



Otago
Regional
Council

Changes proposed for ratepayers

of the Lower Clutha Flood Protection and Drainage Scheme

The Lower Clutha Flood Protection and Drainage Scheme helps to reduce the risk of flooding and provide effective and reliable drainage for rural land in the Lower Clutha Delta, including Balclutha, Kaitangata and Stirling.

The scheme extends from four kilometres north of the Balclutha township and ends at the sea.

Who pays and should that change?

The current rating model (how rates are shared) has developed over many years and includes historical arrangements that can be difficult to understand and explain.

ORC is proposing a new approach to targeted rates that is intended to be fairer, more transparent and easier to understand.

An important part of doing this is asking people in the area for their views.

**Let us know your thoughts
about the proposed change to how
rates are shared for flood protection
and drainage in Lower Clutha at
orc.govt.nz/schemerates**

The scheme is in place
to protect an area of
approximately 9,300
hectares and includes:



153 km of open drains



110 km of floodbanks



189 culverts



5 pump stations



4 bridges

Learn more about the Lower
Clutha Flood Protection and
Drainage Scheme at
orc.govt.nz/cluthascheme



Considering options

We looked at a range of options for how rates are spread across the scheme. We balanced simplicity and fairness that better reflects the benefits different properties receive.

The preferred option outlined below separates

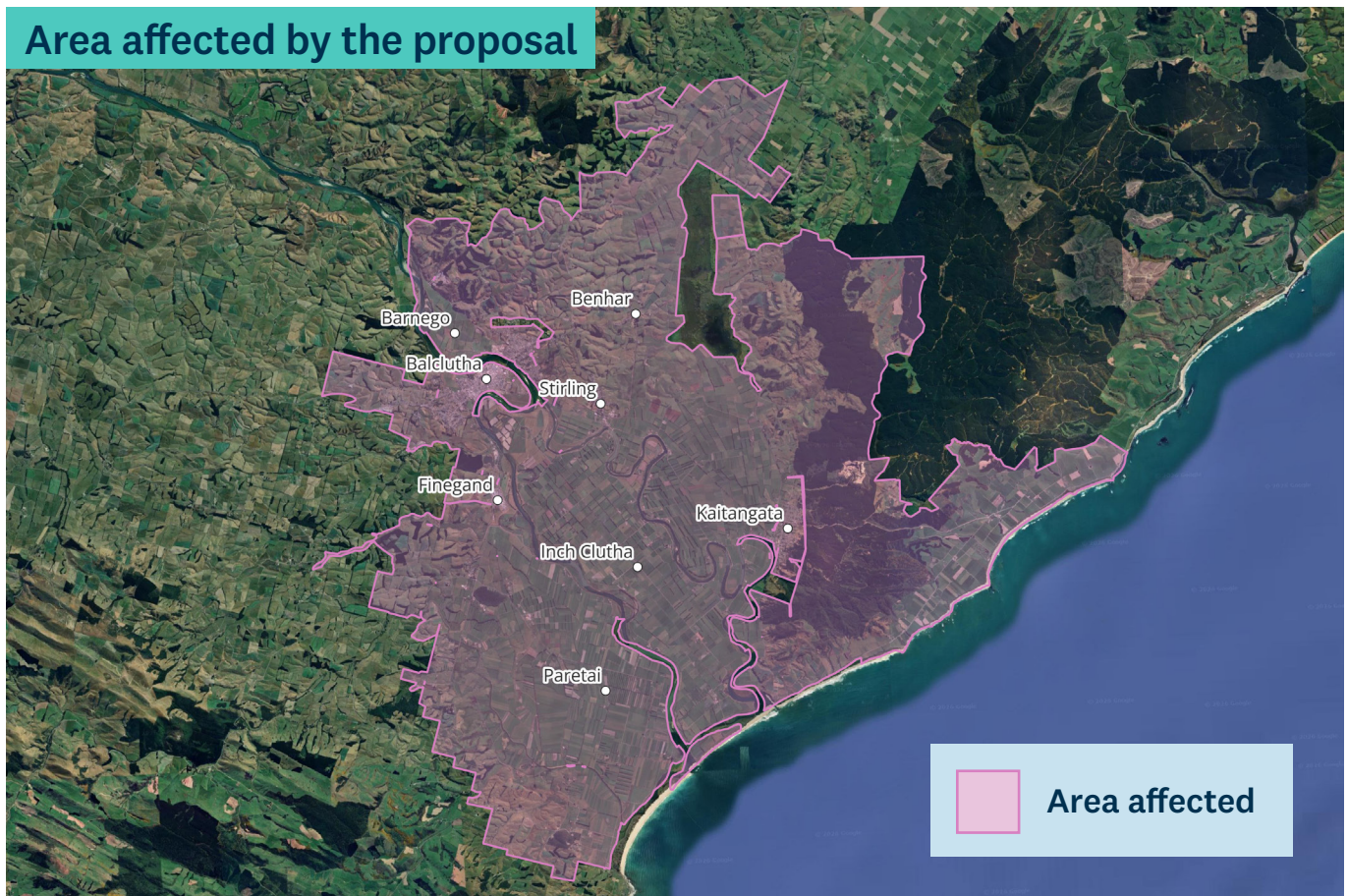
flood protection and drainage, since these two activities provide different benefits and have different costs.

To see all the options that were considered and how they were evaluated, read the Statement of Proposal at orc.govt.nz/schemerates

Preferred option

Activity	Proposed rating approach	Rating calculation basis	Reason for proposing this option
Flood protection	Benefit-zone-based targeted rate	Capital value, adjusted by benefit zone / level of flood protection	Reflects that homes, businesses, productive land, infrastructure and other assets are protected from flood risk
Drainage	Land-area-based targeted rate	Land area, adjusted by land-use, e.g. business, residential, etc.	Reflects that productive land benefits from drainage and different land uses have different runoff/drainage demands

Area affected by the proposal



Why the preferred option?

This preferred option better reflects user pays — those who benefit most pay more. It also creates greater variation in the rates being charged between benefit zones.

While a flat-rate option has some benefits, such as simplicity, it would mean properties pay the same rates despite receiving different levels of benefit from the schemes.

After being presented with six options, Council agreed to consult on the preferred option (Option 4) because it shares costs more fairly across all users.

The proposed model means:

- Properties receiving a higher level of flood protection would generally pay a higher share of flood protection costs, and those with a lower level of flood protection would generally pay a lower share.
- Properties with land uses that create more runoff or drainage demand would generally pay a higher share of drainage costs, and those creating less runoff or drainage demand would generally pay a lower share of drainage costs.

Potential rates impacts

If the proposed changes go ahead, some properties may see an increase or decrease in their targeted rate, while others may begin paying a targeted rate or no longer be charged one.

This depends on factors such as the level of flood protection benefit received, land use, drainage demand, and whether a property falls within the proposed scheme boundaries.

To see how the proposal may affect your property's rates, use our online rates estimator. It provides indicative property-level impacts under both the current and proposed rating models.

Check the rates estimator online:
orc.govt.nz/schemerates

Flood benefit zones and drainage demand factors explained

Flood benefit zones

Different areas receive different levels of flood protection. Engineers use flood modelling to estimate the level of flood protection the scheme provides to different areas.

Properties protected from larger, less frequent floods receive a greater benefit from the scheme than properties that are only protected from smaller, more frequent floods.

Floods are often described by their likelihood of occurring in any given year. For example:

- A **10-year** flood has a 10% chance of occurring in any given year (more frequent smaller floods).
- A **100-year** flood has a 1% chance, or less, of occurring in any given year (less frequent larger floods).

These terms don't mean a flood will only happen once every 10 or 100 years. A 100-year flood could happen more than once in a short period or not occur for more than 100 years.

The numbers simply describe the likelihood of a flood of that size occurring in any one year.

Under the proposed rating model, properties that receive a higher level of flood protection would pay a higher targeted rate, reflecting the greater benefit they receive from the scheme.

Drainage demand factors

The amount of stormwater runoff a property produces varies depending on the size of the property and how it's used.

Factors such as the type of land use; hard surfaces such as roofs, driveways and car parks; and the level of benefit a property receives from the drainage scheme are used to determine each property's contribution to drainage pressures.

Properties that place greater demands on the drainage network are allocated a higher share of the scheme's costs.

Land use type	Estimated runoff
Business (commercial/industrial)	High
Residential	Medium
Lifestyle	Medium
Rural	Low

Have your say on the Lower Clutha Flood Protection and Drainage Scheme ratings review

Have your
say!

Make a submission and share your thoughts about the proposed changes.

We're asking how the costs should be divided between properties, but we're not looking at the overall level of service provided, whether the schemes should exist or the total cost of operating the schemes.

Make a submission

Submit online at
orc.govt.nz/schemerates
or



Email submissions to
customerservices@orc.govt.nz

Paper submission forms are also available by phoning **0800 474 082**.
Deliver your completed form to
**Otago Regional Council, Aonui,
180 High Street**, or post to
**Otago Regional Council,
Private Bag 1954,
Dunedin 9054**.

**Submissions must be received by
11.59pm on Friday, 11 September 2026**

If you would like the opportunity to speak to your written submission at a Council hearing, please note this in your submission. Council hearings will be held in **October 2026** if needed.

Please include with your submission:

- your name (so we can identify the submission as being made by you)
- details of any organisation you are representing (if applicable)
- your contact details
- whether or not you would like to speak at a hearing on the rating review.

If you choose not to identify yourself or provide an email address, then we will not be able to contact you by email regarding your submission or the details of the hearing (if one is to be held).

Attend a drop-in session

ORC staff will be available to answer questions at community drop-in sessions:

Thursday, 20 August

12 noon–3pm (presentation at 12.30pm) or **4–7pm** (presentation at 6pm)

Te Pou Ō Mata-Au | Clutha District War Memorial & Community Centre, Balclutha

Timeline of the process



Any questions? Contact ORC Customer Services on **0800 474 082** or email **customerservices@orc.govt.nz**