL Control Shares. RSHL is a Council Controlled Organisation (CCO) owned by 10 Councils.
- [21] Section 64 of the Local Government Act 2002 requires CCO's to prepare and adopt a statement of intent. Part 1 of Schedule 8 requires a draft to be sent to shareholders by 1 March, comments considered up to 1 May and the SOI finalised and delivered to shareholders by 30 June.
- [22] Section 66 of the Local Government Act 2002 requires CCO's to send a half year report to shareholders within 2 months of the first half of each financial year.
- [23] Section 67 of the Local Government Act 2002 requires CCO's to send an annual report to shareholders by 30 September each year.
- [24] There are no material risks related to this report.

Climate Change Considerations

- [25] There are no climate change considerations.

Communications Considerations

- [26] Once received, the final version of the Statement of Intent 2026-27 will be published on Council's website.

NEXT STEPS

- [27] Any feedback from Council on the draft SOI will be provided to RSHL, and the final version of the Statement of Intent 2026-27 will be published on Council's website once received.

ATTACHMENTS

1. Covering Letter for RSHL Draft SOI 2026-27 [**10.8.1** - 4 pages]
2. RSHL DRAFT Statement of Intent 2026-27 [**10.8.2** - 38 pages]
3. RSHL Interim Report to December 31 2025 [**10.8.3** - 44 pages]



Council
Collaboration
Into Action

—

27 February 2026

Tēnā koutou,

RE: RSHL Draft 2026-2027 Statement of Intent

The Board of Regional Software Holdings Limited (RSHL) is pleased to present its draft 2026-2027 Statement of Intent.

We invite and welcome feedback on this draft before 1 May 2026.

This draft statement of intent shows the depth and breadth of services that RSHL is providing. This includes our flagship IRIS NextGen Programme focussed on regulatory solutions, and our hosting agreement with Te Uru Kahika. Alongside those cornerstone programmes we deliver services in many other domains, including public transport, emissions modelling, Well & Bore data and others.

These collaborations bring councils together to do more than they could alone, enabling them to share knowledge and develop good practice process. This is the heart of RSHL's purpose.

The board has been considering how RSHL should respond to Local Government reform proposals. Delivering value to our customers is our primary focus and having an eye to the future is an important element of that.

With the support of our shareholders, we are proposing to over time reposition RSHL to support local government through the delivery of national and inter-regional shared services. RSHL already provides shared services nationally for the regional sector, and given the changing structure of local government, we see it as a logical transition to look for opportunities across wider local government. We are

Document ID:RSHL-1877002180-4155

—
Into
action.

hopeful that our shareholders will share our view that this purpose delivers value, whatever the final shape of local government.

If this proposal is supported, shareholders can expect to see RSHL repositioning itself, including updating our name, and seeking new customers and new opportunities. This process will take time, as the reforms work their way through the sector, but it will not come at a loss of focus on the current priorities and needs of our existing shareholders.

The board are seeking shareholder feedback on a revised purpose and objectives as follows:

Our Purpose

To provide high-quality shared services for local government (and associated agencies) at a national scale to deliver value to shareholders customers and their communities.

Primary objectives

- Ensure the local government sector is better prepared to respond to current and future challenges.
- Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- Improve key staff attraction and retention.

Board Composition

The Board is made up of up to six council directors and up to three independent directors. The council directors are senior staff from shareholding councils, but do not represent their councils in their duties as a board member.

Each year two directors retire by rotation and the shareholders appoint replacements at the Annual General Meeting, which is to be held before 30 December each year.

With the support of shareholders and in response to the increase in scale of the organisation and the complexity of the operating environment Bruce Robertson

Document ID:RSHL-1877002180-16796

has been appointed as Independent Chair. This change was signalled in the 2025/2026 Statement of Intent.

In addition to an independent chair, the Board recommends that an additional Independent Director be appointed for the 2026/2027 financial year and forward.

The proposed budget for 2026/2027 and onwards reflects these recommended changes.

Budget Structure

The budget contained in the draft Statement of Intent is separated into five activities.

Activity	Description
IRIS Next Generation	The IRIS NextGeneration Programme is underpinned by the IRIS NextGen Partnership Agreement and funded by the ten participating Councils. Non-participating councils make no contribution to this programme and bear no delivery or residual risk in the project.
IRIS Classic	IRIS Classic is our longest running programme. The programme is funded by the seven councils that use IRIS. The draft budget was approved by the IRIS Advisory Group. Non-participating councils make no contribution to this programme and bear no delivery or residual risk in the project.
Shared Services	RSHL operates shared services and solutions for groups of councils. RSHL works with councils to develop and implement solutions. In this financial year RSHL will operate a range of services including WellsNZ, and the Data Emissions Platform. RSHL is constantly evaluating new opportunities to deliver more value through shared services and solutions.
Te Uru Kahika Support Services	Te Uru Kahika Support Services is the arrangement under which RSHL hosts Te Uru Kahika. The activity is underpinned by a Memorandum of Understanding between RSHL and the Regional Chief Executive Officers (RCEOs) Group. The work programmes are funded by the sixteen participating councils, as well as government entities. The draft budget reflected in the Statement of Intent was developed by the Te Uru Kahika Virtual Office and endorsed by the RCEOs Group.

Document ID:RSHL-1877002180-16796

Activity	Description
Public Ticketing Transport Programme (PTTP)	The budget and work programme for PTTP is set by the Transport Ticketing Governance Group on behalf of the participating councils.
Corporate	Costs and income that cannot be directly attributed to a work programme are represented in the corporate activity. Costs in this activity are those generally associated with the governance, management, and operation of the company. A share of overhead costs is allocated to each of the other activities based on proportion of revenue.

The draft budget represents a starting point for discussion with councils. We fully recognise the cost pressures that the sector is experiencing and welcome feedback.

Financially, RSHL remains in a sound position. All programmes operate on a cost-recovery basis with small annual surplus or deficit.

Thank you for your continued support of RSHL and our work. We look forward to receiving your feedback before 1 May 2026.

We extend an offer to present this draft Statement of Intent to a council meeting when appropriate. Please contact us if that would be beneficial.

Nāku noa nā



Bruce Robertson
Chairperson



Tauākī Whakamaunga
Atu |
Statement of Intent
(Draft)
2026-2027



Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Document ID : RSHL-1877002180-16790

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



1. Kupu Takamua | Foreword

Regional Software Holdings Limited (RSHL) is pleased to present its 2026-27 draft Statement of Intent.

RSHL enables councils to act collaboratively and deliver solutions that, in the normal course of events, would be unaffordable or unachievable.

This draft statement of intent shows the depth and breadth of services that RSHL is providing. This includes our flagship IRIS NextGen Programme focussed on regulatory systems and processes, and our support services agreement with Te Uru Kahika. Alongside those cornerstone programmes we deliver services in many other domains, including transport, emissions modelling, wells & bores and others.

RSHL has delivered significant operational and financial benefits to the regional sector. Shareholders can be confident in our continued commitment to deliver these benefits and increase our delivery of customer value over time.

RSHL is of course aware of proposals that would fundamentally change local government in New Zealand. While delivering value to our customers is our primary focus, we must also have an eye to the future. With the support of our shareholders, it is our intention to position RSHL to support local government through the delivery of national and intra-regional shared services. We believe this to be a critical service that we can provide to local government, consistent with our purpose. We are hopeful that our shareholders will share our view that this purpose transcends the final shape of local government.

Through the Statement of Intent process, we invite and welcome shareholders feedback on our signalled intent to reposition RSHL, and indeed on all aspects of this document.

Should this repositioning be supported by shareholders, our purpose and objectives would be as follows:

Purpose

To provide high-quality shared services for Local Government (and associated agencies) at a national scale to deliver value to shareholders, customers, and their communities.

Objectives

Primary objectives

- Ensure the local government sector is better prepared to respond to current and future challenges.
- Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- Improve key staff attraction and retention.

In the short term our primary focus is the successful implementation of IRIS NextGen in participating councils and supporting the sector to navigate resource management reform.

Alongside IRIS NextGen we are constantly seeking to improve the value of the services we provide and looking for new ways to contribute to the sector.

The challenges and opportunities presented to local government are many. The best outcomes for our communities and country will be achieved if we work together. RSHL looks forward to playing a part in the creation of our shared future.

Nāku noa nā

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Bruce Robertson

Board Chair

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Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent

3. Kupu Whakataki | Introduction

This draft Statement of Intent is a declaration of the activities and intentions of Regional Software Holdings Limited (RSHL). The statement outlines the Directors' accountabilities to the shareholders for corporate performance, as is intended by Schedule 8 of the Local Government Act 2002.

Subsidiaries

RSHL has no subsidiaries or joint ventures.

Purpose

To provide high-quality shared services for Local Government (and associated agencies) at a national scale to deliver value to customers, shareholders and their communities.

Objectives

Primary objectives

- Ensure the local government sector is better prepared to respond to current and future challenges.
- Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- Improve key staff attraction and retention.

Values

In all RSHL decisions and interactions the Board and staff, together with sector participants who may be working within the RSHL framework, will observe the following values and ethos:

- We are forward thinking and innovative.
- We are focussed on delivering value.
- We are professional and accountable.
- We are flexible and open.

Environmental and Sustainability Ethics

As part of the local government sector, we are fully cognisant of the realities of climate change. We are committed to reducing our environmental impact and promoting sustainability in all our operations. We will continue to look for ways to reduce our carbon footprint, conserve natural resources, and minimise our environmental impact.



4. Te Āhua me te Hōkaitanga o ngā Mahi ka Whakahaeretia | Nature and Scope of Activities to be Undertaken

RSHL provides a framework for collaboration in local government, supporting and delivering shared services on a national scale.

We develop and support shared solutions that drive greater consistency and efficiency to reduce cost. RSHL provides a more cost-effective alternative than individual councils can achieve on their own.

The company operates by facilitating collaborative initiatives between councils and through managed contractual arrangements.

RSHL activities are grouped as follows:

Activity	Description
IRIS Next Generation Programme	Ten councils are working with RSHL and Datacom on the delivery of the IRIS NextGen Programme, under a formal partnership agreement. The goal of the IRIS NextGen Programme is to delivery game-changing productivity improvements to the regional sector through sector alignment around good practice process, supported by fit for purpose software. IRIS Next Generation (IRIS NextGen) will be a cloud-based Software as a Service solution (SaaS) based on the Datacom Datascape platform. IRIS NextGen will deliver a modern software platform to councils, including an online customer portal and a mobile field application. Along with the software solution, the programme will implement consistent “good practice” processes for the sector, IRIS NextGen will: • Make council staff work easier. • Promote operational excellence and efficiency. • Demonstrate collaboration at a sector level. • Ensure the development of the technical solution is fit for purpose. Over the next two years the IRIS NextGen Programme will commence rollout to the councils, starting with implementation at the pilot council in 2026. <i>Performance</i> When assessing the performance of the IRIS NextGen Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on predictability, delivery and consistency. Performance against budget, delivery against milestones, and customer feedback are used to assess performance.

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Activity	Description										
Te Uru Kahika Support Services	Te Uru Kahika Is the collective name for the 16 Regional Councils and Unitary Authorities in New Zealand. Through Te Uru Kahika, the regional sector: • Shares knowledge and resources between councils, • Coordinates input into national direction setting, • Works together to more effectively implement central government policy and respond to nationally significant events. The Virtual Office of Te Uru Kahika is made up of a team who coordinate the activity of cross-functional groups from different councils. RSHL provides support services that enable Te Uru Kahika to achieve its objectives. Te Uru Kahika organises its activities into Work Programmes. RSHL collects funding from councils for each of these programmes in a coordinated way, contracts service providers to assist with the delivery of the programmes, pays provider and reports on the use of the funding. The services that RSHL provides to Te Uru Kahika are defined in a Memorandum of Agreement. When assessing RSHL’s performance for this activity, the focus is different for each service. The performance measures are defined in the MoA. These services are: <table><tr><td>Financial/Operations Management</td><td>These are foundational services, the focus is on compliance with policy, alignment with good practice.</td></tr><tr><td>Operation of shared services/solutions.</td><td>The focus is on achieving the intended outcome of the shared service, while effectively managing staff and finances.</td></tr><tr><td>Employment of Staff</td><td>The focus is on providing a working environment where staff are supported, motivated and safe.</td></tr><tr><td>Programme Management</td><td>The focus is on delivering high quality, skilled and trusted programme management, so that Te Uru Kahika maximises the benefits of investment into shared programmes.</td></tr><tr><td>Management Services (As requested)</td><td>The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.</td></tr></table>	Financial/Operations Management	These are foundational services, the focus is on compliance with policy, alignment with good practice.	Operation of shared services/solutions.	The focus is on achieving the intended outcome of the shared service, while effectively managing staff and finances.	Employment of Staff	The focus is on providing a working environment where staff are supported, motivated and safe.	Programme Management	The focus is on delivering high quality, skilled and trusted programme management, so that Te Uru Kahika maximises the benefits of investment into shared programmes.	Management Services (As requested)	The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.
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Management Services (As requested)	The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.										

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Shared Services	RSHL operates shared services and solutions for councils. These services involve the engagement of a vendor to deliver a solution to a group of councils. RSHL leads councils through a process to define their shared objectives. RSHL then works with councils and vendors to implement a solution. RSHL is constantly evaluating new opportunities to deliver more value to the regional sector through shared services and solutions. Current Shared Services WellsNZ Service Description: Regional and Unitary Councils collect and manage large amounts of data on wells, geothermal bores and galleries. This data is essential for planning, consenting, compliance and science processes. It is also a valuable resource for well owners, drilling companies and consultants. Through the WellsNZ website, Te Uru Kahika presents data on location, construction, geology and more. Participating Organisations: Auckland Council, Waikato Regional Council, Environment Canterbury, Otago Regional Council, Bay of Plenty Regional Council, Greater Wellington Regional Council, Marlborough District Council. Objectives: • To make data about Wells and Bores more easily available to all stakeholders. • To develop and apply consistent standards for the recording of data about wells and bores. Link: https://wellsnz.teurukahika.nz/ Data Emissions Platform Service Description: The solution provided is a web-based data analytics platform to support historical, current and future community greenhouse gas emissions reporting based on the GPC methodology and identification of decarbonisation pathways. Participating Organisations: • Northland Regional Council - o Whangarei City Council - o Far North District Council • Auckland Council • Waikato Regional Council - o Hamilton City Council • Bay of Plenty Regional Council - o Tauranga City Council - o Western Bay of Plenty District Council - o Whakatane District Council - o Rotorua Lakes Council • Gisborne District Council • Hawkes Bay Regional Council • Nelson City Council • Tasman District Council • Environment Canterbury - o Selwyn District - o Waimakariri District - o Ashburton District Council - o Christchurch City Council - o Hurunui District Council - o Mackenzie District Council - o Timaru District Council

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Activity	Description
	- o Waimate District Council - o Waitaki District Council - o Kaikōura District Council • Kapiti Coast District Council • Ministry for the Environment Objectives: To enable a consistent and cost-effective approach for local government to understand and report on local emissions profiles and projections, to support evidenced-based decisions on emissions reduction priorities and actions using a standardised platform. N-Cap Service Description: The N-Cap solution allows farmers and their representatives to record their synthetic nitrogen use via an online portal, OR alternatively to submit the required records through their fertiliser company. Participating Organisations: All Regional Sector Councils. Objectives: • To provide farmers with a pathway to meet their obligation to record synthetic nitrogen use under regulations that came into force in 2022. • To provide regional councils with the tools they need to meet their regulatory responsibilities. • To ensure national consistency on the rollout of the N-Cap Regulations. Link: https://n-cap.teurukahika.govt.nz Retrolens Service Description: Retrolens allows public access to historical aerial photography of New Zealand. Participating Organisations: Retrolens is overseen by The Local Government Geospatial Alliance (LGGA) which includes representatives from all Regional Sector Councils, and a number of local authorities. Objectives: To inform and educate the public on historical changes to the landscape in New Zealand. Link: https://retrolens.co.nz/

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Activity	Description
Public Transport Ticketing Programme	This team is responsible for operation of the Regional Integrated Ticketing System (Bee Card) in use at 11 councils. The participating councils are: • Invercargill City Council • Otago Regional Council • Nelson City Council • Taranaki Regional Council • Horizons Regional Council • Hawkes Bay Regional Council • Bay of Plenty Regional Council • Waikato Regional Council • Northland Regional Council • Gisborne District Council. The focus of that activity is on ensuring system and vendor performance is maintained during the transition to NTS, and that councils can transition seamlessly. The team is also coordinating the rollout of the National Ticketing System (Motu Move) to these 10 councils by 2028. The focus of that activity is ensuring participating Councils are adequately represented and that the solution provided matches expectations. <i>Performance</i> When assessing the performance of both these workstreams, we consider whether RSHL has appropriately managed the programmes. This includes budgets, vendor management (for Bee Card), communications with councils and broader stakeholder engagement.
IRIS Programme	The IRIS Programme delivers the IRIS software platform to shareholder and customer councils. The IRIS software has been in use for 10 years and is currently in use at 7 councils. The 7 councils actively collaborate on the use of IRIS and the future development roadmap. The IRIS Programme is overseen by the IRIS Advisory Group. This group agrees the roadmap and sets the budgets for the programme. RSHL and the member councils will replace the IRIS software platform via IRIS NextGen by the end of 2028. This means that the programme is now in the sunset phase. Expenditure is kept to a minimum to allow councils and staff to focus on IRIS NextGen. <i>Performance</i> When assessing the performance of the IRIS Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on value, predictability, and delivery. Performance against budget and delivery of releases are used to assess performance.

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5. Ngā Tūpono Āheinga hei Whanaketanga | Possible Opportunities for Growth

RSHL constantly seeks to increase the value delivered to shareholders, councils and the regional sector.

New opportunities will be identified, and priorities set in the Business Plan. Other opportunities may arise and be investigated on a case-by-case basis. New activities will require explicit Board approval.

The primary market for RSHL to offer products and services is New Zealand regional councils and unitary Authorities. The secondary market is the wider local government sector.

6. Te Huarahi Whāinga a te Poari ki te Mana Whakahaere | Board's Approach to Governance

The Board is the overall body responsible for all decision-making within the company. The Board is accountable to its shareholders for the financial and non-financial performance of the company.

Directors' behaviour is to comply with Institute of Directors' standards for Code of Conduct. The purpose of the code is to clarify how the Board of Directors shall define and deal with:

- The role and fundamental obligations of the Board,
- Independence and conflict of interest, including conflict with management,
- Board procedures, including the role of the Chairman and interaction with the Chief Executive,
- Reliance on information and independent advice,
- Confidentiality of company information,
- Board and Director performance review and development.

RSHL will conduct itself in accordance with its Constitution, its annual Statement of Intent agreed with shareholders, the provisions of the Local Government Act 2002 and the Companies Act 1993.

Members of the RSHL Board of Directors are appointed by the shareholders according to the company constitution.

Board Composition

The board is made up of up to 6 council directors and up to 3 independent directors. The council directors are senior staff from shareholding councils, but do not represent their councils in their duties as a board member.

Each year 2 directors retire by rotation and the shareholders appoint replacements at the Annual General Meeting, which is to be held before 30 December each year.

With the support of shareholders, in response to the increase in scale of the organisation and the complexity of the operating environment the board has appointed Bruce Robertson as Independent Chair. This change was signalled in the FY26 Statement of Intent.

In addition, the Board recommends that an additional Independent Director be appointed for the 2027 financial year.

The budget for FY2027 and onwards reflects these proposed changes.

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7. Ngā Poutohutohu | Directors

The following directors are in office on 1 July 2026

Director	Council
Asbjorn Aakjaer	Independent
Janine Becker	Waikato Regional Council
Bruce Robertson	Independent (Chair)
Michael Nield	Taranaki Regional Council
Ged Shirley	Horizons Regional Council
Mat Taylor	Bay of Plenty Regional Council
Patrick Ng	Southland Regional Council

Interest Register

All directors listed their interests in the register on being appointed to the company and interest are reviewed at each board meeting. The following interests are registered:

Director	Organisation	Interest
Janine Becker	Waikato Regional Council	Director, Customer & Corporate Services of RSHL Shareholding Council
Mike Nield	Taranaki Regional Council	Director, Corporate Services of RSHL Shareholding Council
	Taranaki Stadium Trust	Trustee
Ged Shirley	Horizons Regional Council	General Manager, Regional Services & Information of RSHL Shareholding Council
Asbjorn Aakjaer	Negotiate Limited	Director & Shareholder
	Aakjaer Trustee Company	Director & Shareholder
	Ice Bear Holdings Limited	Director & Shareholder
	EMD Advantage Limited (Infor Channel partner)	Independent Chairperson
	Waikato Regional Council	Negotiate Limited provides post implementation support to the WRC Finance Team.
	Healthcare Logistics (a division of EBOS Group Limited)	Employed to deliver Supply Chain transformation.

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Bruce Robertson	R B Robertson Limited Ministry of Primary Industries (MPI) <u>Local Authorities:</u> Thames-Coromandel District Council Taupo District Council Bay of Plenty Regional Council Gisborne District Council Napier City Council South Wairarapa District Council Timaru District Council Central Otago District Council Southland District Council Christchurch City Council Kaipara District Council New Plymouth District Council	Director and Shareholder (Governance and advisory services). Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Deputy Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair Audit & Risk Committee Chair
Patrick Ng	Southland Regional Council Ava Technologies Limited	General Manager Corporate Services of RSHL Shareholding Council Director
Mat Taylor	Bay of Plenty Regional Council	Tumu Herenga Mahi, General Manager Corporate of RSHL Shareholding Council



8. Ngā Ūnga Mahi me Ētahi Atu Ine | Performance Targets and Other Measures

Performance targets by which success may be judged in relation to our objectives are:

Theme: Programme Delivery

Performance Statement: We will maintain a high standard of delivery of our programmes to customers.

Target	Timing
All projects and programmes will follow an appropriate approval pathway for their size, scope and complexity. All programmes will have an effective governance structure and planning processes appropriate to the size and complexity of the programme. Draft plans and budgets will be set before 1 March, final plans and budgets will be set by 30 June. An independent assurance review will be completed for major programmes each year.	To be completed by 30 June each year.
All programmes will meet agreed delivery targets set by the programme governance group each year. Annual performance surveys will be completed with participating councils. Survey feedback will be considered and actioned where appropriate – including sharing feedback with the Board.	November each year.

Theme: Service Delivery

Performance Statement: We will maintain a high standard of delivery of our services to customers.

Target	Timing
All services are clearly defined, including service definition, service level expectations and funding models.	To be completed by 30 June each year.
All services will have an effective customer advisory structure appropriate to the size and complexity of the service.	To be completed by 30 June each year.
All services will meet or exceed agreed service level expectations each year.	To be completed by 30 June each year.

*Services delivered by RSHL are defined currently under a range of Statements of Work, Memorandum of Understanding/Agreement, and scope documents. In FY2026 we will consolidate these services under standard service agreement documents.

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Theme : Operational Excellence

Performance Statement: We will set a high standard for the governance and management of the company.

Target	Timing
We will operate within approved budget, with any material variations approved by the board.	Assessed at year-end.
We will meet all statutory governance and reporting deadlines.	Assessed in July for the previous year.
The board will operate according to the Institute of Directors’ Code of Practice.	Self-assessment to be completed in June for the previous financial year.



9. Ngā Mōhiohio Kaiwhaipānga | Shareholders Information

Shareholding

Regional Software Holdings Limited (RSHL) was formed on 17 October 2012. At the time of formation, the company issued 10,000 shares to its shareholders based on a previously agreed sizing formula. In 2022 as part of the restructure of the Company a new shareholders’ agreement and constitution were adopted. The company:

- Issued a single Class A “Controlling” Share to each existing shareholder of the Company.
- created a Class B shareholding which holds the ownership rights over IRIS classic. All Ordinary Shares in the Company were converted to Class B Shares. This enabled the founding shareholders to retain their rights and ownership of the IRIS asset and to reduce the impact of the transition the current shareholding.
- Issued a single Class A share to Bay of Plenty Regional Council, Gisborne District Council and Hawke’s Bay Regional Council on completion of the necessary processes and documents.

In August 2023 Otago Regional Council completed the necessary process to become a shareholder and was issued a single Class A share.

The current shareholding of the Company is as follows.

Organisation	Class A (Control) Shares	Class B (IRIS) Shares
Waikato Regional Council	1	3,275
Northland Regional Council	1	1,675
Horizons Regional Council	1	1,550
Taranaki Regional Council	1	1,550
Southland Regional Council	1	1,550
West Coast Regional Council	1	400
Bay of Plenty Regional Council	1	
Gisborne District Council	1	
Hawke’s Bay Regional Council	1	
Otago Regional Council	1	

Estimate of Commercial Value of The Shareholder’s Investment

The Directors’ estimate of the commercial value of the Shareholders’ investment in RSHL and any subsidiary companies is equal to the Shareholders’ equity in the Company. Reassessment of the value of this shareholding shall be undertaken on or about 30 June each year.

Distribution of Profits to Shareholders

RSHL does not have an objective to make a profit. It seeks to provide products and services at lower costs, and/or higher levels of service than councils can achieve on their own.

In order for RSHL to be subject to tax, generally it must meet the business test. Fundamental to this is a profit motive. Given the basis under which this CCO operates is to minimise the costs and generally operate on a cost recovery basis and that a pecuniary profit is not intended and highly unlikely, the lack of a profit motive is real.

As a CCO, RSHL is required to be subject to tax on its income. Under tax law, RSHL is considered a business which is carried on for the purpose of profit. However, RSHL operates on a cost recovery basis and seeks to minimise costs to customers. Because of this the company is unlikely to operate at a profit.

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Information to Be Provided to the Shareholders

The company will deliver the following Statements to shareholders:

- Within two months of the end of the first half of the financial year the following unaudited statements: **Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows and Service Performance.**
- Within three months of the end of the financial year the following audited¹ statements: **Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows, Service Performance** plus a summary of how the company has fared against its objectives and prospects for the next financial year, and a report on the company's medium to long-term plans.
- The Directors shall approve by 1 March of each year a **Draft Statement of Intent** for the consideration of shareholders. The Directors must then consider any comments on the Draft Statement of Intent that are made by the shareholders and deliver the completed Statement of Intent to the shareholders by 30 June each year.
- Any new developments which have not been covered in the statement of corporate intent for the year. Including, but not limited to, an update on any outcomes arising from any changes in shareholding, including the effect on individual Council's shareholdings and apportionment of costs.
- Details of possible scenarios that might be foreseen that could result in annual fees increasing above approved budgets.
- Any other information which would normally be available to a shareholder, thereby enabling the shareholder to assess the value of its investment in the company.

¹ Delivery of audited statements is subject to availability of suitably qualified auditors from AuditNZ.

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Procedures for Major Transactions and Other Acquisitions and Disposals

The Company will not enter into major transactions as defined in Section 129(2) of the Companies Act 1993 without the consent of the shareholders by special resolution.

Procedures for Issue of Shares

The RSHL shareholder agreement requires the approval 75% of the Directors of the company for “the issuing or acquisition of any Shares or any change to the rights attaching to any Shares”.



10. Ngā Mahi e Rapua Nei Te Utu Paremata | Activities for Which Compensation Is Sought

Payment of annual fees will be sought for the following activities:

Activity	Description															
IRIS Next Generation	The IRIS NextGen Partnership agreement sets out the funding to be collected from each participating council and the activities that the funds will be used for. The 10 Participating Councils share the programme costs of the IRIS NextGen programme according to the following contribution model: <table><tr><th>Large Councils</th><th>Medium Councils</th><th>Small Councils</th></tr><tr><td>17.20% per council (Total 34.40%)</td><td>10.40% per council (Total 41.60%)</td><td>4.20% per council (Total 8.40%)</td></tr><tr><td>Waikato Regional Council Bay of Plenty Regional Council</td><td>Horizons Regional Council Otago Regional Council Northland Regional Council Hawke’s Bay Regional Council</td><td>Nelson City Council West Coast Regional Council</td></tr><tr><td></td><td>7.80% per council (Total 15.60%)</td><td></td></tr><tr><td></td><td>Taranaki Regional Council Southland Regional Council</td><td></td></tr></table> Over the 10-year term of the Partnership Agreement, the programme costs are expected to total \$31.8M Programme costs include: • Datacom software solution delivery • Datacom programme management • Datacom support and maintenance • Datacom council implementation costs • Datacom Good Practice Process Operating Model development • RSHL programme management • Travel and meeting expenses. • RSHL Corporate Costs In FY27 RSHL expects to collect \$4.6M from participating councils for IRIS NextGen. In addition, there will be a budget provision to collect a contingency if required and approved by the IRIS NextGen Steering Group. The contingency provision for FY2027 is \$538K. In addition to the shared programme costs stated above, each Participating Council will directly incur costs. These costs are the responsibility of each Participating Council and will not be shared according to the council contribution model.	Large Councils	Medium Councils	Small Councils	17.20% per council (Total 34.40%)	10.40% per council (Total 41.60%)	4.20% per council (Total 8.40%)	Waikato Regional Council Bay of Plenty Regional Council	Horizons Regional Council Otago Regional Council Northland Regional Council Hawke’s Bay Regional Council	Nelson City Council West Coast Regional Council		7.80% per council (Total 15.60%)			Taranaki Regional Council Southland Regional Council	
Large Councils	Medium Councils	Small Councils														
17.20% per council (Total 34.40%)	10.40% per council (Total 41.60%)	4.20% per council (Total 8.40%)														
Waikato Regional Council Bay of Plenty Regional Council	Horizons Regional Council Otago Regional Council Northland Regional Council Hawke’s Bay Regional Council	Nelson City Council West Coast Regional Council														
	7.80% per council (Total 15.60%)															
	Taranaki Regional Council Southland Regional Council															

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Shared Services	WellsNZ	Contributions will be collected from councils participating in the programme according to the agreed funding model. Funding is collected for support and maintenance of the WellsNZ solution and also for repayment of the loan provided by Environment Canterbury which was used to fund the development of the solution. It is anticipated that one new council will sign up for this service in FY27. Total funding to be collected is ~\$257K, collected according to the following model: <table><tr><th>Council</th><th>% Service Contribution</th></tr><tr><td>Environment Canterbury</td><td>16.67</td></tr><tr><td>Waikato Regional Council</td><td>16.67</td></tr><tr><td>Auckland Regional Council</td><td>16.67</td></tr><tr><td>Bay of Plenty Regional Council</td><td>16.67</td></tr><tr><td>Greater Wellington Regional Council</td><td>16.67</td></tr><tr><td>Marlborough Regional Council</td><td>5.56</td></tr><tr><td>Otago Regional Council</td><td>11.11</td></tr><tr><td>Total</td><td>100.00</td></tr></table>	Council	% Service Contribution	Environment Canterbury	16.67	Waikato Regional Council	16.67	Auckland Regional Council	16.67	Bay of Plenty Regional Council	16.67	Greater Wellington Regional Council	16.67	Marlborough Regional Council	5.56	Otago Regional Council	11.11	Total	100.00	
	Council	% Service Contribution																			
	Environment Canterbury	16.67																			
	Waikato Regional Council	16.67																			
	Auckland Regional Council	16.67																			
Bay of Plenty Regional Council	16.67																				
Greater Wellington Regional Council	16.67																				
Marlborough Regional Council	5.56																				
Otago Regional Council	11.11																				
Total	100.00																				
	Data Emissions Platform	Service Description: The solution provided is a web-based data analytics platform to support historical, current and future community greenhouse gas emissions reporting based on the GPC methodology and identification of decarbonisation pathways. Contributions will be based on a regional model with a funding allocation from each participating region, with the councils within each region determining how the contribution will be allocated. The total funding amount to be collected in FY27 is \$425K.																			
	N-Cap	Service Description: The N-Cap solution allows farmers and their representatives to record their synthetic nitrogen use via an online portal, OR alternatively to submit the required records through their fertiliser company. The N-Cap solution is funded from contributions collected Te Uru Kahika Essential Freshwater Programme. The total allocated for N-Cap is \$28K.																			
	Retrolens	Service Description: Retrolens allows public access to historical aerial photography of New Zealand. The total funding to be collected in FY2026 is budgeted as \$50K. 50% of this is budgeted to be collected from Land Information New Zealand Toitū Te Whenua, with the balance to be collected from the Te Uru Kahika councils using the standard ReCoCo model. <table><tr><th>Category</th><th>% Share</th><th>Council</th></tr><tr><td rowspan="3">Large Councils</td><td rowspan="3">9.40%</td><td>Auckland</td></tr><tr><td>Environment Canterbury</td></tr><tr><td>Waikato Region Council</td></tr></table>	Category	% Share	Council	Large Councils	9.40%	Auckland	Environment Canterbury	Waikato Region Council											
Category	% Share	Council																			
Large Councils	9.40%	Auckland																			
		Environment Canterbury																			
		Waikato Region Council																			

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				Greater Wellington Regional Council																								
				Bay of Plenty Regional Council																								
		Medium Councils	6.20%	Horizons Regional Council																								
				Otago Regional Council																								
				Hawkes Bay Regional Council																								
				Northland Regional Council																								
				Taranaki Regional Council																								
				Southland Regional Council																								
		Small Councils	3.20%	Tasman District Council																								
				Nelson City Council																								
				Gisborne District Council																								
				Marlborough District Council																								
				West Coast Regional Council.																								
Public Transport Ticketing Programme	10 Councils contribute to the Public Transport Ticketing System Programme under a funding agreement signed by RSHL in 2024. Contributions are collected according to the following model agreed by the councils and RSHL. <table><tr><th>Council</th><th>Cost share %</th></tr><tr><td>Waikato Regional Council</td><td>24.3%</td></tr><tr><td>Bay of Plenty Regional Council</td><td>24.3%</td></tr><tr><td>Otago Regional Council</td><td>24.3%</td></tr><tr><td>Horizons Regional Council</td><td>6.3%</td></tr><tr><td>Hawkes Bay Regional Council</td><td>6.3%</td></tr><tr><td>Taranaki Regional Council</td><td>2.9%</td></tr><tr><td>Nelson City Council</td><td>2.9%</td></tr><tr><td>Invercargill City Council</td><td>2.9%</td></tr><tr><td>Northland Regional Council</td><td>2.9%</td></tr><tr><td>Gisborne District Council</td><td>2.9%</td></tr></table> \$1.6M in funding is budgeted to be collected from participating councils in FY27						Council	Cost share %	Waikato Regional Council	24.3%	Bay of Plenty Regional Council	24.3%	Otago Regional Council	24.3%	Horizons Regional Council	6.3%	Hawkes Bay Regional Council	6.3%	Taranaki Regional Council	2.9%	Nelson City Council	2.9%	Invercargill City Council	2.9%	Northland Regional Council	2.9%	Gisborne District Council	2.9%
Council	Cost share %																											
Waikato Regional Council	24.3%																											
Bay of Plenty Regional Council	24.3%																											
Otago Regional Council	24.3%																											
Horizons Regional Council	6.3%																											
Hawkes Bay Regional Council	6.3%																											
Taranaki Regional Council	2.9%																											
Nelson City Council	2.9%																											
Invercargill City Council	2.9%																											
Northland Regional Council	2.9%																											
Gisborne District Council	2.9%																											

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IRIS	Payment of an Annual Fee for IRIS will be sought from all councils that use the Software for annual support and development fees, as set out in the License Agreement. Proportion of Contributions to the IRIS Programme Contributions for IRIS will be collected in the following proportions. <table><tr><th>Council</th><th>Share</th></tr><tr><td>Waikato Regional Council</td><td>32.39%</td></tr><tr><td>Northland Regional Council</td><td>11.93%</td></tr><tr><td>Horizons Regional Council</td><td>16.00%</td></tr><tr><td>Taranaki Regional Council</td><td>11.93%</td></tr><tr><td>Southland Regional Council</td><td>11.93%</td></tr><tr><td>West Coast Regional Council</td><td>3.87%</td></tr><tr><td>Hawkes Bay Regional Council</td><td>11.93%</td></tr></table> In FY27 RSHL expects to collect \$534K in funding from participating councils with the remainder of the programme funded from surplus funds from previous years held by RSHL.	Council	Share	Waikato Regional Council	32.39%	Northland Regional Council	11.93%	Horizons Regional Council	16.00%	Taranaki Regional Council	11.93%	Southland Regional Council	11.93%	West Coast Regional Council	3.87%	Hawkes Bay Regional Council	11.93%														
Council	Share																														
Waikato Regional Council	32.39%																														
Northland Regional Council	11.93%																														
Horizons Regional Council	16.00%																														
Taranaki Regional Council	11.93%																														
Southland Regional Council	11.93%																														
West Coast Regional Council	3.87%																														
Hawkes Bay Regional Council	11.93%																														
RSHL Corporate Costs	Corporate costs are for the operation and development of the company. All work programmes will contribute to RSHL Corporate Costs, with the contribution based on the programmes proportion of revenue in the financial year. In the 2027 Financial year (and the following 2 years) the budgeted proportion of Corporate Costs to each programme is as follows: <table><tr><th></th><th>2025/26</th><th>2026/27</th><th>27/28</th><th>28/29</th></tr><tr><td>IRIS</td><td>3.0%</td><td>4.3%</td><td>3%</td><td>4%</td></tr><tr><td>IRIS NextGen</td><td>35.3%</td><td>37.0%</td><td>47%</td><td>21%</td></tr><tr><td>Te Uru Kahika</td><td>48.6%</td><td>41.4%</td><td>39%</td><td>65%</td></tr><tr><td>Shared Services</td><td></td><td>6.1%</td><td>5.7%</td><td>10%</td></tr><tr><td>PTTP</td><td>13.1%</td><td>11.2%</td><td>6%</td><td>0%</td></tr></table> RSHL Corporate budget is typically stable year-to-year, with a number of recurring costs such as audit and accounting fees, insurance, staff salaries and insurance. In FY27 the draft budget includes one-off costs for development of a new name for the organisation (\$20K) and advice on future funding models to support RSHLs growth (\$30K). In FY27 RSHL expects to have corporate costs of \$0.68M. This is 4.8% of total operating expenditure.		2025/26	2026/27	27/28	28/29	IRIS	3.0%	4.3%	3%	4%	IRIS NextGen	35.3%	37.0%	47%	21%	Te Uru Kahika	48.6%	41.4%	39%	65%	Shared Services		6.1%	5.7%	10%	PTTP	13.1%	11.2%	6%	0%
	2025/26	2026/27	27/28	28/29																											
IRIS	3.0%	4.3%	3%	4%																											
IRIS NextGen	35.3%	37.0%	47%	21%																											
Te Uru Kahika	48.6%	41.4%	39%	65%																											
Shared Services		6.1%	5.7%	10%																											
PTTP	13.1%	11.2%	6%	0%																											

It is noted that other products or services may be delivered by RSHL. Any such services will only be delivered after the Directors have considered each individual business case including the proposed budget and agreed that the proposed service meets the objectives of RSHL.

Any ongoing activities to identify, develop or procure additional products or services will be budgeted for in advance, subject to a business case. The subsequent recovery of costs will be agreed on a case-by-case basis.

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11. Ngā Tahua FY2026 | FY2027 Budgets.

The budgets provided in this draft Statement of Intent are based on the latest budget information from each activity.

Budgeting process.

Budgets are structured into four activities. Each of these activities receives funding from a different group of organisations, with different funding models and governance.

Activity	Budget Setting	Contractual Basis	Funded by
IRIS NextGen	IRIS NextGen Steering Group.	IRIS NextGen Partnership Agreement. The Programme has a 10 year budget which is set by agreement with the participating councils and RSHL.	10 Participant councils.
IRIS	IRIS Advisory Group	IRIS Advisory Group Terms of Reference.	7 Participating Councils.
Te Uru Kahika Support Services	Te Uru Kahika RCEOs Group	Te Uru Kahika Services Agreement and various service agreements/Statements of Work.	16 participating councils, and government entities.
Shared Services	RSHL Board and service steering groups	Service Agreements	Participating councils.
Public Transport Ticketing Programme	The budget and work programme for PTPP is set by the Transport Ticketing Governance Group on behalf of the participating councils.	Funding Agreement	11 Participating councils.

- The IRIS NextGen Partnership agreement stipulates that they will prepare a draft budget in February and final budget in June. This aligns with the SOI Process. The draft budget will also be sent directly to each participating councils for feedback in March/April.
- For IRIS, common practice is to prepare a budget when the SOI budget is developed which is then ratified with participating councils.
- Budget setting for Te Uru Kahika aligns with the Te Uru Kahika Business Plan. Planning is coordinated by the Te Uru Kahika Executive Director.
- Other shared services budgeting is completed by their respective governance groups.

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Consolidated Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		2026/27	2027/28	2028/29
SOI Budget		Budget	Indicative	Indicative
	Income			
522,571	IRIS Programme	534,021	432,658	265,102
4,146,603	IRIS NextGen Programme	5,221,109	7,120,040	1,900,669
3,946,179	Te Uru Kahika Core Funding	4,668,183	4,729,840	4,826,136
622,703	Te Uru Kahika Alternate Funding	758,580	768,599	784,247
369,164	Te Uru Kahika 3rd Party Funding	408,466	413,861	422,287
786,317	Shared Services	864,677	874,387	911,942
1,784,357	Public Transport Ticketing Programme	1,578,449	887,036	39,054
-	Central Government Funding	-	-	-
12,177,895		14,033,484	15,226,421	9,149,437
	Other Income			
25,000	Interest Received	25,000	25,000	25,000
70,414	Council Specific Software Funding	72,526	73,977	73,977
95,414		97,526	98,977	98,977
12,273,309	Total Income	14,131,011	15,325,398	9,248,414
	Expenditure			
600	Bank Fees	800	800	816
100,360	Accounting & Technical Support	117,400	89,148	90,931
72,131	Audit Fees	76,000	77,520	79,070
52,510	Legal and HR Advice	40,000	30,100	30,202
300,000	Datacom Support Services (IRIS)	330,000	336,000	170,000
3,289,170	Technology Services	3,957,706	5,831,210	1,205,195
148,850	IT Hosting Charges	152,415	154,863	86,260
112,901	Loan Onpayment	108,273	103,644	103,644
-	Finance Costs	-	-	-
125,713	Training Providers	129,420	132,008	134,648
2,804,187	Personnel Costs	2,979,876	3,039,473	2,750,452
350,000	Contractors	360,500	367,710	375,064
217,990	Communications Services	224,530	229,020	233,601
1,330,050	Subject Matter Consultants	1,369,952	1,397,351	1,371,717
1,329,856	Service Providers	1,215,606	1,225,228	1,244,664
2,223,599	Project Services	2,327,987	1,587,134	728,037
13,000	Promotional Costs	30,300	13,506	13,716
103,348	Governance	131,878	132,145	134,662
289,644	Travel & Meeting Costs	325,796	321,112	261,988
80,000	IT Support Services	82,400	84,048	85,729
70,414	Council Specific Software Purchases	72,526	73,977	73,977
2,000	Staff Support Services	2,060	2,101	2,143
3,642	Software Subscriptions	12,500	12,550	7,601
80,668	General Consulting	83,088	84,750	64,297
13,100,633		14,131,011	15,325,398	9,248,414
	Other Expenditure			
400,429	Amortization	301,795	1,043	1,043
13,501,062	Total Expenditure	14,432,806	15,326,441	9,249,457
(1,227,753)	Surplus/ (Deficit) before tax	(301,795)	(1,043)	(1,043)
	Income Tax Expense			
(1,227,753)	Surplus/(Deficit) after Tax	(301,795)	(1,043)	(1,043)

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Consolidated Statement of Financial Position

As at 30 June 2027

2025/26 SOI		2026/27 Budget	2027/28 Indicative	2028/29 Indicative
	ASSETS			
	Current assets			
3,143,575	Cash and Cash Equivalents	3,902,962	3,902,962	3,902,962
1,869,214	Debtors and Prepayments	2,233,204	2,422,295	1,460,212
	Non Current Assets			
3,152	Property, Plant & Equipment	1,556	771	771
309,360	Intangible Assets	9,163	8,905	8,905
5,325,302	Total Assets	6,146,885	6,334,933	5,372,850
	LIABILITIES			
	Current liabilities			
2,207,290	Creditors and Accrued Expenses	3,006,074	3,190,666	2,252,542
-	Income Received in Advance	-	-	-
44,257	GST payable	52,919	57,418	34,502
	Non Current Liabilities			
-	Deferred Tax Liability	-	-	-
2,251,547	Total Liabilities	3,058,993	3,248,084	2,287,044
3,073,754	NET ASSETS	3,087,892	3,086,849	3,085,806

REPRESENTED BY:

2025/26 SOI		2026/27 Indicative	2027/28 Indicative	2028/29 Indicative
	Equity			
5,149,150	Equity	5,149,150	5,149,150	5,149,150
(1,227,753)	Current Year Earnings	(301,795)	(1,043)	(1,043)
(915,580)	Retained Earnings	(1,759,463)	(2,061,258)	(2,062,301)
3,005,817	Total Equity	3,087,892	3,086,849	3,085,806

Statement of Movement in Equity

4,233,570	Opening Equity	3,389,687	3,087,892	3,086,849
(1,227,753)	Comprehensive income for the year	(301,795)	(1,043)	(1,043)
3,005,817	Total Equity	3,087,892	3,086,849	3,085,806
58%	equity to assets (>60%)	50%	49%	57%

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Consolidated Statement of Cash Flows

For the 12 Months to 30 June 2027

Statement of Cash Flows

2025/26 SOI		2026/27 Budget	2027/28 Indicative	2028/29 Indicative
	Cashflows from Operating Activities			
	<u>Cash received from:</u>			
12,248,309	Receipts from customers	14,106,011	15,300,398	9,223,414
-	Shareholder contributions	-	-	-
25,000	Interest	25,000	25,000	25,000
-	Income Tax Paid (refunded)	-	-	-
12,273,309	Total Operating Receipts	14,131,011	15,325,398	9,248,414
	<u>Cash applied to:</u>			
13,100,633	Payments to suppliers	14,131,011	15,325,398	9,248,414
	Net GST movement			
-	Income Tax Paid (refunded)	-	-	-
-	Interest W/holding tax paid	-	-	-
13,100,633	Total Operating Payments	14,131,011	15,325,398	9,248,414
(827,324)	Net cash from operating	-	-	-
	Cashflow from Investing Activities			
	<u>Cash received from:</u>			
-	Sale of Fixed Assets	-	-	-
-	Investment Maturities	-	-	-
-	Total Investment Receipts	-	-	-
	<u>Cash applied to:</u>			
-	Purchase of Fixed/ Intangible assets	-	-	-
-	Investment deposits	-	-	-
-	Total Investment Payments	-	-	-
-	Net cash from investing	-	-	-
	Cashflow from Financing Activities			
	<u>Cash received from:</u>			
-	Capital contributions	-	-	-
-	Proceeds from Loan Borrowings	-	-	-
-	Total Financing Receipts	-	-	-
	<u>Cash applied to:</u>			
-	Capital repaid	-	-	-
-	Loan interest paid	-	-	-
-	Loan repayment of debt	-	-	-
-	Total Financing Payments	-	-	-
-	Net cash from financing	-	-	-
(827,324)	Net increase (decrease) in cash-flow for the year	-	-	-
3,902,962	Opening cash balance	3,902,962	3,902,962	3,902,962
3,075,638	Closing cash balance	3,902,962	3,902,962	3,902,962
	Made up of:			
500,000	Current account	500,000	500,000	500,000
2,575,638	Auto-call account	3,402,962	3,402,962	3,402,962
3,075,638		3,902,962	3,902,962	3,902,962

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IRIS Programme Activity - Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		Notes	2026/27	2027/28	2028/29
Budget	Income		Budget	Indicative	Indicative
522,571	IRIS Programme		534,021	432,658	265,102
-	IRIS NextGen Programme		-	-	-
-	Sector Work Programmes		-	-	-
-	Central Government Funding		-	-	-
<u>522,571</u>			<u>534,021</u>	<u>432,658</u>	<u>265,102</u>
	<u>Other Income</u>				
-	Interest Received		-	-	-
70,414	Council Specific Software Funding		72,526	73,977	73,977
<u>70,414</u>			<u>72,526</u>	<u>73,977</u>	<u>73,977</u>
592,985	Total Income		606,547	506,635	339,078
	Expenditure				
-	Bank Fees		-	-	-
-	Accounting & Technical Support		-	-	-
-	Audit Fees		-	-	-
-	Legal and HR Advice		-	-	-
300,000	Datacom Support Services (IRIS)		330,000	336,000	170,000
300,000	Technology Services		100,000	-	-
30,000	IT Hosting Charges		30,000	30,000	30,000
-	Loan Onpayment		-	-	-
-	Finance Costs		-	-	-
-	Training Providers		-	-	-
42,386	Personnel Costs		34,876	35,173	35,476
-	Contractors		-	-	-
-	Communications Services		-	-	-
-	Subject Matter Consultants		-	-	-
-	Service Providers		-	-	-
-	Project Services		-	-	-
-	Promotional Costs		-	-	-
-	Governance		-	-	-
-	Travel & Meeting Costs		-	-	-
-	IT Support Services		-	-	-
70,414	Council Specific Software Purchases		72,526	73,977	73,977
-	Staff Support Services		-	-	-
2,200	Software Subscriptions		10,000	10,000	5,000
-	General Consulting		-	-	-
27,571	Overhead Recovery - Expense		29,145	21,485	24,626
<u>772,571</u>			<u>606,547</u>	<u>506,635</u>	<u>339,078</u>
	<u>Other Expenditure</u>				
400,429	Amortization		301,795	1,043	1,043
<u>1,173,000</u>	Total Expenditure		<u>908,342</u>	<u>507,678</u>	<u>340,121</u>
<u>(580,015)</u>	Surplus/ (Deficit) before tax		<u>(301,795)</u>	<u>(1,043)</u>	<u>(1,043)</u>
	Income Tax Expense				
<u>(580,015)</u>	Surplus/(Deficit) after Tax		<u>(301,795)</u>	<u>(1,043)</u>	<u>(1,043)</u>

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IRIS NextGen Programme Activity - Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		Notes	2026/27	2027/28	2028/29
Budget	Income		SOI	Indicative	Indicative
-	IRIS Programme		-	-	-
3,718,797	IRIS NextGen Programme		4,683,397	6,425,707	1,707,644
427,806	IRIS NextGen Contingency		537,712	694,333	193,025
-	Sector Work Programmes		-	-	-
-	Central Government Funding		-	-	-
4,146,603			5,221,109	7,120,040	1,900,669
	<u>Other Income</u>				
-	Interest Received		-	-	-
-	Council Specific Software Funding		-	-	-
			-	-	-
4,146,603	Total Income		5,221,109	7,120,040	1,900,669
	Expenditure				
-	Bank Fees		-	-	-
-	Accounting & Technical Support		-	-	-
-	Audit Fees		-	-	-
-	Legal and HR Advice		-	-	-
-	Datacom Support Services (IRIS)		-	-	-
2,533,864	Technology Services		3,291,669	5,107,985	1,012,170
-	IT Hosting Charges		-	-	-
-	Loan Onpayment		-	-	-
-	Finance Costs		-	-	-
-	Training Providers		-	-	-
386,686	Personnel Costs		365,972	371,617	377,375
-	Contractors		-	-	-
-	Communications Services		-	-	-
-	Subject Matter Consultants		-	-	-
-	Service Providers		-	-	-
539,849	Project Services		707,924	575,870	145,348
-	Promotional Costs		-	-	-
-	<u>Governance</u>		-	-	-
61,200	Travel & Meeting Costs		62,424	63,672	30,000
4,000	IT Support Services		4,120	4,202	4,286
-	Council Specific Software Purchases		-	-	-
400	Staff Support Services		412	420	429
-	Software Subscriptions		-	-	-
-	General Consulting		-	-	-
427,806	IRIS NextGen Contingency		537,712	694,333	193,025
192,798	Overhead Recovery - Expense		250,876	301,940	138,037
4,146,603			5,221,109	7,120,040	1,900,669
	<u>Other Expenditure</u>				
-	Amortization		-	-	-
4,146,603	Total Expenditure		5,221,109	7,120,040	1,900,669
-	Surplus/ (Deficit) before tax		-	-	-
	Income Tax Expense				
-	Surplus/(Deficit) after Tax		-	-	-

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Te Uru Kahika Support Services - Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		Notes	2026/27	2027/28	2028/29
SOI	Income		Budget	Indicative	Indicative
3,946,179	Te Uru Kahika Core Funding		4,668,183	4,729,840	4,826,136
622,703	Te Uru Kahika Alternate Funding		758,580	768,599	784,247
369,164	Te Uru Kahika 3rd Party Funding		408,466	413,861	422,287
-	Central Government Funding		-	-	-
<u>4,938,047</u>			<u>5,835,229</u>	<u>5,912,300</u>	<u>6,032,670</u>
	<u>Other Income</u>				
-	Interest Received		-	-	-
-	Council Specific Software Funding		-	-	-
<u>-</u>			<u>-</u>	<u>-</u>	<u>-</u>
4,938,047	Total Income		5,835,229	5,912,300	6,032,670
	Expenditure				
-	Bank Fees		-	-	-
-	Accounting & Technical Support		-	-	-
-	Audit Fees		-	-	-
-	Legal and HR Advice		-	-	-
	Datacom Support Services (IRIS)		-	-	-
27,500	Technology Services		28,325	28,892	-
118,850	IT Hosting Charges		122,415	124,863	56,260
-	Loan Onpayment		-	-	-
-	Finance Costs		-	-	-
125,713	Training Providers		129,420	132,008	134,648
1,699,424	Personnel Costs		1,790,627	1,824,235	1,858,516
350,000	Contractors		360,500	367,710	375,064
217,990	Communications Services		224,530	229,020	233,601
1,330,050	Subject Matter Consultants		1,369,952	1,397,351	1,371,717
627,000	Service Providers		640,750	651,565	662,596
543,750	Project Services		560,063	571,264	582,689
10,000	Promotional Costs		10,300	10,506	10,716
-	<u>Governance</u>		-	-	-
168,444	Travel & Meeting Costs		176,372	179,740	183,574
56,000	IT Support Services		57,680	58,834	60,010
-	Council Specific Software Purchases		-	-	-
800	Staff Support Services		824	840	857
-	Software Subscriptions		-	-	-
80,668	General Consulting		83,088	84,750	64,297
229,597	Overhead Recovery - Expense		280,385	250,723	438,125
<u>5,585,785</u>			<u>5,835,229</u>	<u>5,912,300</u>	<u>6,032,670</u>
	<u>Other Expenditure</u>				
-	Amortization		-	-	-
<u>5,585,785</u>	Total Expenditure		<u>5,835,229</u>	<u>5,912,300</u>	<u>6,032,670</u>
<u>(647,738)</u>	Surplus/ (Deficit) before tax		<u>-</u>	<u>-</u>	<u>-</u>
	Income Tax Expense				
<u>(647,738)</u>	Surplus/(Deficit) after Tax		<u>-</u>	<u>-</u>	<u>-</u>

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Shared Services- Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		Notes	2026/27	2027/28	2028/29
SOI	Income		Budget	Indicative	Indicative
786,317	Shared Services Revenue		864,677	874,387	911,942
786,317			864,677	874,387	911,942
	<u>Other Income</u>				
-	Interest Received		-	-	-
-	Council Specific Software Funding		-	-	-
-			-	-	-
786,317	Total Income		864,677	874,387	911,942
	Expenditure				
-	Bank Fees		-	-	-
-	Accounting & Technical Support		-	-	-
-	Audit Fees		-	-	-
-	Legal and HR Advice		-	-	-
-	Datacom Support Services (IRIS)		-	-	-
-	Technology Services		-	-	-
-	IT Hosting Charges		-	-	-
112,901	Loan Onpayment		108,273	103,644	103,644
-	Finance Costs		-	-	-
-	Training Providers		-	-	-
94,000	Personnel Costs		160,000	160,000	160,000
-	Contractors		-	-	-
-	Communications Services		-	-	-
-	Subject Matter Consultants		-	-	-
542,856	Service Providers		554,856	573,663	582,068
-	Project Services		-	-	-
-	Promotional Costs		-	-	-
-	<u>Governance</u>		-	-	-
-	Travel & Meeting Costs		-	-	-
-	IT Support Services		-	-	-
-	Council Specific Software Purchases		-	-	-
-	Staff Support Services		-	-	-
-	Software Subscriptions		-	-	-
-	General Consulting		-	-	-
36,560	Overhead Recovery - Expense		41,548	37,080	66,230
786,317			864,677	874,387	911,942
	<u>Other Expenditure</u>				
-	Amortization		-	-	-
786,317	Total Expenditure		864,677	874,387	911,942
-	Surplus/ (Deficit) before tax		-	-	-
	Income Tax Expense				
-	Surplus/(Deficit) after Tax		-	-	-

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



Public Transport Ticketing Programme - Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26		Notes	2026/27	2027/28	2028/29
SOI	Income		Budget	Indicative	Indicative
-	IRIS Programme		-	-	-
-	IRIS NextGen Programme		-	-	-
1,784,356	PT Ticketing Programme		1,578,449	887,036	39,054
-	Central Government Funding		-	-	-
<u>1,784,356</u>			<u>1,578,449</u>	<u>887,036</u>	<u>39,054</u>
Other Income					
-	Interest Received		-	-	-
<u>1,784,356</u>	Total Income		<u>1,578,449</u>	<u>887,036</u>	<u>39,054</u>
Expenditure					
-	Bank Fees		-	-	-
-	Accounting & Technical Support		-	-	-
-	Audit Fees		-	-	-
20,000	Legal and HR Advice		20,000	10,000	10,000
-	Datacom Support Services (IRIS)		-	-	-
-	Technology Services		-	-	-
-	IT Hosting Charges		-	-	-
-	Loan Onpayment		-	-	-
-	Finance Costs		-	-	-
-	Training Providers		-	-	-
346,992	Personnel Costs		358,072	364,797	21,845
-	Contractors		-	-	-
-	Communications Services		-	-	-
-	Subject Matter Consultants		-	-	-
160,000	Service Providers		20,000	-	-
1,140,000	Project Services		1,060,000	440,000	-
-	Promotional Costs		-	-	-
-	Governance		-	-	-
30,000	Travel & Meeting Costs		40,000	30,000	-
4,000	IT Support Services		4,120	4,202	4,286
-	Council Specific Software Purchases		-	-	-
400	Staff Support Services		412	420	429
-	Software Subscriptions		-	-	-
-	General Consulting		-	-	-
82,964	Overhead Recovery - Expense		75,845	37,617	2,494
<u>1,784,356</u>			<u>1,578,449</u>	<u>887,036</u>	<u>39,054</u>
Other Expenditure					
-	Amortization		-	-	-
<u>1,784,356</u>	Total Expenditure		<u>1,578,449</u>	<u>887,036</u>	<u>39,054</u>
-	Surplus/ (Deficit) before tax		-	-	-
Income Tax Expense					
-	Surplus/(Deficit) after Tax		-	-	-

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent



RSHL Corporate Activity - Statement of Financial Performance

For the 12 Months to 30 June 2027

2025/26 Budget	Income	Notes	2026/27 Budget	2027/28 Indicative	2028/29 Indicative
	<u>Other Income</u>				
25,000	Interest Received		25,000	25,000	25,000
-	Council Specific Software Funding		-	-	-
-	Overhead Recovery - Income		-	-	-
-			25,000	25,000	25,000
-	Total Income		25,000	25,000	25,000
	Expenditure				
600	Bank Fees		800	800	816
100,360	Accounting & Technical Support		117,400	89,148	90,931
72,131	Audit Fees		76,000	77,520	79,070
32,510	Legal and HR Advice		20,000	20,100	20,202
-	Datacom Support Services (IRIS)		-	-	-
-	Technology Services		-	-	-
-	IT Hosting Charges		-	-	-
-	Loan Onpayment		-	-	-
-	Finance Costs		-	-	-
-	Training Providers		-	-	-
234,700	Personnel Costs		270,329	283,651	297,240
-	Contractors		-	-	-
-	Communications Services		-	-	-
-	Subject Matter Consultants		-	-	-
-	Service Providers		-	-	-
-	Project Services		-	-	-
3,000	Promotional Costs		20,000	3,000	3,000
103,348	Governance		131,878	132,145	134,662
30,000	Travel & Meeting Costs		47,000	47,700	48,414
16,000	IT Support Services		16,480	16,810	17,146
-	Council Specific Software Purchases		-	-	-
400	Staff Support Services		412	420	429
1,442	Software Subscriptions		2,500	2,550	2,601
-	General Consulting		-	-	-
594,491			702,798	673,844	694,511
	<u>Other Expenditure</u>				
-	Amortization		-	-	-
594,491	Total Expenditure		702,798	673,844	694,511
(569,491)	Surplus/ (Deficit) before tax		(677,798)	(648,844)	(669,511)
	Income Tax Expense				
(569,491)	Surplus/(Deficit) after Tax		(677,798)	(648,844)	(669,511)



12. Ngā Kaupapahere Kaute | Accounting Policies

Statement of Compliance

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002 and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared to comply with Tier 2 Public Benefit Entity (PBE) Standards. RSHL is not publicly accountable, and expenditure is not higher than \$30 million.

These financial statements comply with PBE Standards.

Reporting Entity

Regional Software Holdings Limited (RSHL) is a Council Controlled Organisation (CCO) owned as follows:

Organisation	Class A (Control) Shares	Class B (IRIS) Shares
Waikato Regional Council	1	3,275
Northland Regional Council	1	1,675
Horizons Regional Council	1	1,550
Taranaki Regional Council	1	1,550
Southland Regional Council	1	1,550
West Coast Regional Council	1	400
Bay of Plenty Regional Council	1	
Gisborne District Council	1	
Hawke’s Bay Regional Council	1	
Otago Regional Council	1	

RSHL was incorporated on 17 October 2012.

RSHL was originally incorporated for the purposes of managing the investment and development of IRIS Software. RSHL now exists for the purpose of supporting collaborative and shared services projects for Te Uru Kahika. RSHL has designated itself a Public Benefit Entity (PBE), in keeping with the designation of the shareholders.

Public Benefit Entity Simple Format Reporting

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 2 entity. RSHL is not publicly accountable, and expenditure is not higher than \$30 million. These financial statements comply with PBE standard.

Basis of Preparation of the Financial Statements

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements will be prepared on a historical cost basis.

Presentation Currency and Rounding

The prospective financial statements have been prepared in New Zealand dollars and there will be rounding in the numbers in the financial statements, as the financial model used calculates to the cent but the annual report is rounded to the nearest dollar.

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent

The functional currency of RSHL is New Zealand dollars.

The reporting period for these prospective financial statements is the year ending 30 June.

Summary of Significant Accounting Policies**Revenue**

Revenue is measured at the fair value of consideration received or receivable.

Members Contributions and Other forms of Revenue (excluding investment revenue), including fees, charges, and other revenues are recognised on an accrual basis.

Interest revenue is recorded as it is earned.

Expenditure

Expenditure is recognised on an accrual basis when the service was provided, or the goods received.

Costs associated with maintaining the IRIS software suite are recognised as an expense when incurred.

Bank Accounts and Cash

Cash and cash equivalents include cash on hand, on demand or call deposits, other short-term deposits with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented as a current liability in the Statement of Financial Position.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventories

Inventory is initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling process. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

Goods and Services Tax (GST)

RSHL is registered for GST; these financial statements are presented net of GST, except for receivables and payables which are inclusive of GST. Where GST paid is not recoverable, due to it relating to exempt items, the GST inclusive amount is recognised as part of the related asset or expense including the GST relating to investing and financing activities.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or recovered from, the Inland Revenue Department is recognised as an item in operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

Income tax expenses calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

Property, Plant and Equipment**Software acquisition and development**

Costs that are directly associated with the development of software owned by RSHL or its subsidiaries are recognised as property, plant and equipment.

Regional Software Holdings Ltd—2026-2027 Draft Statement of Intent**Depreciation**

Depreciation begins when the asset is available for use and ceases at the date that the asset is derecognised.

The depreciation charge for each period is recognised through the Statement of Financial Performance.

The carrying value is depreciated on a straight-line basis over its useful life. The default useful life and associated depreciation rate for the developed software is 10 years and 10%. If an alternative rate is used this will be noted in the financial statements.

Where software in this category is replaced, upgraded, or determined by RSHL to be of no further operational benefit, a change in value will be recognised through the Statement of Financial Performance. This change in value will be the difference between the carrying value of the original item and its fair value.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, RSHL has made estimates and assumptions concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Additional Disclosure

The Companies Act 1993 requires disclosure of the amount of donations, audit fees, fees for other services from the auditor, and the number of employees of the company who received remuneration and other benefits above \$100,000 per annum, in brackets of \$10,000.



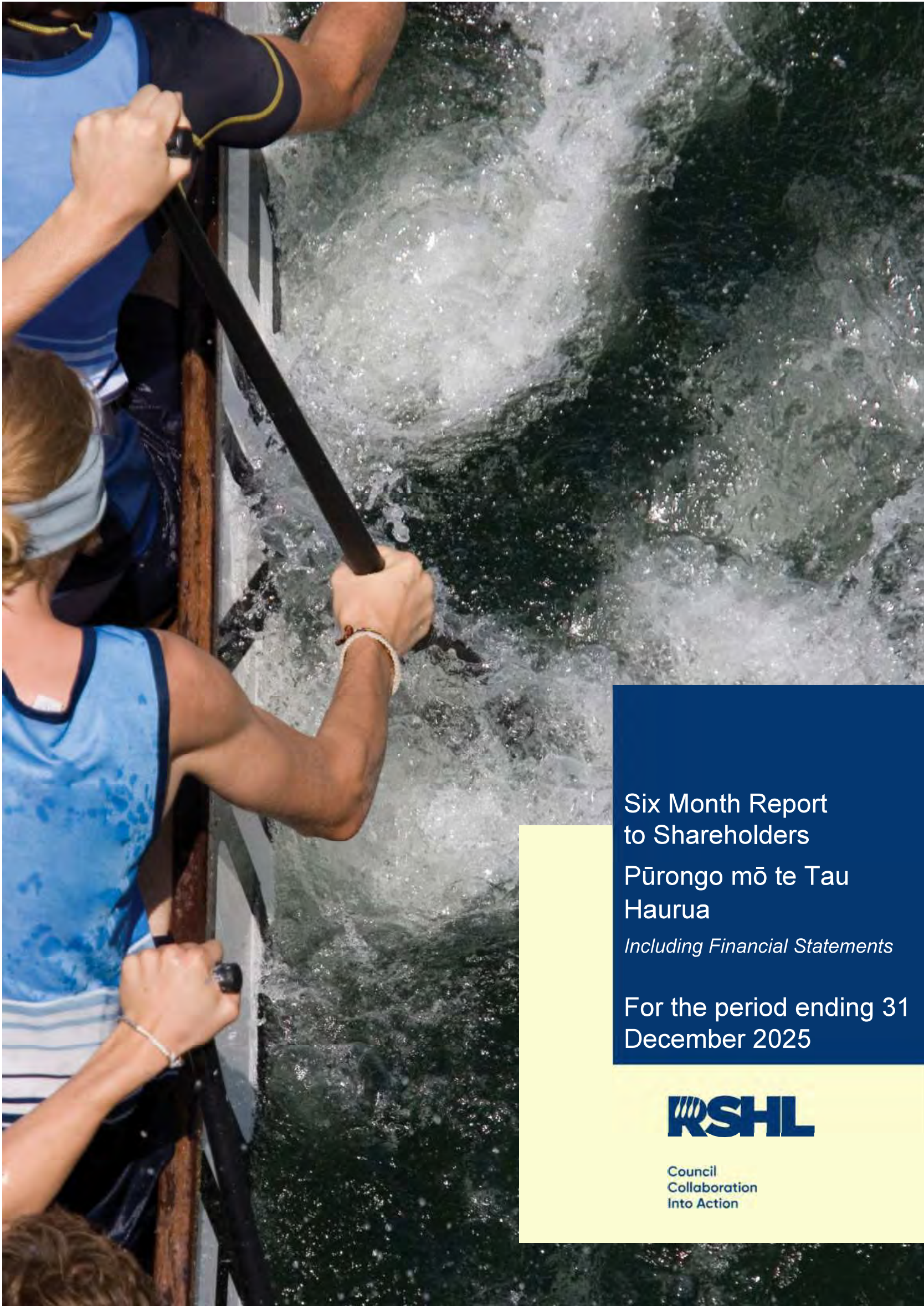
13. Note For Information: Requirements for Statement of Intent

Source: Office of the Auditor General
<http://www.oag.govt.nz/2007/corporate-intent/appendix2.htm>

Item	Section
Statement of intent	This document
Coverage over three financial years and updated annually	3,9,11,12
Objectives of the group	3
A statement of the board's approach to governance	7
Nature and scope of the activities to be undertaken	4
Accounting policies	13
Performance targets and other measures by which the performance of the group may be judged in relation to its objectives	9
An estimate of the amount or proportion of accumulated profits and capital reserves that is intended to be distributed to the shareholders	10
The kind of information to be provided to the shareholders/ shareholding Ministers by the organisation during the course of the next three financial years	10
Procedures to be followed before any member or the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation	10
Any activities for which the board seeks compensation from any local authority, Harbour Board, or the Crown (whether or not the relevant entity has agreed to provide the compensation)	11
The board's estimate of the commercial value of the Crown/shareholders' investment in the group and the manner in which, and the times at which, that value is to be reassessed	10
Other matters that are agreed by the shareholders/ shareholding Ministers and the board	N/A
Annual report should contain information that is necessary to enable an informed assessment of the operations of the parent entity and its subsidiaries, including a comparison of performance with the relevant statement of intent or statement of corporate intent	10



Council
Collaboration
Into Action





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- 4 Statement of Responsibility | Tauākī o te Kawenga
- 5 Statement of Service Performance | Hei Ine i te Mahi
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- 24 Statement of Comprehensive Revenue and Expense | Te Tauākī Matawhānui mō te Moniwhiwhi me ngā Whakapaunga
- 25 Statement of Financial Position | Te Tauākī mō te Āhua o te Pūtea
- 26 Statement of Changes in Equity/Net Assets | Te Tauākī mō ngā Panonitanga o te Whai Tūtanga/ngā Huarawa More
- 27 Statement of Cash Flows | Te Tauākī mō ngā Kapewhiti
- 28 Notes to the Financial Statements | Tuhinga Āpiti ki Te Ngā Tauākī Pūtea



Directors Report | Te Pūrongo a ngā Kaiwhakahaere Matua

Regional Software Holdings Limited For the 6 months ended 31 December 2025

On behalf of Regional Software Holdings Ltd (RSHL), and the ten regional sector shareholders, it is our pleasure to present our Interim Report for the 6 months ending 31 December 2025.

RSHL is the shared services organisation for the Regional Sector. All 16 regional and unitary councils in Aotearoa New Zealand are customers of RSHL, along with a small number of territorial authorities and central government.

RSHL delivers a wide range of digital, operational and financial programmes for councils at national and inter-regional scale.

The structure of RSHL makes it simple, low risk and low cost for additional councils to join as shareholders and we look forward to more councils completing this simple step.

In the 6 months to 31 December 2025, RSHL made steady progress in a challenging environment for the sector.

Our major programmes such as IRIS NextGen, Public Transport Ticketing Programme, Local Data Emissions Platform and Wells will all provide long-term value, efficiencies and cost savings to councils.

The IRIS NextGen Programme has reached a major milestone with the start of the Pilot implementation at Otago Regional Council. Like any large-scale business transformation project, IRIS NextGen has had significant challenges to overcome. RSHL and the participating councils remain focussed on delivering the step change efficiency improvements that are the goal of the programme. We are also actively working with councils and the Ministry for the Environment to ensure that the solution is ready to support the transformation required for Resource Management.

Financial Position

Revenue is tracking favourable to budget, a situation that we expect to continue to year end. Council contributions to programmes are generally as budgeted, and we have collected additional funding for new projects including supporting national preparedness for HPAI.

Operating expenditure is slightly less than budgeted. This is due to timing variances across multiple projects. This is not a cause for concern, and we expect expenditure to be close or less than budgeted at year end.

As noted in previous reports, expenditure on the original IRIS solution is no longer being treated as a capital investment. As a result, the book value of the asset is depreciating rapidly. This is appropriate as the product nears the end of its life and we look to reinvest in IRIS NextGen.

Cash balances remain healthy as losses are resulting from depreciation rather than trading activities.

Looking Forward

In the current economic and political climate, shared services and new ways of working are more important and valuable than ever. The “Simplifying Local Government” draft proposal highlighted the potential for councils to use shared services and CCOs to deliver more for their communities.

Naturally, RSHL supports this approach. In our feedback to government about the “Simplifying Local Government” draft proposal we have highlighted the opportunity for government to provide more guidance and advice to councils about structuring shared services CCOs for maximum benefit.

Our draft Statement of Intent for FY27-29 provides shareholders with more information about how RSHL intends to position ourselves for the future.

Directors Report | Te Pūrongo a ngā Kaiwhakahaere Matua



Signed on behalf of the Board of Directors:

A handwritten signature in blue ink, appearing to be 'B Robertson', is written over a horizontal line.

B Robertson - Chairperson

Date: 27 February 2026

A handwritten signature in blue ink, appearing to be 'G Shirley', is written over a horizontal line.

G Shirley - Director

Date: 27 February 2026



Statement of Responsibility | Tauākī o te Kawenga

Regional Software Holdings Limited

For the 6 months ended 31 December 2025

In terms of the Local Government Act 2002, the Board of Directors is responsible for the preparation of RSHL financial statements and to assist the company to meet its objectives and any other requirements in its Statement of Intent (SOI).

The Board of Directors of RSHL has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board of Director's opinion, these financial statements fairly reflect the financial position and operations of RSHL for the six months ended 31 December 2025 and confirm that all the statutory requirements in relation to the Performance Report were complied with, as outlined in the Local Government Act 2002 and the Companies Act 1993.

Signed on behalf of the Board of Directors:

B Robertson - Chairperson

Date: 27 February 2026

G Shirley - Director

Date: 27 February 2026



Statement of Service Performance | Hei Ine i te Mahi

Regional Software Holdings Limited For the 6 months ended 31 December 2025

Who are we and why do we exist?

Purpose

To provide high-quality shared services for The Regional Sector (and associated agencies) that delivers value to shareholders, customers, and the sector.

Objectives

Primary objectives

- Ensure the local government sector is better prepared to respond to current and future challenges
- Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector
- Achieve consistent good practise process across the sector and within councils.

Supporting objectives

- Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile
- Improve key staff attraction and retention.

Values

In all RSHL decisions and interactions the Board and staff, together with sector participants who may be working within the RSHL framework, will observe the following values and ethos:

- We are forward thinking and innovative.
- We are focussed on delivering value.
- We are professional and accountable.
- We are flexible and open.

What did we do?

Activities

RSHL provides a framework for collaboration in local government, with a focus on the regional sector.

We develop and support shared solutions that engender greater consistency, efficiency, and reduce cost. RSHL provides a more cost-effective alternative than individual councils can achieve on their own.

The company operates by facilitating collaborative initiatives between councils and through managed contractual arrangements.

RSHL activities are grouped as follows:



IRIS Next Generation	Ten councils are working with RSHL and Datacom on the delivery of the IRIS NextGen Programme, under a formal partnership agreement. The goal of the IRIS NextGen Programme is to delivery game-changing productivity improvements to the regional sector through sector alignment around good practice process, supported by fit for purpose software. IRIS Next Generation (IRIS NextGen) will be a cloud-based Software as a Service solution (SaaS) based on the Datacom Datascape platform. IRIS NextGen will deliver a modern software platform to councils, including an online customer portal and a mobile field application. Along with the software solution, the programme will implement consistent “good practice” processes for the sector, IRIS NextGen will: • Make council staff work easier • Promote operational excellence and efficiency • Demonstrate collaboration at a sector level • Ensure the development of the technical solution is fit for purpose. Over the next two years the IRIS NextGen Programme will complete the build of the IRIS NextGen software solution and commence rollout to the councils, starting with implementation at the pilot council in 2025. <i>Performance</i> When assessing the performance of the IRIS NextGen Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on predictability, delivery and consistency. Performance against budget, delivery against milestones, and customer feedback are used to assess performance.
Te Uru Kahika Support Services	Te Uru Kahika Is the collective name for the 16 Regional Councils and Unitary Authorities in New Zealand. Through Te Uru Kahika, the regional sector: • Shares knowledge and resources between councils, • Coordinates input into national direction setting, • Works together to more effectively implement central government policy and respond to nationally significant events. The Virtual Office of Te Uru Kahika is made up of a small team who coordinate the activity of cross-functional groups from different councils. RSHL provides support services that enable Te Uru Kahika to achieve its objectives. Te Uru Kahika organises its activities into Work Programmes. RSHL collects funding from councils for each of these programmes in a coordinated way, contracts service providers to assist with the delivery of the programmes, pays provider and reports on the use of the funding. The services that RSHL provides to Te Uru Kahika are defined in a Memorandum of Agreement. When assessing RSHL’s performance for this activity, the focus is different for each service. The performance measures are defined in the MoA.



	These services are: <table><tr><td>Financial/Operations Management</td><td>These are foundational services, the focus is on compliance with policy, alignment with good practice.</td></tr><tr><td>Operation of shared services/solutions.</td><td>The focus is on achieving the intended outcome of the shared service, while effectively managing staff and finances.</td></tr><tr><td>Employment of Staff</td><td>The focus is on providing a working environment where staff are supported, motivated and safe.</td></tr><tr><td>Programme Management</td><td>The focus is on delivering high quality, skilled and trusted programme management, so that Te Uru Kahika maximises the benefits of investment into shared programmes.</td></tr><tr><td>Management Services (As requested)</td><td>The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.</td></tr></table>	Financial/Operations Management	These are foundational services, the focus is on compliance with policy, alignment with good practice.	Operation of shared services/solutions.	The focus is on achieving the intended outcome of the shared service, while effectively managing staff and finances.	Employment of Staff	The focus is on providing a working environment where staff are supported, motivated and safe.	Programme Management	The focus is on delivering high quality, skilled and trusted programme management, so that Te Uru Kahika maximises the benefits of investment into shared programmes.	Management Services (As requested)	The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.
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Employment of Staff	The focus is on providing a working environment where staff are supported, motivated and safe.										
Programme Management	The focus is on delivering high quality, skilled and trusted programme management, so that Te Uru Kahika maximises the benefits of investment into shared programmes.										
Management Services (As requested)	The focus is on being an enabler and problem solver, allowing Te Uru Kahika to maintain momentum towards its goals.										
Shared Services	RSHL operates shared services and solutions for councils. These services involve the engagement of a vendor to deliver a solution to a group of councils. RSHL leads councils through a process to define their shared objectives. RSHL then works with councils and vendors to implement a solution. RSHL is constantly evaluating new opportunities to deliver more value to the regional sector through shared services and solutions. Current Shared Services <table><tr><td>WellsNZ</td><td> Service Description: Regional and Unitary Councils collect and manage large amounts of data on wells, geothermal bores and galleries. This data is essential for planning, consenting, compliance and science processes. It is also a valuable resource for well owners, drilling companies and consultants. Through the WellsNZ website, Te Uru Kahika presents data on location, construction, geology and more. Participating Organisations: Auckland Council, Waikato Regional Council, Environment Canterbury, Otago Regional Council Objectives: To make data about Wells and Bores more easily available to all stakeholders. To develop and apply consistent standards for the recording of data about wells and bores. Link: https://wellsnz.teurukahika.nz/ </td></tr><tr><td>Data Emissions Platform</td><td> Service Description: The solution provided is a web-based data analytics platform to support historical, current and future community greenhouse gas emissions reporting based on the GPC methodology and identification of decarbonisation pathways. </td></tr></table>	WellsNZ	Service Description: Regional and Unitary Councils collect and manage large amounts of data on wells, geothermal bores and galleries. This data is essential for planning, consenting, compliance and science processes. It is also a valuable resource for well owners, drilling companies and consultants. Through the WellsNZ website, Te Uru Kahika presents data on location, construction, geology and more. Participating Organisations: Auckland Council, Waikato Regional Council, Environment Canterbury, Otago Regional Council Objectives: To make data about Wells and Bores more easily available to all stakeholders. To develop and apply consistent standards for the recording of data about wells and bores. Link: https://wellsnz.teurukahika.nz/	Data Emissions Platform	Service Description: The solution provided is a web-based data analytics platform to support historical, current and future community greenhouse gas emissions reporting based on the GPC methodology and identification of decarbonisation pathways.						
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	Participating Organisations: - Northland Regional Council - Whangarei City Council - Far North District Council - Auckland Council - Waikato Regional Council - Hamilton City Council - Bay of Plenty Regional Council - Tauranga City Council - Western Bay of Plenty District Council - Whakatane District Council - Rotorua Lakes Council - Gisborne District Council - Hawkes Bay Regional Council - Nelson City Council - Tasman District Council - Environment Canterbury - Waimakariri District Council - Selwyn District Council - Kapiti Coast District Council - Ministry for the Environment Objectives: To enable a consistent and cost-effective approach for local government to understand and report on local emissions profiles and projections, to support evidenced-based decisions on emissions reduction priorities and actions using a standardised platform.
N-Cap	Service Description: The N-Cap solution allows farmers and their representatives to record their synthetic nitrogen use via an online portal, OR alternatively to submit the required records through their fertiliser company. Participating Organisations: All Regional Sector Councils. Objectives: - To provide farmers with a pathway to meet their obligation to record synthetic nitrogen use under regulations that came into force in 2022. - To provide regional councils with the tools they need to meet their regulatory responsibilities. - To ensure national consistency on the rollout of the N-Cap Regulations. Link: https://n-cap.teurukahika.govt.nz
Retrolens	Service Description: Retrolens allows public access to historical aerial photography of New Zealand. Participating Organisations:



	Retrolens is overseen by The Local Government Geospatial Alliance (LGGA) which includes representatives from all Regional Sector Councils, and a number of local authorities. Objectives: To inform and educate the public on historical changes to the landscape in New Zealand. Link: https://retrolens.co.nz/
Public Transport Ticketing Programme	In September 2024 RSHL welcomed the Regional Integrated Ticketing System (RITS) team. This team was previously hosted at Otago Regional Council. This team is responsible for operation of the Regional Integrated Ticketing System (Bee Card) in use at 10 councils. The focus of that activity is on ensuring system and vendor performance is maintained during the transition to NTS, and that councils can transition seamlessly. The team is also coordinating the rollout of the National Ticketing System (Motu Move) to these 10 councils by 2028. The focus of that activity is ensuring participating Councils are adequately represented and that the solution provided matches expectations. <i>Performance</i> When assessing the performance of both these workstreams, we consider whether RSHL has appropriately managed the programmes. This includes budgets, vendor management (for Bee Card), communications with councils and broader stakeholder engagement.
IRIS Programme	The IRIS Programme delivers the IRIS software platform to shareholder and customer councils. The IRIS software has been in use for 10 years and is currently in use at 7 councils. The 7 councils actively collaborate on the use of IRIS and the future development roadmap. The IRIS Programme is overseen by the IRIS Advisory Group. This group agrees the roadmap and sets the budgets for the programme. RSHL and the member councils will replace the IRIS software platform via IRIS NextGen by the end of 2028. This means that the programme is now in the sunset phase. Expenditure is kept to a minimum to allow councils and staff to focus on IRIS NextGen. <i>Performance</i> When assessing the performance of the IRIS Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on value, predictability, and delivery. Performance against budget and delivery of releases are used to assess performance.



Ngā Mahi e Rapua Nei Te Utu Paremata | Activities for Which Compensation Is Sought

Funds for the operation of the Sector Office, The Sector Financial Management System, EMAR/LAWA, IRIS and IRIS NextGen are received by way of levies from the councils participating in each programme. Each programme pays a share of the overhead costs of the company proportional to the size of the programme.

These levies are set annually in the Statement of Intent.

For some projects additional funding is collected from central government entities.

IRIS Next Generation Payment of annual fees will be sought for the following activities:

Activity	Description															
IRIS Next Generation	The IRIS NextGen Partnership agreement sets out the funding to be collected from each participating council and the activities that the funds will be used for. The 10 Participating Councils share the programme costs of the IRIS NextGen programme according to the following contribution model: <table><tr><th>Large Councils</th><th>Medium Councils</th><th>Small Councils</th></tr><tr><td>17.20% per council (Total 34.40%)</td><td>10.40% per council (Total 41.60%)</td><td>4.20% per council (Total 8.40%)</td></tr><tr><td>Waikato Regional Council Bay of Plenty Regional Council</td><td>Horizons Regional Council Otago Regional Council Northland Regional Council Hawke's Bay Regional Council</td><td>Nelson City Council West Coast Regional Council</td></tr><tr><td></td><td>7.80% per council (Total 15.60%)</td><td></td></tr><tr><td></td><td>Taranaki Regional Council Southland Regional Council</td><td></td></tr></table> Over the 10-year term of the Partnership Agreement, the programme costs are expected to total \$31.8M Programme costs include: • Datacom software solution delivery • Datacom programme management • Datacom support and maintenance • Datacom council implementation costs • Datacom Good Practice Process Operating Model development • RSHL programme management • Travel and meeting expenses. • RSHL Corporate Costs In FY26 RSHL expected to collect \$3.7M from participating councils for IRIS NextGen. In addition, there is a budget provision to collect a contingency if required and approved by the IRIS NextGen Steering Group. The contingency provision for FY2026 is \$428K. In addition to the shared programme costs stated above, each Participating Council will directly incur costs. These costs are the responsibility of each Participating Council and will not be shared according to the council contribution model.	Large Councils	Medium Councils	Small Councils	17.20% per council (Total 34.40%)	10.40% per council (Total 41.60%)	4.20% per council (Total 8.40%)	Waikato Regional Council Bay of Plenty Regional Council	Horizons Regional Council Otago Regional Council Northland Regional Council Hawke's Bay Regional Council	Nelson City Council West Coast Regional Council		7.80% per council (Total 15.60%)			Taranaki Regional Council Southland Regional Council	
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Te Uru Kahika Support Services	Payment of annual contributions will be sought from all Te Uru Kahika councils for the operation of the programmes within the Te Uru Kahika construct.																									
	For some programmes, additional contributions may be sought from other local government organisations and government ministries.																									
	Contributions will be according to the agreed models. This activity includes:																									
	• Te Uru Kahika Office • Sector Business Plan • Climate Change • River Managers • EMaR • Bio Managers • Bio Control • Science Programme																									
	The funding contribution for most programmes is based on the size of the Council. The total amounts to be collected vary year to year based on the work programmes.																									
	<table><tr><th>Tier 1 – 9.4% each</th><th>Tier 2 – 6.2% each</th><th>Tier 3 – 3.2% each</th></tr><tr><td>Auckland Council *</td><td>Horizons RC</td><td>Tasman DC</td></tr><tr><td>Environment Canterbury</td><td>Otago RC</td><td>Nelson City Council</td></tr><tr><td>Greater Wellington RC</td><td>Hawke's Bay RC</td><td>Gisborne DC</td></tr><tr><td>Waikato RC</td><td>Northland RC</td><td>Marlborough DC</td></tr><tr><td>Bay of Plenty RC</td><td>Taranaki RC</td><td>West Coast RC</td></tr><tr><td></td><td>Southland RC</td><td></td></tr><tr><td>Total 47%</td><td>Total 37%</td><td>Total 16%</td></tr></table>		Tier 1 – 9.4% each	Tier 2 – 6.2% each	Tier 3 – 3.2% each	Auckland Council *	Horizons RC	Tasman DC	Environment Canterbury	Otago RC	Nelson City Council	Greater Wellington RC	Hawke's Bay RC	Gisborne DC	Waikato RC	Northland RC	Marlborough DC	Bay of Plenty RC	Taranaki RC	West Coast RC		Southland RC		Total 47%	Total 37%	Total 16%
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*Auckland Council does not fund all sector programmes. In cases where they do not fund a programme, their contribution will be collected from the remaining councils according to the model above.																										
BioControl, Climate Change Resilience and the Science Programme have custom funding models based on the value of the programmes to the region.																										
The budget and funding arrangements for the SFMS are documented in the SFMS Briefing Paper which is approved with the Te Uru Kahika Business Plan before the start of each financial year.																										
In FY26 RSHL expects to collect \$5.7M in funding from councils for sector work programmes.																										
Shared Services	<table><tr><td>WellsNZ</td><td> Participating Organisations: Auckland Council, Waikato Regional Council, Environment Canterbury, Otago Regional Council Contributions will be collected from councils participating in the programme according to the agreed funding model. Funding is collected for support and maintenance of the WellsNZ solution and also for repayment of the loan provided by Environment Canterbury which was used to fund the build of the solution. It is anticipated that one new councils will sign up for this service in FY26, with an additional two joining in FY27. Total funding to be collected is ~\$250K, collected according to the following model: </td></tr></table>		WellsNZ	Participating Organisations: Auckland Council, Waikato Regional Council, Environment Canterbury, Otago Regional Council Contributions will be collected from councils participating in the programme according to the agreed funding model. Funding is collected for support and maintenance of the WellsNZ solution and also for repayment of the loan provided by Environment Canterbury which was used to fund the build of the solution. It is anticipated that one new councils will sign up for this service in FY26, with an additional two joining in FY27. Total funding to be collected is ~\$250K, collected according to the following model:																						
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	<table><tr><th>Council</th><th>% Contribution</th></tr><tr><td></td><td>% Service Contribution</td></tr><tr><td>Environment Canterbury</td><td>21.43</td></tr><tr><td>Waikato Regional Council</td><td>21.43</td></tr><tr><td>Auckland Regional Council</td><td>21.43</td></tr><tr><td>Greater Wellington Regional Council</td><td>21.43</td></tr><tr><td>Otago Regional Council</td><td>14.29</td></tr><tr><td>Total</td><td>100.00</td></tr></table>	Council	% Contribution		% Service Contribution	Environment Canterbury	21.43	Waikato Regional Council	21.43	Auckland Regional Council	21.43	Greater Wellington Regional Council	21.43	Otago Regional Council	14.29	Total	100.00
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Data Emissions Platform	Service Description: The solution provided is a web-based data analytics platform to support historical, current and future community greenhouse gas emissions reporting based on the GPC methodology and identification of decarbonisation pathways. 20 organisations contributed to the inception of the Data Emissions Platform in FY2025. Contributions were collected based on what funding each organisation had available to contribute. From FY2026 onwards contributions will be based on a regional model with a funding allocation from each participating region, with the councils in each region determining how the contribution will be allocated. This model is still in development and will be provided in the Final version of the SOI in June. The total funding amount to be collected in FY26 is \$425K.																
N-Cap	Service Description: The N-Cap solution allows farmers and their representatives to record their synthetic nitrogen use via an online portal, OR alternatively to submit the required records through their fertiliser company. The N-Cap solution is funded from contributions collected Te Uru Kahika Essential Freshwater Programme. The total allocated for N-Cap is \$28K.																



	Retrolens Service Description: Retrolens allows public access to historical aerial photography of New Zealand. The total funding to be collected in FY2026 is budgeted as \$50K. 50% of this is budgeted to be collected from Land Information New Zealand Toitū Te Whenua, with the balance to be collected from the Te Uru Kahika councils using the standard ReCoCo model. <table><tr><th>Category</th><th>% Share</th><th>Council</th></tr><tr><td rowspan="5">Large Councils</td><td rowspan="5">9.40%</td><td>Auckland</td></tr><tr><td>Environment Canterbury</td></tr><tr><td>Waikato Region Council</td></tr><tr><td>Greater Wellington Regional Council</td></tr><tr><td>Bay of Plenty Regional Council</td></tr><tr><td rowspan="6">Medium Councils</td><td rowspan="6">6.20%</td><td>Horizons Regional Council</td></tr><tr><td>Otago Regional Council</td></tr><tr><td>Hawkes Bay Regional Council</td></tr><tr><td>Northland Regional Council</td></tr><tr><td>Taranaki Regional Council</td></tr><tr><td>Southland Regional Council</td></tr><tr><td rowspan="5">Small Councils</td><td rowspan="5">3.20%</td><td>Tasman District Council</td></tr><tr><td>Nelson City Council</td></tr><tr><td>Gisborne District Council</td></tr><tr><td>Marlborough District Council</td></tr><tr><td>West Coast Regional Council</td></tr></table>	Category	% Share	Council	Large Councils	9.40%	Auckland	Environment Canterbury	Waikato Region Council	Greater Wellington Regional Council	Bay of Plenty Regional Council	Medium Councils	6.20%	Horizons Regional Council	Otago Regional Council	Hawkes Bay Regional Council	Northland Regional Council	Taranaki Regional Council	Southland Regional Council	Small Councils	3.20%	Tasman District Council	Nelson City Council	Gisborne District Council	Marlborough District Council	West Coast Regional Council
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Public Transport Ticketing Programme	10 Councils contribute to the Public Transport Ticketing System Programme under a funding agreement signed by RSHL in 2024. Contributions are collected according to the following model agreed by the councils and RSHL. <table><tr><th>Council</th><th>Cost share %</th></tr><tr><td>Waikato Regional Council</td><td>24.3%</td></tr><tr><td>Bay of Plenty Regional Council</td><td>24.3%</td></tr><tr><td>Otago Regional Council</td><td>24.3%</td></tr><tr><td>Horizons Regional Council</td><td>6.3%</td></tr><tr><td>Hawkes Bay Regional Council</td><td>6.3%</td></tr><tr><td>Taranaki Regional Council</td><td>2.9%</td></tr><tr><td>Nelson City Council</td><td>2.9%</td></tr><tr><td>Invercargill City Council</td><td>2.9%</td></tr><tr><td>Northland Regional Council</td><td>2.9%</td></tr><tr><td>Gisborne District Council</td><td>2.9%</td></tr></table> In FY26 funding contributions to PTP are expected to be \$1.8M.	Council	Cost share %	Waikato Regional Council	24.3%	Bay of Plenty Regional Council	24.3%	Otago Regional Council	24.3%	Horizons Regional Council	6.3%	Hawkes Bay Regional Council	6.3%	Taranaki Regional Council	2.9%	Nelson City Council	2.9%	Invercargill City Council	2.9%	Northland Regional Council	2.9%	Gisborne District Council	2.9%			
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Gisborne District Council	2.9%																									



IRIS

Payment of an Annual Fee for IRIS will be sought from all councils that use the Software for annual support and development fees, as set out in the License Agreement.

Proportion of Contributions to the IRIS Programme

Contributions for IRIS will be collected in the following proportions.

Shareholder	Percentage
Waikato Regional Council	32.39%
Northland Regional Council	11.93%
Horizons Regional Council	16.00%
Taranaki Regional Council	11.93%
Southland Regional Council	11.93%
West Coast Regional Council	3.87%
Hawke's Bay Regional Council	11.93%

In FY26 RSHL expects to collect \$282K in funding from participating councils with the remainder of the programme funded from surplus funds from previous years held by RSHL.

RSHL Corporate Costs

Corporate costs are for the operation and development of the company. All work programmes will contribute to RSHL Corporate Costs, with the contribution based on the programmes proportion of revenue in the financial year.

In the 2026 Financial year (and the following 2 years) the budgeted proportion of Corporate Costs to each programme is as follows:

	2025/26	2026/27	27/28	28/29
IRIS	3.0%	5%	4%	5%
IRIS NextGen	35.3%	34%	49%	26%
Te Uru Kahika	48.6%	40%	37%	61%
Shared Services		6%	5%	8%
PTTP	13.1%	15%	5%	0%

In FY26 RSHL expects to have corporate costs of \$0.57M. This is 4.9% of total operating expenditure.

It is noted that other products or services may be delivered by RSHL. Any such services will only be delivered after the Directors have considered each individual business case including the proposed budget and agreed that the proposed service meets the objectives of RSHL.

Any ongoing activities to identify, develop or procure additional products or services will be budgeted for in advance, subject to a business case. The subsequent recovery of costs will be agreed on a case-by-case basis.



How did we perform?

IRIS	We previously reported a reduction in the frequency of IRIS releases to allow focus on IRIS NextGen and minimise cost. During the reporting period, no new versions of IRIS were released. However, a hotfix was provided to all councils to provide the required changes for the RMA Amendment Act 2025. Work also continues to enable councils in cleansing their IRIS data in preparation for migration to the Datascape Regional Sector Solution (RSS). This includes the conversion and transformation of data.	
IRIS Next Generation	The IRIS NextGen Programme reached a major milestone in November 2025 with the decision to commence the Pilot Implementation at Otago Regional Council. In the period of time covered by this report, the emphasis has been on preparations for the pilot, including: • Completion of a second round of product testing by subject matter experts from participating councils. The testing programme for IRIS NextGen is comprehensive, ensuring that the solution is of high quality, prior to the start of the Pilot Implementation. The structured test approach has allowed for focused expertise and cross-council learning, which enriches understanding and fosters a supportive team culture. • Supporting the ORC preparedness for the start of the Pilot. As the IRIS NextGen solution is new, implementation presents additional risk to the ORC. To address this, ORC has meticulously attempted to mitigate risks to the Pilot and the wider programme through detailed project planning. RSHL has actively supported this work alongside Datacom. • Future state process workshops. The RSHL team has worked alongside ORC to ensure that ORC staff have a strong understanding of their future state processes, using the IRIS NextGen good practice processes. The IRIS NextGen Product Management Team has assessed the impact of Resource Management Reform on the solution, and the required changes are being planned into the future roadmap. There have been frustrating delays to the start of council implementations caused by slower than committed delivery by the vendor. However we have a high degree of confidence in the final solution. RSHL is excited to move into the implementation phase of the project. Financially, the IRIS NextGen Programme is on-budget.	
Te Uru Kahika Support Services	In this context, Te Uru Kahika refers to the organisation led by the Te Uru Kahika Executive Director and overseen by the RCEOs Group. Te Uru Kahika is also sometimes used to refer to the collective of the 16 regional government organisations. RSHL provides services that underpin and accelerate Te Uru Kahika, including collecting funds, employing staff, and engaging suppliers to deliver on Te Uru Kahika strategic objectives.	
	Financial/Operations Management	RSHL efficiently and accurately operated the financial systems for Te Uru Kahika. This included: • Management of upward of 60 service contracts for services in support of Te Uru Kahika work programmes • Processing of receivable invoices lines with a total value of \$3M for funding to support the programmes. • Processing of payable invoices with a total value of \$3M for services in support of Te Uru Kahika.
	Operation of shared services/solutions	In the period from 1 July to 30 June 2025 RSHL operated the following shared service solutions for Te Uru Kahika: • LAWA Website • WellsNZ • N-Cap Tool • Te Uru Kahika Collaboration Hub



	<table><tr><td></td><td> Macro-Invertebrate Species Library. </td></tr><tr><td>Employment of Staff</td><td>In the period from 1 July to 31 December, RSHL employed 12 staff on behalf of Te Uru Kahika including 2 staff on secondment from GWRC and NIWA.</td></tr></table>		Macro-Invertebrate Species Library.	Employment of Staff	In the period from 1 July to 31 December, RSHL employed 12 staff on behalf of Te Uru Kahika including 2 staff on secondment from GWRC and NIWA.
	Macro-Invertebrate Species Library.				
Employment of Staff	In the period from 1 July to 31 December, RSHL employed 12 staff on behalf of Te Uru Kahika including 2 staff on secondment from GWRC and NIWA.				
Shared Services	WellsNZ Through the WellsNZ website, councils present data on Well/Bore location, construction, geology and more. Over the reporting period, the WellsNZ solution was maintained and improved under the direction of the WellsNZ Advisory Group. Greater Wellington Regional Council became a user of the service, and Marlborough District Council has also completed the process to join, and is in the process of onboarding. GWRC and MDC join Environment Canterbury, Auckland City Council, Waikato Regional Council and Otago Regional Council as users of the solution with Bay of Plenty Regional Council scheduled to start use of the solution in early FY27. Local Data Emissions Platform (LEDP) The Local Data Emissions Platform is in its second full year of operation with 20 participating councils. The implementation project is closed and the LEDP is now a fully operational service. - Collection of council-owned data is now complete. - Emphasis has now moved to continuous improvement of council processes and ongoing enhancement of models, including refinements for agriculture and forestry. N-Cap The N-Cap solution allows farmers and their representatives to record their synthetic nitrogen use via an online portal, OR alternatively to submit the required records through their fertiliser company. Over the reporting period, results were collected for the FY25 year. The system was then mothballed to minimise cost while awaiting further direction from the government. Retrolens The Retrolens platform allows the public to download scanned aerial imagery from 1936 to 2005 from the Crown archive. The site is overseen by the Te Uru Kahika Geospatial SIG. In July 2025 a new version of the site was released with a simpler and more user-friendly interface.				
Public Transport Ticketing Programme	The Public Transport Ticketing Programme is responsible for operation of the RITS system in use at 10 councils as well as supporting the eventual migration to the National Ticketing System. Over the reporting period, the RITS team continued to support councils using the BeeCard system and provided effective support and technical advisory for councils. - Worked with Cubic, NZTA and the Regions to develop and refine a new Integrated Plan based on a cookie-cutter approach. This makes it easier to re-plan if needed and also tailor to meet specific regional requirements. - Develop detailed regional Configuration documents to allow Cubic to setup the develop/test/production requirements as necessary. This has been completed for 5 regions and work will continue on the remaining 5 in the first half of this calendar year. - Determine and commence development of detailed business processes for our regions. These are based on a service blueprint which drills down into a service catalogue. This work is taking place in conjunction with NZTA's Transport Ticketing operations section which will support NTS in the long term. - In conjunction with the regions, develop financial and operations reporting requirements and make sure these align with Cubic's capability and current system design. This work will continue in the coming year. - Worked with Cubic and the regions to develop Financial Operating procedures to facilitate reconciliation, settlement and audit processes. This work will continue in the coming year.				



Key Judgements

IRIS	When assessing the performance of the IRIS Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on predictability, delivery and consistency. Performance against budget, delivery of releases, customer and user feedback are used.
IRIS Next Generation	When assessing the performance of the IRIS NextGen Programme we consider whether RSHL has appropriately managed the programme. This includes budget, vendor management, product roadmap and communications with councils. We place an emphasis on predictability, delivery and consistency. Performance against budget, delivery against milestones, and customer feedback are used.
Te Uru Kahika Support Services	When assessing the performance of RSHL in providing support services to Te Uru Kahika we consider how RSHL has effectively supported the smooth operation of Te Uru Kahika and enabled the sector to respond to issued and opportunities as they arise. Feedback from stakeholders and achievement of targeted outcomes is used to form an assessment. We place an emphasis on enabling the work of Te Uru Kahika and the efficient, compliant and accurate processing of financial transactions for the Te Uru Kahika programme. Performance is assessed using the services framework in the MoA. • Financial/Operations Management • Operation of shared services/solutions • Employment of Staff • Programme Management • Management Services (As requested)
Shared Services	When assessing the performance of RSHL in the delivery of shared services we consider how RSHL has delivered value to customers using the service. Feedback from stakeholders and achievement of targeted outcomes is used to form an assessment. We place an emphasis on efficient operation of the service, minimising cost and maximising value.
Public Transport Ticketing Programme	When assessing the performance of RSHL in supporting the PTTP we consider how RSHL has effectively supported the smooth operation of the programme. Feedback from stakeholders and achievement of targeted outcomes is used to form an assessment. We place an emphasis on enabling the programme to achieve its goals, and the efficient, compliant and accurate processing of financial transactions. Performance is assessed using the services framework: • Financial/Operations Management • Operation of shared services/solutions • Employment of Staff • Programme Management • Management Services

Performance Measures

The following performance measures were incorporated into the Statement of Intent for the 2025-26 financial year.

Performance targets by which success may be judged in relation to our objectives are:

Theme: Programme Delivery

Performance Statement: We will maintain a high standard of delivery of our programmes to customers.

Target	Timing
- All projects and programmes will follow an appropriate approval pathway for their size, scope and complexity. - All programmes will have an effective governance structure and planning processes appropriate to the size and complexity of the programme. - Draft plans and budgets will be set before 1 March, final plans and budgets will be set by 30 June. - An independent assurance review will be completed for major programmes each year.	To be completed by 30 June each year.
- All programmes will meet agreed delivery targets set by the programme governance group each year. - Annual performance surveys will be completed with participating councils. - Survey feedback will be considered and actioned where appropriate – including sharing feedback with the Board.	November each year.

Performance Statement: We will manage our programs to a high standard.

Target	Timing
All projects and programmes will follow an appropriate approval pathway for their size, scope and complexity.	Self-assessment in June each year.

In the period 1 July – 31 December 2025 the following projects were initiated at RSHL.

Regional Sector Preparedness for Managing Avian Flu Risk

In December 2025 the board approved an agreement with BioSecurity NZ for \$3M in funding to support regional preparedness for the Avian Influenza.

Under the agreement:

- RSHL will host the project, and the project will be delivered using our delivery framework.
- The project team will comprise of a contract project manager and members of Te Uru Kahika Bio-Managers Working Group.
- The project will operate within the RSHL control framework and report to the sector OneHealth governance group.

The project is time sensitive, and will operate from 1 January 2026 to 31 August 2026 only.

Avian influenza (bird flu) is a highly contagious viral disease that primarily affects birds but can also infect mammals, including humans. There are two main forms:

- High pathogenicity avian influenza (HPAI): Causes severe illness and high death rates in birds. Common strains include H5, H7, and H9.
- Low pathogenicity avian influenza (LPAI): Usually causes mild or no symptoms in birds but can mutate into HPAI. In New Zealand, LPAI is present in wild birds and is monitored through an active surveillance programme.

Biosecurity preparedness refers to maintaining readiness to prevent, respond to, and recover from the introduction or spread of diseases like avian influenza. This includes having response plans, trained personnel, appropriate equipment and resources, and regular exercises or drills to test preparedness.



Target	Timing
All programmes will have an effective governance structure appropriate to the size and complexity of the programme.	Self-assessment in June each year.

In the period 1 July 2025– 31 December 2025 all projects/programmes operated governance structures as agreed with participating councils, and in accordance with the RSHL Governance Framework.

Programme	Governance Structure
IRIS NextGen	• RSHL Board governance oversight • Council appointed Steering Group with representatives from each council.
IRIS	• RSHL Board governance oversight • Council appointed Advisory Group with representatives from each council.
HPAI Preparedness	• RSHL Board governance operational oversight • OneHealth Governance strategic oversight • RSHL oversight of financial activity according to RSHL policy. • Steering Group appointed by RSHL, Te Uru Kahika and BioSecurity NZ

Target	Timing
All programmes will have an effective planning process. Draft plans and budgets will be set before 1 March, final plans and budgets will be set by 30 June.	Self-assessment in June each year.

Programme	Planning and Budgeting
IRIS NextGen	The IRIS NextGen Programme Budget was updated and endorsed by the Steering Group in February, for inclusion in the Draft Statement of Intent. The final unchanged budget was endorsed by the Steering Group in June for inclusion in the Statement of Intent.
IRIS	The IRIS Programme Budget was updated and endorsed by the Advisory Group in February, for inclusion in the Draft Statement of Intent. Participating councils had the budget approved by a staff member with appropriate delegation. The final unchanged budget was endorsed by the Advisory Group in June for inclusion in the Statement of Intent.
HPAI Preparedness	HPAI Preparedness is a one-off project. Planning and budgeting was completed by the project team prior to execution of the agreement. The plan and budget will be refined over time as the requirements of each region are understood.

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Theme : Service Delivery

Performance Statement: We will maintain a high standard of delivery of our services to customers.

Target	Timing
All services are clearly defined, including service definition, service level expectations and funding models.	June 2026
All services will have an effective customer advisory structure appropriate to the size and complexity of the service.	June 2026
All services will meet or exceed agreed service level expectations each year.	June 2027*

*This performance measure is to be in place for FY2027.

December Update

Te Uru Kahika Hosting	RSHL hosting of Te Uru Kahika is underpinned by a MOU. This MOU remains in a draft state, however it provides the basis for management of our services to the Te Uru Kahika Team. The service level for each service is defined and agreed concurrently with the Te Uru Kahika budget in June each year. The services provided are listed in the activities phase of the document. As this service is not provided directly to councils, the customer advisory structure for Te Uru Kahika is the Executive Director.
Local Emissions Data Platform	The LEDP Service has a Steering Group comprised of senior councils staff and an Advisory Group open to staff from all councils that use the solution. The Steering Group oversees the finances of the service and the vendor relationship. The Advisory Group works directly with the supplier to improve the product develop and develop consist good practice across councils. Service levels and the management structure for the service are defined in the Partnership Agreement.
WellsNZ	The WellsNZ Service has a Steering Group comprised of senior councils staff and an Advisory Group open to staff from all councils that use the solution. The Steering Group oversees the finances of the service and the vendor relationship. The Advisory Group works directly with the supplier to improve the product develop and develop consist good practice across councils. Service levels and the management structure for the service are defined in the Partnership Agreement.
Public Transport Ticketing Programme	The Public Transport Ticketing Programme transferred to RSHL in 2025. The programme has a Steering Group with a representative from each council. The RITS Contract Manager leads the PTTP programme at RSHL. Internal service levels are informally discussed and agreed with them. Service levels for the BeeCard solution are documented in the contract with the vendor.



Theme: Operational Excellence

Performance Statement: We will set a high standard for the governance and management of the company.

Target	Timing
We will operate within approved budget, with any material variations approved by the board.	Assessed at year-end.

Financial Reports are reviewed at each board meeting, including Statements of Financial Performance for each activity.

As noted in the foreword, revenue is tracking favourable to budget, a situation that we expect to continue to year end. Council contributions to programmes are generally as budgeted, and we have collected additional funding for new projects including supporting national preparedness for HPAI.

Operating expenditure is slightly less than budgeted. This is due to timing variances across multiple projects. This is not a cause for concern, and we expenditure to be close or less than budgeted at year end.

Target	Timing
We will meet all statutory governance and reporting deadlines.	Assessed in July for the previous year.

To be assessed in July.

Target	Timing
The board will operate according to the Institute of Directors’ Code of Practice.	Self-assessment to be completed in June for the previous financial year.

To be assessed in June. Note that in the previous 6 months the board has developed and adopted a charter and Code of Conduct to underpin their commitment to operate according to the IoD Code of Practice.



Financial Statements | Ngā Tauākī Pūtea

Regional Software Holdings Limited

For the 6 months ended 31 December 2025

This report covers the 6 months from 1 July 2025 to 31 December 2025 as required by section 66 of the Local Government Act 2002. RSHL has no subsidiaries or joint ventures.

Registered Office

C/- ONLA, 12 Victoria Avenue, Palmerston North

Directors

The directors appointed for the period that this Performance Report covers were:

Asbjorn Aakjaer	Independent Director
Janine Becker	Waikato Regional Council
Wilma Falconer (until 29 August 2025)	Southland Regional Council
Fiona McTavish (until 27 November 2025)	Bay of Plenty Regional Council
Patrick Ng (from 27 November 2025)	Southland Regional Council
Mike Nield	Taranaki Regional Council
Bruce Robertson (Chairperson)	Independent Director
Ged Shirley	Horizons Regional Council
Matthew Taylor (from 27 November 2025	Bay of Plenty Regional Council

Interest Register

All directors listed their interests in the register on being appointed to the company and interest are reviewed at each board meeting. The following interests are registered:

Director	Organisation	Interest
Asbjorn Aakjaer	Negotiate Limited	Director & Shareholder
	Aakjaer Trustee Company	Director & Shareholder
	Ice Bear Holdings Limited	Director & Shareholder
	EMD Advantage Limited (Infor Channel partner)	Independent Chairperson
	Waikato Regional Council	Negotiate Limited provides post implementation support.to the WRC Finance Team
	Healthcare Logistics (a division of EBOS Group Limited)	Employed to deliver Supply Chain transformation
Janine Becker	Waikato Regional Council	Director, Finance & Business Services of RSHL Shareholding Council
Wilma Falconer	Environment Southland	Chief Executive of RSHL Shareholding Council
	Project Partners Limited	Director of Project Partners Limited (jointly owned company with husband)



Fiona McTavish	Bay of Plenty Regional Council	Chief Executive of RSHL Shareholding Council
	BOPLASS Limited	Director
	McTavish-Huriwai Investments Limited	Director & Shareholder
	Quayside Holdings Limited	Director
	Quayside Securities Limited	Director
	Quayside Properties Limited	Director
Patrick Ng	Southland Regional Council	General Manager Corporate Services of RSHL Shareholding Council
	Ava Technologies Limited	Director
Mike Nield	Taranaki Regional Council	Director, Corporate Services of RSHL Shareholding Council
	Taranaki Stadium Trust	Trustee
Bruce Robertson	R Bruce Robertson Limited	Director and Shareholder (governance and advisory services) Audit & Risk Committee Chair
	Ministry of Primary Industries (MPI)	
	<u>Local Authorities:</u>	
	Thames-Coromandel District Council	Audit & Risk Committee Chair
	Taupo District Council	Audit & Risk Committee Chair
	Bay of Plenty Regional Council	Audit & Risk Committee Deputy Chair
	Gisborne District Council	Audit & Risk Committee Chair
	Napier City Council	Audit & Risk Committee Chair
	South Wairarapa District Council	Audit & Risk Committee Chair
	Timaru District Council	Audit & Risk Committee Chair
	Central Otago District Council	Audit & Risk Committee Chair
	Southland District Council	Audit & Risk Committee Chair
	Christchurch City Council	Audit & Risk Committee Chair
	Kaipara District Council	Audit & Risk Committee Chair
Ged Shirley	Horizons Regional Council	General Manager, Regional Services & Information of RSHL Shareholding Council
Matthew Taylor	Bay of Plenty Regional Council	Tumu Herenga Mahi, General Manager Corporate of RSHL Shareholding Council

The following directors received the following payments throughout the 6 months period:

A Aakjaer - \$20,736 (Year ended 30 June 2025: \$38,750) for independent director services.

B Robertson - \$26,990 (Year ended 30 June 2025: \$38,750) for independent director services.

The other directors are paid through their respective Councils.



Statement of Comprehensive Revenue and Expense |
Te Tauākī Matawhānui mō te Moniwhiwhi me ngā
Whakapaunga

Regional Software Holdings Limited
For the 6 months ended 31 December 2025

	NOTES	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	31 DEC 2025 6 MONTHS SOI	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Revenue						
Regional Sector Shared Services	2	3,408,839	2,581,405	3,062,182	5,724,365	5,478,019
Member Contributions	2	2,763,089	2,316,789	3,012,864	6,453,530	5,417,484
Other Revenue	2	348,562	37,213	35,208	70,414	159,148
Interest	2	5,136	48,112	12,498	25,000	68,452
Total Revenue		6,525,625	4,983,519	6,122,752	12,273,309	11,123,104
Expenses						
Administration Costs	3	76,488	94,749	58,728	117,468	149,077
Audit and Legal Fees	1	18,459	31,418	62,322	124,641	122,746
Datacom Support Services		159,030	125,250	150,000	300,000	239,311
Environmental Charges		59,803	57,256	74,424	148,850	117,022
Communications Services		193,371	-	108,996	217,990	-
External Contractors		1,183,747	564,151	1,693,782	3,387,570	1,805,522
External Directors Fees		47,726	37,700	46,920	93,840	77,500
Loan Onpayment		-	-	56,448	112,901	-
IT Support Services		15,490	-	39,996	80,000	-
Other Direct Software Expenses		388,658	444,253	200,778	401,556	962,236
Personnel costs		1,495,952	932,725	1,399,602	2,799,187	1,942,262
Project Services		730,489	-	1,073,844	2,147,699	-
Promotional and External Communications costs		25,111	145,083	6,498	13,000	226,958
Regional Sector Shared Services		480	2,850,834	40,332	80,668	5,301,174
Service Providers		1,005,717	-	664,926	1,329,856	-
Subject Matter Consultants		781,869	-	665,028	1,330,050	-
Training Providers		72,970	-	62,856	125,713	-
Grants and donations made		-	210	-	-	310
Travel and Meeting Costs		167,827	192,786	144,822	289,644	323,363
Depreciation Expense	8	7,167	2,170	-	-	6,840
Amortisation Expense	9	198,712	222,556	200,214	400,429	433,452
Total Expenses		6,629,066	5,701,141	6,750,516	13,501,062	11,707,773
Surplus/(Deficit) before Tax		(103,440)	(717,622)	(627,764)	(1,227,753)	(584,670)
Income Tax						
Tax Expense		-	-	-	-	(88,091)
Comprehensive Revenue & Expense		(103,440)	(717,622)	(627,764)	(1,227,753)	(496,579)

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated



Statement of Financial Position | Te Tauākī mō te Āhua o te Pūtea

Regional Software Holdings Limited
As at 31 December 2025

	NOTES	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Assets					
Current Assets					
Cash and Cash Equivalents		3,663,225	4,243,347	3,075,638	4,969,294
Receivables and Prepayments	7	1,690,127	440,747	1,939,101	427,177
Goods and Services tax		-	127,690	-	53,420
Income Tax Receivable		22,729	56,683	-	21,291
Total Current Assets		5,376,081	4,868,467	5,014,739	5,471,182
Non-Current Assets					
Property, Plant & Equipment	8	14,649	7,344	3,152	10,292
Intangible Assets	9	539,064	878,346	309,360	737,776
Total Non-Current Assets		553,713	885,690	312,512	748,068
Total Assets		5,929,794	5,754,157	5,327,251	6,219,250
Liabilities					
Current Liabilities					
Payables and Deferred Revenue	10	1,103,881	1,138,862	2,275,512	1,489,305
Employee Entitlements	11	218,050	130,807	-	112,505
Goods and Services Tax		93,864	-	45,922	-
Total Current Liabilities		1,415,794	1,269,669	2,321,434	1,601,810
Non-Current Liabilities					
Deferred Tax Liability		-	88,091	-	-
Total Non-Current Liabilities		-	88,091	-	-
Total Liabilities		1,415,794	1,357,760	2,321,434	1,601,810
Net Assets		4,514,000	4,396,397	3,005,817	4,617,440
Equity					
Contributed Capital		5,149,150	5,149,150	5,149,150	5,149,150
Accumulated Funds		(635,150)	(752,753)	(2,143,333)	(531,710)
Total Equity		4,514,000	4,396,397	3,005,817	4,617,440

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated



Statement of Changes in Equity/Net Assets | Te Tauākī mō ngā Panonitanga o te Whai Tūtanga/ngā Huarawa More

Regional Software Holdings Limited
For the 6 months ended 31 December 2025

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Equity				
Opening Balance	4,617,440	5,114,019	4,233,570	5,114,019
Total Comprehensive Revenue and Expense for the year	(103,440)	(717,622)	(1,227,753)	(496,579)
Balance at 30 June	4,514,000	4,396,397	3,005,818	4,617,440
Total Comprehensive Revenue and Expense Attributable to				
Regional Software Holdings Ltd	(103,440)	(717,622)	(1,227,753)	(496,579)



Statement of Cash Flows | Te Tauākī mō ngā Kapewhiti

Regional Software Holdings Limited
For the 6 months ended 31 December 2025

	31 DEC 2025 12 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Cash Flows from Operating Activities				
Receipts from Members and Non-Members	5,134,832	2,357,982	12,248,309	5,549,000
Interest Received	5,136	48,112	25,000	68,452
Sector Work Programmes and Te Uru Kahika Income	253,533	4,259,290	-	7,001,414
Other Income	297,703	-	-	-
Income tax received/(paid)	(1,438)	(13,471)	-	21,921
Payments to suppliers and employees	(6,958,626)	(6,703,163)	(13,100,633)	(11,992,781)
GST	(25,025)	(84,436)	-	19,241
Total Cash Flows from Operating Activities	(1,293,884)	(135,687)	(827,324)	667,249
Cash Flows from Investing and Financing Activities				
Payments to acquire property, plant and equipment	(12,185)	(3,928)	-	(10,590)
Payments to purchase intangibles	-	-	-	(70,327)
Total Cash Flows from Investing and Financing Activities	(12,185)	(3,928)	-	(80,917)
Net Increase/ (Decrease) in Cash	(1,306,069)	(139,615)	(827,324)	586,332
Cash Balances				
Cash and cash equivalents at beginning of period	4,969,294	4,382,962	3,902,962	4,382,962
Cash and cash equivalents at end of period	3,663,225	4,243,347	3,075,638	4,969,294
Net change in cash for period	(1,306,069)	(139,615)	(827,324)	586,332

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated



Notes to the Financial Statements | Tuhinga Āpiti ki Te Ngā Tauākī Pūtea

Regional Software Holdings Limited For the 6 months ended 31 December 2025

1. Statement of Accounting Policies | Te Tauākī mō ngā Kaupapa Here Mahi Kaute

Reporting Entity

Regional Software Holdings Limited (RSHL) was incorporated 17 October 2012. RSHL was primarily incorporated for the purposes of managing the investment and development of IRIS software, and had incorporated, and has designated itself a Public Benefit Entity (PBE), in keeping with the designation of the shareholders.

RSHL is a Public Limited Liability Company incorporated and registered under the Companies Act 1993 and is a council-controlled organisation as defined in Section 6 of Local Government Act 2002.

RSHL has no subsidiaries or joint ventures.

Entity Structure

Following the restructure of RSHL into the Te Uru Kahika Shared Services organisation in November 2022, the company has a Board of 7 directors, comprised of 5 council representatives and two independent directors. The Board oversees the governance of RSHL. The Board is accountable to its shareholders for the financial and non-financial performance of the company. RSHL directors are elected and retire by rotation. In addition, there is a Chief Executive who is responsible for the day-to-day operations of RSHL and reports to the Board.

The Company has:

- 10 Class A (Control) Shares - issued for \$1 par value per share, and fully paid up, and
- 10,000 Class B (IRIS) Shares - issued for \$1 par value per share, and fully paid up - which represent the ownership rights over IRIS classic asset and enable the founding shareholders to retain their rights and ownership of the IRIS asset following the restructure of RSHL in November 2022.

The total number of shares at 31 December 2025 is 10,010 (30 June 2025: 10,010).

The shareholding of the Company as at 31 December 2025 is as follows:

Organisation	Class A (Control) Shares	Class B (IRIS) Shares
Waikato Regional Council	1	3,275
Northland Regional Council	1	1,675
Horizons Regional Council	1	1,550
Taranaki Regional Council	1	1,550
Southland Regional Council	1	1,550
West Coast Regional Council	1	400
Bay of Plenty Regional Council	1	-
Gisborne District Council	1	-
Hawke's Bay Regional Council	1	-
Otago Regional Council	1	-

The financial statements are those of RSHL, for the six months ended 31 December 2025, and were authorised for issue by the Board of Directors on 27 February 2026.



Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002, and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These financial statements and service performance information have been prepared in accordance with and comply with PBE Standards RDR. RSHL is eligible and has elected to apply the PBE Standards RDR because its expenses are less than \$30 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars (NZ dollars) and all values are rounded to the nearest dollar.

Changes in Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Summary of Significant Accounting Policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign Currency Transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into NZ\$ (the functional currency) using the spot exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Goods and Services Tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows. Commitments and contingencies are disclosed exclusive of GST.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, estimates and assumption have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.



Additional Disclosure

The companies Act 1993 requires disclosure of the amount of the donations, audit fees, fees for other services from the auditor, and the number of employees of the company who received remuneration and other benefits above \$100,000 per annum, in brackets of \$10,000.

At 31 December 2025 19 staff members were employed by RSHL (as at 30 June 2025: 14, 31 December 2024: 13).

Remuneration Bracket	31 Dec 2025 (annualised)	30 Jun 2025	31 Dec 2024
Up to 100,000	9	7	5
100,000 - 110,000	0	1	0
110,000 - 120,000	1	0	0
120,000 - 130,000	0	0	0
130,000 - 140,000	0	0	0
140,000 - 150,000	1	2	3
150,000 - 160,000	2	1	1
160,000 - 170,000	1	2	1
170,000 - 180,000	1	0	0
180,000 - 190,000	0	0	1
190,000 - 200,000	1	0	0
200,000 - 210,000	0	0	2
210,000 - 220,000	2	2	0
260,000 - 270,000	1	0	0

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Fees to Auditors				
Fees to Audit NZ for audit of the financial statements and performance information	-	-	72,131	60,896
Fees to Audit NZ for other services	-	7,697	-	7,698
Total Fees to Auditors	-	7,697	72,131	68,594

All 2025 audit fees had been accrued in the year ended 30 June 2025.

Donations made in the period: \$0 (31 Dec 2024: \$210, 30 Jun 2025: \$310).



2. Revenue

Accounting Policy

The specific accounting policies for significant revenue items are explained below:

Revenue is recognised depending on whether the revenue is from exchange or non-exchange transactions.

Exchange Revenue

Exchange revenue from the rendering of services is recognised by reference to the stage of completion of the services.

Other Revenue

Other Revenue includes Consulting Services, and Council Specific Funding (for software and subscriptions). RSHL recognises revenue from these services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on the work performed or the stage of completion of the subscription period.

Investment Revenue

Interest revenue is recorded as it is earned.

Non-Exchange Revenue

Non-exchange revenue is recognised when it becomes receivable, unless there is a substantive use or return condition attached to the funding for non-performance. If there is a substantive use or return condition, revenue is deferred and recognised as revenue only upon satisfying the condition of the funding.

Non-exchange transactions are those where RSHL receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange. Inflows of resources from non-exchange transactions, other than services in-kind, that meet the definition of an asset are recognised as an asset only when:

- It is probable that RSHL will receive an inflow of economic benefits or service potential; and
- The fair value of can be measured reliably.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be estimated reliably.

Members Contributions and Regional Sector Shared Services

The revenue from Members Contributions and Regional Sector Shared Services is all regarded as non-exchange revenue and recognised when it becomes receivable as there are no economic consequences of delivery outlined in the agreements.

Refer Statement of Service Performance (page 5) for further details of all revenue-generating activities.



	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)

Regional Sector Shared Services

Central Government Funding	750,000	100,000	-	350,000
Sector Work Programmes Revenue	-	2,481,405	-	5,128,019
Shared Services Revenue	427,410	-	786,317	-
Te Uru Kahika - Core Funding	1,892,123	-	3,946,180	-
Te Uru Kahika - Alternate Funding	339,307	-	622,704	-
Te Uru Kahika - 3rd Party Funding	-	-	369,164	-
Total Regional Sector Shared Services	3,408,839	2,581,405	5,724,365	5,478,019

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)

Members Contributions

Members Contributions as per SOI				
IRIS NextGen Programme	1,935,789	2,116,627	4,146,603	4,205,157
IRIS Programme	-	-	522,571	-
Total Members Contributions as per SOI	1,935,789	2,116,627	4,669,174	4,205,157
Members Contributions Non SOI				
Public Transport Ticketing Programme Revenue	827,300	200,163	1,784,356	1,212,328
Total Members Contributions Non SOI	827,300	200,163	1,784,356	1,212,328
Total Members Contributions	2,763,089	2,316,789	6,453,530	5,417,484

Members contributions include \$2,689,388 income from the shareholder councils in 6 months to 31 December 2025 as described in note 14. Members contributions from non-shareholder councils and NZTA total \$73,700.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)

Other Income

Consulting Services	309,173	-	-	-
Recovery of Other Direct Software Expenses	39,389	37,213	70,414	159,148
Total Other Income	348,562	37,213	70,414	159,148



3. Expenses

Accounting Policy

Expenditure is recognised on an accrual basis when the service was provided, or the goods received. Costs associated with maintaining the IRIS software suite are recognised as an expense when incurred.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Administration Expenses				
Accounting & Technical Support	56,699	46,782	100,360	86,877
Administration Costs	14,480	42,999	11,000	56,824
Bank Fees	317	273	600	681
Insurance	4,992	4,695	5,508	4,695
Total Administration Expenses	76,488	94,749	117,468	149,077

4. Personnel Costs

Accounting Policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes - defined contribution schemes

Employer contributions to Kiwisaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.



	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
5. Personnel Costs				
Salaries and wages	1,212,455	705,912	2,771,412	1,566,290
Council staff seconded to RSHL	138,418	152,545	-	288,837
Defined contribution plan employer contributions	35,332	21,395	-	49,099
Increase/(decrease) in employee entitlements	105,513	47,222	-	28,920
ACC Levies	1,315	1,155	-	1,155
Staff Training	1,792	-	25,775	1,160
Staff Costs	1,127	4,495	2,000	6,801
Total Personnel Costs	1,495,952	932,725	2,799,187	1,942,262

6. Cash and Cash Equivalents

Accounting Policy

Cash and cash equivalents include cash on hand, on demand or call deposits, and other short-term investments with original maturities of three months or less, and bank overdrafts.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Cash and cash equivalents				
Business Online Saver	2,786,471	3,686,002	-	4,652,356
Current Account	880,640	558,298	-	319,663
Credit Card - Mark Donnelly	72	51	-	(668)
Credit Cards - Go To Pay	(2,319)	(1,004)	-	(951)
Credit Card - I D Maxwell	(1,639)	-	-	(1,106)
Total Cash and cash equivalents	3,663,225	4,243,347	-	4,969,294

7. Receivables

Accounting Policy

Short-term receivables are recorded at the amount owed, less an allowance for credit losses. RSHL applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectations of recovery. Indicators that there is no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.



	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Receivables and Prepayments				
Accounts Receivable	1,353,213	177,590	-	351,177
Prepayments	336,914	263,157	-	76,000
Total Receivables and Prepayments	1,690,127	440,747	-	427,177

8. Property, Plant and Equipment

Accounting Policy

Property, plant and equipment consists of the following asset classes: Computer Hardware.

All asset classes are measured at cost, less accumulated depreciation and impairment losses.

Individual assets, or group of assets, are capitalised if their cost is greater than \$1,000.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows:

The useful life and associated depreciation rate for computer hardware is between 50% and 67%.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment and Impairment Reversals (Cash-Generating Assets)

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset’s fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset’s carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. For revalued assets, the impairment loss is recognised in other comprehensive revenue and expense and decreases the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in depreciation and amortisation expense in the statement of comprehensive revenue and expense.

The reversal of an impairment loss on a revalued asset is recognised in other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of an impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in depreciation and amortisation expense in the statement of comprehensive revenue and expense.

Notes to the Financial Statements | Tuhinga Āpiti ki Te Ngā Tauākī Pūtea



	Cost 1 Jul 2025	Accumulated Depreciation 1 Jul 2025	Carrying Amount 1 Jul 2025	Additions	Depreciation	Cost 31 Dec 2025	Accumulated Depreciation 31 Dec 2025	Carrying Amount 31 Dec 2025
Computer Hardware	26,855	16,563	10,292	11,524	7,167	38,379	23,730	14,649
Total	26,855	16,563	10,292	11,524	7,167	38,379	23,730	14,649

	Cost 1 Jul 2024	Accumulated Depreciation 1 Jul 2024	Carrying Amount 1 Jul 2024	Additions	Depreciation	Cost 30 Jun 2025	Accumulated Depreciation 30 Jun 2025	Carrying Amount 30 Jun 2025
Computer Hardware	15,604	9,723	5,881	11,251	6,840	26,855	16,563	10,292
Total	15,604	9,723	5,881	11,251	6,840	26,855	16,563	10,292

9. Intangible Assets

Accounting Policy

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the costs of services, software development, employee costs and an appropriate portion of relevant overheads.

From the 2020-21 year all IRIS development is now treated as operating expenses (previously recognised as property, plant and equipment). All determined IRIS development that will not enhance the asset that was previously recognised as property, plant and equipment has now been expensed in the year.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software. Costs associated with development and maintenance of the RSHL website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software 10 years and an amortisation rate of 10%

Internally developed computer software 10 years and an amortisation rate of 10%

Delivery framework has a useful life of 5 years and an amortisation rate of 20%

Where software in this category is replaced, upgraded or determined by RSHL to be of no further operational benefit, a change in value will be recognised through the Statement of Comprehensive Revenue and Expense. This change in value will be the difference between the carrying value of the original item and its fair value.

Cash-generating assets and non-cash generating assets are distinguished by whether or not the primary objective of holding the assets is to generate a commercial return. RSHL has assessed that it has no non-cash-generating assets.

Impairment and Impairment Reversals (Cash-Generating Assets)

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, irrespective of whether there is any indicator of impairment.

For further details, refer to the policy for impairment of property, plant, and equipment in Note 6. The same approach applies to the impairment of intangible assets.

Under International Public Sector Accounting Standards (IPSAS) 31 and 26 the management of RSHL is required to consider whether there is an impairment to the suite of intangible assets.

RSHL has considered the external and internal sources of information under IPSAS 26 and considers it likely that on or about 30 June 2027 the current IRIS software platform and attendant e-learning software will be discontinued with no residual value,



except for one council for which there has been a delay in the implementation schedule. The revised discontinuation date for this one council is likely to be 30 June 2028. Whilst this does indicate that the previous impairment loss has decreased to some extent, the increase in recoverable amount of the impaired assets in respect of just one council is estimated to be of low value and therefore this change is not considered to significantly impact the existing impairment loss.

On this consideration the current IRIS asset and attendant e-learning software has been impaired in 2021 and then further impaired in 2022, but with no further impairment identified in 2023, 2024, or 2025. Therefore all impaired software assets will be amortised on a straight-line basis at variable rates so as to have a nil residual value on 30 June 2027 (no change since last year).

All assets that will not be impacted by impairment will continue to be amortised on a straight-line basis at 10% and have no residual value on 30 June 2027.

The impairment adjustment from the 2021 and the 2022 years will form part of the amortisation expense until 30 June 2027 in the statement of comprehensive revenue and expense.

At 31 December 2025 the work in progress value of the IRIS Asset is \$Nil. The work in progress written off has been included in other direct software expenses.(30 June 2025: Nil).

The impairment adjustment of E-Learning Software and IRIS Software Intellectual Property from the 2022 year will form part of the accelerated amortisation expense until 30 June 2027.

	Cost 1 Jul 2025	Accumulated Amortisation 1 Jul 2025	Carrying Amount 1 Jul 2025	Additions	Amortisation	Cost 31 Dec 2025	Accumulated Amortisation 31 Dec 2025	Carrying Amount 31 Dec 2025
Brand Design & Development	8,905	-	8,905	-	-	8,905	-	8,905
E-Learning Software	42,525	33,556	8,969	-	2,245	42,525	35,801	6,724
Delivery Framework	70,327	1,172	69,155	-	7,033	70,327	7,033	62,122
IRIS Software Intellectual Property	9,255,722	8,604,975	650,747	-	189,434	9,255,722	8,794,409	461,313
Total	9,377,479	8,639,703	737,776	-	198,712	9,377,479	8,837,243	539,064

	Cost 1 Jul 2024	Accumulated Amortisation 1 Jul 2024	Carrying Amount 1 Jul 2024	Additions	Amortisation	Cost 30 Jun 2025	Accumulated Amortisation 30 Jun 2025	Carrying Amount 30 Jun 2025
Brand Design & Development	8,905	-	8,905	-	-	8,905	-	8,905
E-Learning Software	42,525	29,065	13,460	-	4,491	42,525	33,556	8,969
Delivery Framework	-	-	-	70,327	1,172	70,327	1,172	69,155
IRIS Software Intellectual Property	9,255,722	8,177,185	1,078,537	-	427,790	9,255,722	8,604,975	650,747
Total	9,307,152	8,206,250	1,100,902	70,327	433,453	9,377,479	8,639,703	737,776

10. Payables and Deferred Revenue

Short term payables are measured at the amount payable.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Payables and Deferred Revenue				
Accounts Payable	715,315	588,754	-	1,010,558
Accrued Expenses	351,652	514,952	-	478,748
Income Received in Advance	36,914	35,156	-	-
Total Payables and Deferred Revenue	1,103,881	1,138,862	-	1,489,305



11. Employee Entitlements

Accounting Policy

Employee entitlements that are expected to be settled wholly before 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned to but not yet taken at balance date.

Annual leave expected to be settled within 12 months of balance date are classified as a current liability.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Employee Entitlements				
Wages Payable	77,849	43,596	-	32,933
Leave Liability	140,201	87,211	-	79,572
Total Employee Entitlements	218,050	130,807	-	112,505

12. Income Tax

Accounting Policy

Income tax expense includes components relating to current tax and deferred tax, and is calculated using tax rates and tax laws that have been enacted or substantively enacted at balance date.

Current tax is the income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Income tax for the 6 months to 31 December 2025 has not been accounted for in this report, and will be included in the annual report for the year ended 30 June 2026.



13. Equity

Accounting Policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as contributed capital and accumulated surplus.

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Equity				
Contributed Capital				
Balance at 1 July	5,149,150	5,149,150	5,149,150	5,149,150
Capital Contribution	-	-	-	-
Balance at end of period	5,149,150	5,149,150	5,149,150	5,149,150
Accumulated Surplus				
Balance at 1 July	(531,710)	(35,131)	(915,580)	(35,131)
Surplus/(deficit) for the year	(103,440)	(945,622)	(1,227,753)	(496,579)
Balance at end of period	(635,150)	(980,753)	(2,143,333)	(531,710)
Total Equity	4,514,000	4,168,397	3,005,817	4,617,440

14. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 December 2025 (Last year - nil).



15. Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect RSHL would have adopted in dealing with the party at arm's length in the same circumstances.

Related Party Transactions Significant to RSHL Requiring Disclosure (excluding GST):

Shareholder	31 DEC 2025 (UNAUDITED)	30 JUNE 2025 (AUDITED)	31 DEC 2024 (UNAUDITED)	Description of Services
Waikato Regional Council	58,550	152,021	-	Reimbursement for staff members seconded to IRIS NextGen
Waikato Regional Council	5,853	5,388	1,517	Reimbursement for costs re Biosecurity working group booked by WRC on behalf of RSHL
Waikato Regional Council	19,602	14,000	14,000	Transitional funding for the National River Quality Network
Horizons Regional Council	5,259	66,888	-	Reimbursement for staff members seconded to IRIS NextGen
Taranaki Regional Council	53,747	174,685	37,628	Reimbursement for staff members seconded to the IRIS NextGen project
Taranaki Regional Council	-	12,070	-	Reimbursement for Biomanagers Convenor expenses
Taranaki Regional Council	8,896	7,000	7,000	Transitional funding for the National River Quality Network
Bay of Plenty Regional Council	-	60,160	-	Reimbursement for staff members seconded to BioControl Programme
Bay of Plenty Regional Council	74,300	139,868	76,607	Reimbursement of costs Practices, Methodologies and Standards NZ River Managers SIG
Bay of Plenty Regional Council	7,724	-	-	Reimburse for staff members seconded to the IRIS NextGen project
Northland Regional Council	29,162	118,680	24,635	Reimburse for staff member seconded to the IRIS NextGen project and travel costs
Otago Regional Council	84,608	186,995	54,025	Reimburse for staff members seconded to the IRIS NextGen project
Otago Regional Council	-	10,500	10,500	Transitional funding for the National River Quality Network
Hawke's Bay Regional Council	-	26	-	River Managers SIG Professional Development Programme expenditure
Hawke's Bay Regional Council	-	10,500	10,500	Transitional funding for the National River Quality Network
Hawke's Bay Regional Council	23,490	41,810	-	Reimburse for staff members seconded to the IRIS NextGen project
Hawke's Bay Regional Council	1,161	-	-	Reimburse costs Te Uru Kahika
Gisborne District Council	-	1,024	-	Room hire for workshop re National River Quality Network
Gisborne District Council	-	500,000	500,000	Funds provided to RSHL for "Support for the Government response to the Ministerial Land Use Inquiry in Tairāwhiti (MILU)"
Gisborne District Council	23,784	-	-	National River Quality Network laboratory expenses
West Coast Regional Council	566	-	-	Reimbursement of travel costs Te Uru Kahika
Southland Regional Council	-	25,561	-	Reimburse for staff members seconded to the IRIS NextGen project



Revenue of \$2,689,388 was received from the shareholder councils as member contribution in the six months ended 31 December 2025 as outlined in note 2 (year ended 30 June 2025: \$5,171,917, 6 months ended 31 December 2024: \$2,225,110)

Member contributions were received as follows:

Shareholder	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2025 12 MONTHS (AUDITED)
Waikato Regional Council	473,100	377,890	1,012,222
Bay of Plenty Regional Council	473,100	380,593	1,014,925
Horizons Regional Council	218,916	266,737	511,749
Hawke's Bay Regional Council	218,916	229,094	511,479
Northland Regional Council	191,716	229,094	471,120
Taranaki Regional Council	167,816	171,769	362,003
Southland Regional Council	126,387	171,769	327,348
West Coast Regional Council	433,319	-	175,420
Otago Regional Council	362,917	380,837	733,399
Gisborne District Council	23,200	17,327	51,982

As at 31 December 2025 \$137,166 was owed to RSHL by Member Councils (30 June 2025: \$211,092 and 31 December 2024: \$111,293) and \$70,474 was owed by RSHL to Member Councils (30 June 2025: \$152,139 and 31 December 2024: \$34,928)

16. Events After Balance Date

There are no significant events after balance date (Last year: Nil).

17. Financial Instruments

The carrying amounts of financial assets and liabilities in each of the PBE IPSAS 41 financial instrument categories are as follows:

	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Financial assets measured at amortised cost				
Cash and cash equivalents	3,667,183	4,244,351	-	4,971,351
Receivables (excluding taxes receivable)	1,690,127	440,747	-	427,177
Total Financial assets measured at amortised cost	5,357,310	4,685,098	-	5,398,528



	31 DEC 2025 6 MONTHS (UNAUDITED)	31 DEC 2024 6 MONTHS (UNAUDITED)	30 JUNE 2026 12 MONTHS SOI	30 JUNE 2025 12 MONTHS (AUDITED)
Financial liabilities measured at amortised cost				
Payables (excluding income in advance and taxes payable)	989,035	1,059,056	-	1,434,049
Total Financial liabilities measured at amortised cost	989,035	1,059,056	-	1,434,049

Financial Instrument Risks

RSHL's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. RSHL has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from recognised liabilities, which are denominated in a foreign currency. RSHL has low exposure to currency risk because it does not have significant overseas liabilities.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates. RSHL has exposure to interest rate risk because it has interest-bearing bank accounts, but is not reliant on interest income for maintaining liquidity.

Credit risk

Credit risk is the risk that a third party will default on its obligation to RSHL, causing RSHL to incur a loss. In the normal course of its business, credit risk arises from receivables, and deposits with banks.

These entities have high credit ratings. For its other financial instruments, RSHL does not have significant concentrations of credit risk.

RSHL’s maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, receivables, and derivative financial instrument assets. There is no collateral held as security against these financial instruments.

Although cash and cash equivalents as at 31 December 2025 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

RSHL has deposited funds only with Westpac (Standard & Poor’s credit rating of AA-), a registered bank.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that RSHL will encounter difficulty raising liquid funds to meet commitments as they fall due. As part of meeting its liquidity requirements, RSHL closely monitors its forecast cash requirements. RSHL maintains the level of available cash to meet liquidity requirements and to meet liabilities as they fall due.



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