



Otago
Regional
Council

Annual Plan 2026-2027

Otago Regional Council

Private Bag 1954, Dunedin 9054

Level 2

144 Rattray Street, Dunedin 9016

03 474 0827

0800 474 082

www.orc.govt.nz

ISBN: 978-0-908324-90-3

Contents

- Chairperson's Foreword..... 2
- Overview..... 3
 - Why does this document matter?..... 4
 - What has changed since the Long-Term Plan?..... 5
 - Financial Summary..... 7
 - Community Outcomes..... 8
 - Partnering with Mana Whenua..... 9
- What we will deliver..... 10
 - Regional Leadership..... 11
 - Environment..... 23
 - Climate Change and Resilience..... 37
 - Transport..... 49
 - Council Organisation..... 55
- Forecast Financial Information..... 58
 - Overview..... 59
 - Planning Assumptions..... 60
 - Financial Statements..... 69
 - Summary of Accounting Policies..... 78
 - Significant Accounting Policies..... 79
 - Schedule of Fees and Charges..... 92

Change ahead but work continues

Something all Otago residents probably agree on is that we want a thriving, prosperous and well-managed region, with strong environmental safeguards.

This is a priority for Otago Regional Council and Councillors are focused on doing this in the most cost-effective ways possible.

Councillors know people are concerned about the cost of their rates. We've worked hard to find efficiencies to deliver an overall zero percent rates increase for the year ahead while still delivering important work for Otago.

Exactly what rates look like for individual properties varies depending on location and the services provided but the overall zero increase is well down on the 8.7% increase that was forecast during the Long-Term Plan.

While reducing costs, there is still plenty of important work to protect the environment and provide public transport services for Otago. We are confident we can deliver for our people and our environment within the zero budget increase proposed.

You may be aware that the government is proposing significant reform that could see disestablishment of regional councils. If these changes go ahead, the earliest they will take effect from will be around three years from now.

We'll continue to work hard for Otago, including providing public transport, monitoring Otago's air, land, waterways and natural hazards, compliance monitoring and enforcement, river management, flood and drainage schemes; harbourmaster functions and emergency management response.

We aim to show that whatever governance the future brings to Otago, we will hand over our role in the best of heart, supported by a great staff willing to give their all for any new arrangements which come our way.



Hillary Calvert
Chairperson, Otago Regional Council

Why does this document matter?

Annual and long-term Plans, outline the services Otago Regional Council (ORC) intends to provide, how much it will cost to deliver those services and where the money will come from to pay for those services. ORC's Long-Term Plan 2024–2034 (LTP) was publicly consulted and put in place in 2024. It sets out Council's activities, work programmes and financial needs for the ensuing three years and, in less detail, over 10 years.

Each Annual Plan process enables us to adapt and change our Long-Term Plan in response to community needs and central government changes. The Annual Plan 2026–27 covers the third year of the LTP and provides a one-year snapshot of Council's intended work, including financial information like costs, funding, and rates.

The Annual Plan is important for letting the community know what the Council is planning for the coming year. It details how our plans are progressing and reflects changes to the planned work programmes, while ensuring Council stays aligned to its long-term goals.

ORC's Strategic Directions document underpins the Long-Term Plan and outlines broad goals that encompass all Council activity. This integration helps to ensure that council's efforts are aligned with intended outcomes.

In developing Council's Annual and long-term plans elected regional councillors consider information and advice, including legislation that sets our roles and conduct, infrastructure plans such as flood, drainage and river schemes, natural hazards and climate change initiatives, transport plans and bus services, as well as operational plans and government directives.



What has changed since the Long-Term Plan?

In the Long-Term Plan a rates increase of 8.7% was forecast for year three – the 2026-27 financial year. The planned rates increase was to help fund an expanded Council work programme. Through the Annual Plan process, Council has reviewed planned work, financial forecasts, assumptions and taken into account affordability for ratepayers. Adjustments have been made to programmes and budgets, resulting in a zero percent (0%) overall rating increase for 2026-27.

This commitment to not increase rates was achieved through considering Council direction and planned work programmes, and balancing this with the important need to reduce the rating impact on people in Otago, whilst still delivering for communities and the environment.

The original LTP work programme for year three included:

- Large-scale environmental fund.
- Passenger transport service improvements for Dunedin and Queenstown.
- Increased spending on river management and environmental implementation projects.
- A range of governance and democracy related work, including implementing the Climate Change Strategy.
- New Information Technology licences and higher depreciation costs for replacing critical hardware and software.
- Increased expenditure on land and water science and monitoring.
- Provision for inflation across all operational expenditure.

Through the Annual Plan process, Council reviewed the planned spending and work programmes for year three of the LTP. The review focused on value, affordability, and fiscal discipline, with the intention of finding efficiencies and operating prudently. Council has looked to find savings and efficiencies internally such as staff capability reducing reliance on consultants and contractors.

External factors have also impacted on planned expenditure and revenue for 2026-27. For example, the government directive to pause planning work has resulted in anticipated budget underspends in the current year. Council intends to apply the unspent funds from 2025-26 to pay for planned work in 2026-27, therefore reducing the rates required to fund work in the coming year. Reduced Government co-funding for public transport has also impacted the rating requirement, as Council decided not to progress with some planned public transport service improvements for Dunedin, the Queenstown ferry

service improvements, and some regional public transport trials, as these were deemed to be unaffordable without the co-funding.

Additionally, Council has secured grant funding for some resilience projects in Flood Protection and Drainage, and in our Natural Hazards programmes. This will enable some new projects to be undertaken and some planned projects to be completed earlier than originally expected.

The draft Annual Plan still reflects the intent and direction signalled in the LTP, while navigating uncertainty and ensuring work programmes align with revised government directions. ORC remains committed to delivering for the environment and people of Otago and the majority of our work programmes remain on track as outlined in the LTP 2024-34. There are, however, some adjustments due to legislation, funding changes, and work to find efficiencies, including through revised timing or changes to how work is delivered and some plans to expand work programmes have been revised or put on-hold. The following pages outline the original LTP year three work programme, and the adjustments. Areas with key programme changes include:

- Regional planning
- Land and water planning
- Air plan and air strategy implementation
- River management

Other changes include increased grant funding for planned LiDAR work in Natural Hazards, which enables faster progress while having a minimal impact on rates. Our flood protection and drainage schemes also received grant funding for six projects, again enabling Council to progress planned work earlier than planned. These capital works will have a minimal impact on rates as Council will use reserves to fund these and smooth the repayments over time, as these works also benefit future residents and rate payers.

Receiving this funding demonstrates the confidence central government has in the ORC to deliver. The organisation has been proactive and flexible; rephasing programmes to ensure that we are in position to maximise the benefit to Otago from these and other opportunities.

All of this means that the proposed draft Annual Plan provides for a work programme that has a total operating expenditure of \$146.006 million. This is an increase of \$5.373 million compared to 2025-26, while also represents a reduction of \$8.711 million against the estimated LTP expenditure for year three. As a result of the programme and budget changes, the rates requirement in the draft Annual Plan 2026-27 remains at \$68.467 million which is the same as 2025-26 and is notably lower than planned for LTP year three.

Although the overall rates required remains the same, individual rates will vary; general rates are reducing by 3.4% (-\$1.060 million), while targeted rates are increasing overall by 2.8% (1.060 million). There is a mix of changes across targeted rate types including:

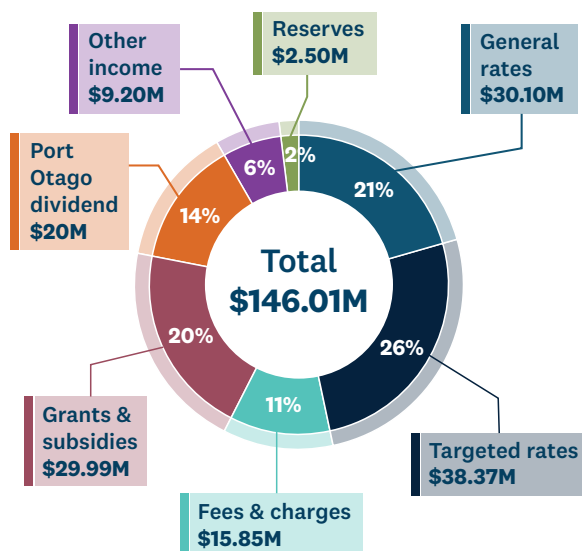
- Queenstown public transport targeted rate increasing by 23.1% (\$0.813 million) due to continued delivery of service improvements. These improvements were set out in the LTP and are co-funded by the government.
- Dunedin public transport targeted rate decreasing by 3.9% (-\$0.413 million) due to planned service improvements being put on hold. These improvements were set out in the LTP but did not receive government co-funding and are therefore not proceeding.
- Flood protection, drainage and river management rates largely remain the same as current year, with increases in expenditure being covered by the relevant reserve, with the exception of the Alexandra Flood protection rate and Waitaki river management rate which have minor changes.
- Catchment management rate increasing by 6.4% (\$0.344 million)
- Harbour management rate increasing by 5.9% (\$0.052 million) largely due to inflation and higher cost of fuel and insurance.
- Other targeted rate changes are less than 3% and \$150,000 for the rate type.

The dividend received from Port Otago continues to be \$20 million for the 2026-27 financial year. This reduces the amount needed from general rates to fund ORC work, and therefore benefits all Otago ratepayers.

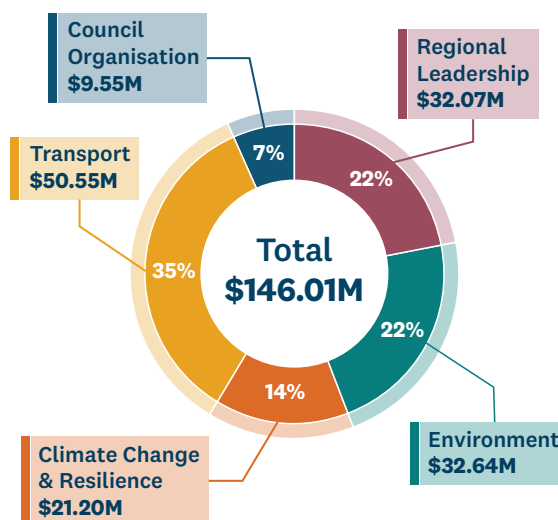
Financial Summary

This Annual Plan includes a total operating expenditure of \$146.006 million and capital expenditure of \$18.905 million for 2026-27. Council uses a range of mechanisms to fund its important work. Less than half of ORC’s funding comes from rates; the rest comes from a range of sources including fees and charges, bus fares, grants, reserves, Port Otago Ltd dividends, interest and investments.

How we fund our work



Cost of ORC work and activities



The table below shows the proposed operating costs related to each group of activities and the associated funding sources.

Activity group	Funding source (\$'000s)							Total
	General rates	Targeted rates	Fees & charges	Grants & subsidies	Port Otago dividend	Other income	Reserve funds	
Regional Leadership	26,481	935	4,748	78	0	0	-176	32,066
Environment	17,480	11,035	0	1,933	0	0	2,189	32,636
Climate Change & Resilience	4,543	11,758	343	5,24	0	256	-946	21,195
Transport	4,529	14,638	10,756	22,740	0	0	-2,108	50,555
Council Organisation	-22,932	0	0	0	20,000	8,949	3,538	9,554
TOTAL FUNDING	30,101	38,366	15,847	29,992	20,000	9,205	2,496	146,006

There are different kinds of rates - general rates fund work that provides benefits across the whole region and are paid by every ratepayer. Targeted rates can be region-wide charges, such as the emergency management rate, or can be applied to specific properties which benefit from the activity. There is no increase to the overall rates revenue for 2026-27; however, the spread of rates varies depending on the types of rates that are applicable to each area and across individual properties. The actual rates for each property will vary depending on the location and services provided.

More information on the finance and funding implications can be found in the delivery sections and in the forecast financial information section of this draft Annual Plan 2026-27.

Community Outcomes

ORC's community outcomes align with the aspirations set out in our Strategic Directions 2024-2034 and will continue to inform decision-making over this LTP planning review cycle. Embedding our strategic directions throughout our work programmes supports ORC to make progress towards our desired community outcomes.

	<p>Partnership Otago Regional Council has effective and meaningful partnerships with mana whenua, creating better outcomes for our region.</p>
	<p>Communities Otago has cohesive and engaged communities that are connected to the environment and each other.</p>
	<p>Environment Otago has a healthy environment ki uta ki tai (from the mountains to the sea), including thriving ecosystems and communities, as well as flourishing biodiversity.</p>
	<p>Resilience Otago builds resilience in a way that contributes to community and environmental wellbeing through planned and well-managed responses to shocks and stresses, including natural hazards.</p>
	<p>Climate Otago is a climate-resilient region that plans for and invests in initiatives that reduce emissions and help us adapt to our changing climate.</p>
	<p>Transport Otago has an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations.</p>

The table below shows ORC's activity groupings and the community outcomes to which they most directly align. Delivery of our services and activities contributes to achieving these intended outcomes.

						
Regional Leadership	✓	✓	✓			
Environment			✓			
Climate Change and Resilience				✓	✓	
Transport						✓
Council Organisation	✓	✓	✓	✓	✓	✓

Partnering with Mana Whenua

What does this mean?

The Otago Regional Council values its enduring partnership with Te Rūnanga o Ngāi Tahu and the seven Papatipu Rūnaka from Otago and Southland. We work collaboratively with iwi and their regional entities to give effect to Te Tiriti o Waitangi and ORC's strategic goals. These partnerships reflect our commitment to acknowledging and respecting the unique and enduring connection that iwi have with the land.

For the Otago Regional Council, legislative requirements represent the baseline. We strive to go beyond these statutory obligations to ensure meaningful engagement with iwi, upholding our commitment to Te Tiriti o Waitangi and the partnership it represents. This approach also recognises the significant value that engagement with Māori brings, particularly in sharing of knowledge and wisdom as takata whenua.

Steps to achieve this

Otago Regional Council has established frameworks and forums, which serve as the formal mechanisms through which Iwi Māori can meaningfully participate and contribute their perspectives to regional decision-making.

Key partnership actions include:

- **Mana-to-Mana governance hui** – regular meetings between Kāi Tahu ki Otago Rūnaka, Ngāi Tahu ki Murihiku representatives, and ORC Councillors to discuss shared governance priorities.
- **The Memorandum of Understanding and Protocol (2003)** – a foundational agreement between ORC, Te Rūnanga o Ngāi Tahu, and Kāi Tahu ki Otago that guides effective consultation and liaison.
- **Charter of Understanding - He Huarahi mō Ngā Uri Whakatupu (2025)** – formalises partnership with Te Ao Mārama Inc. and Southland rūnaka, recognising shared interests across regional boundaries.
- **Collaborative policy development** – we maintain an ongoing partnership with Aukaha 1997 Ltd (on behalf of Otago rūnaka), and Te Ao Mārama Inc. (on behalf of Murihiku rūnaka) to ensure iwi perspectives are embedded in ORC's policy work and projects.
- **Operational support and resourcing** – we maintain regular engagement at the staff level with both Aukaha and Te Ao Mārama Inc., alongside our strategic partnership with mana whenua, to ensure Māori perspectives are embedded across key policy and planning processes.

Supporting and embedding Te Tiriti commitments

These initiatives are enabled through ORC's internal planning and resource allocation, including:

- A dedicated Senior Advisor Iwi Partnerships and Engagement to lead and coordinate iwi engagement and capacity building across the organisation.
- Implementation of recommendations from an independent Te Tiriti o Waitangi audit conducted by Te Kura Taka Pini.
- Ongoing, sustainable funding commitments to Aukaha Ltd and Te Ao Mārama Inc. to support their capacity and long-term planning.
- Organisational development initiatives aimed at building cultural capability, deepening staff understanding of te ao Māori, and fostering more meaningful and authentic engagement with mana whenua.
- Alignment with ORC's Strategic Directions, which place partnership at the centre of achieving long-term environmental wellbeing and a thriving Otago.

What we will deliver

Our work is structured into five portfolios, which are aligned to our strategic directions.

We describe each portfolio in the following sections, including an overview of the work we do, why we do it and planned activities. We have also included levels of service, measures and targets for each portfolio, which we report against quarterly:

Regional Leadership

- Governance and Community Engagement
- Regional Planning
- Regulatory

Environment

- Land and Water
- Biodiversity and Biosecurity
- Air

Climate Change and Resilience

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

Transport

- Transport (including Regional Land Transport and Public Transport)

Council Organisation

- Internal Services
- Port Otago

Regional Leadership



Makarora River

Regional Leadership

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

We have three core activities within our Regional Leadership work:

- Governance and Community Engagement
- Regional Planning
- Regulatory

Group Revenue and Expenditure - Regional Leadership

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
15,518	Governance and Community Engagement	15,187	15,246
2,640	Regional Planning	2,304	2,220
14,173	Regulatory	14,525	14,600
32,331	Expenditure	32,017	32,066
26,240	General rates	26,193	26,481
883	Targeted rates	1,220	935
4,643	Fees and charges	4,445	4,748
77	Grants	75	78
10	Other income	260	0
478	Reserves	(176)	(176)
32,331	Revenue	32,017	32,066

Governance and Community Engagement

What we do and why

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

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

We aim to provide quality leadership that benefits our region and our work in this activity supports Councillors to carry out their duties.

Supporting governance, good decision-making, and connecting and engaging with our communities in a timely way are essential. Legislation also enshrines principles, powers, duties and functions that underpin this activity and the need for it.

Key programmes that make up this activity are:

- Communications and Marketing
- Governance and Democracy
- Engagement and Partnerships

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Provide and promote governance processes and democratic decision-making by ensuring and supporting elected member committee structure and Council meetings. • Councillor and external appointees: Council meetings and workshops; Mana to Mana; regional meetings; governance advice; projects. • Provide communications and strategic engagement which enables the community to understand and participate in ORC's programmes and decision-making. • Communications and marketing materials including Te Mātāpuna The Source quarterly newsletter; community survey; website. • Supporting a partnership approach and representation of Te Ao Māori view in ORC work, including advice through partnership agreements. • Customer service and support for public enquiries. • Legal advice and responding to information requests (Local Government Official Information and Meetings Act 1987). • Develop and deliver robust and effective corporate planning and reporting for accountability and transparency. • Secretariat support for the Otago Mayoral Forum and Chief Executive forum. • Enviroschools regional coordination and support. • Business improvement, risk and assurance work to support organisational efficiency. • Strategy development, implementation and advice: climate change, indigenous biodiversity, and air quality.
Revised work [change]	None to report
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

Provide and promote governance processes and democratic decisions that are robust and transparent to the community.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of Council agendas that are publicly available two working days or more before a meeting.	100%	100%	100%	100%
Percentage of official information requests responded to within 20 working days of being logged.	100%	100%	100%	100%

Develop and deliver robust and effective corporate planning and reporting.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Deliver our Long-Term Plan, annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements.	Annual Plan [Yr2] adopted by Council prior to 30 June 2025. Council financial and activity performance against the Year 3 LTP 2021-31 reported to Council by October 2024.	Annual Plan [Yr3 LTP] adopted by Council prior to 30 June 2026. Council financial and activity performance against the Year 1 LTP 2024-34 reported to Council by October 2025.	LTP 2027-37 adopted by Council prior to 30 June 2027 Council financial and activity performance against the Year 2 LTP 2024-34 reported to Council by October 2026.	Annual Plan adopted by Council prior to 30 June each year. Council financial and activity performance reported to Council by October each year.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Increase opportunities for engagement with diverse groups across Otago to lift awareness and understanding of the work of the regional council and seek feedback on performance.	Create and implement engagement plan and establish engagement data.	Maintain or increase numbers.	Maintain or increase numbers.	Maintain or increase numbers.

Provide relevant, timely and accessible communications which enable the community to understand and participate in ORC's programmes and decision-making.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Biannual survey is conducted to understand and improve community awareness, perceptions and expectations of ORC.	Report against the action plan to Council by March 2025.	Survey and action plan completed by March 2026.	Report against the action plan to Council by March 2027.	Survey and action plan completed by March 2028.
Customers express high levels of satisfaction with customer service provision.	Develop Customer Policy to determine satisfaction levels.	Meet or exceed satisfaction target of 85%.	Meet or exceed satisfaction target of 85%.	Meet or exceed satisfaction target of 85%.



ORC staff engaging with university students

Regional Planning

What we do and why

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

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

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

The key programmes that make up this activity are:

- Regional planning programme
- Urban development
- Response to policy issues

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Implement Regional Planning Programme: Regional Policy Statement. • Respond to national legislative processes. • Input to territorial authorities planning processes. • Advocate for Otago region at a national level.
Revised work [change]	<ul style="list-style-type: none"> • Regional leadership in implementing the new resource management system • Supporting the development and/or review of Future Development Strategies in Queenstown and Dunedin and enabling their transition to spatial planning.
Key Projects [one off]	None to report

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Support integrated and well managed urban growth across Otago.	Joint Queenstown Future Development Strategy completed by 30 June 2025.	No Target	No Target*	No Target

*Note: Policy measures are unable to be set until the Government's RMA direction is fully released. Once known, all related measures and associated targets will be realigned to these mandated requirements.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a regional biodiversity strategy and implement ORC actions.	Draft regional biodiversity strategy is made available for public consultation by 30 June 2025.	Regional biodiversity strategy is adopted by 30 June 2026.	ORC actions from the regional biodiversity strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the regional biodiversity strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three years.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a Regional Climate Change Strategy and implement ORC actions.	ORC actions from the Regional Climate Change Strategy are implemented, and the effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually.	ORC actions from the Regional Climate Change Strategy are implemented. The effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three years.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Develop a Regional Air Quality Strategy and implement ORC actions.	Draft Regional Air Quality Strategy is made available for public consultation along with the revised Air Plan by 30 June 2025.	Draft Air Quality Strategy revised following public consultation by 30 June 2026.*	Regional Air Quality Strategy is adopted by June 2027.*	ORC actions from the Regional Air Quality Strategy are implemented, the effectiveness of the strategy is monitored and reported to Council annually, and the strategy is reviewed every three years.
*Targets have been revised from those set in the LTP.				



Regulatory

What we do and why

This activity ensures that ORC can fulfil its role as a regulatory authority supporting the sustainable management of water, land, air and the coast. We process resource consents, monitor activities and ensure the rules are applied. We investigate activities that don't comply, providing services to ensure activities in Otago are consistent with both national and regional rules in the Resource Management Act (RMA).

As well as undertaking consent processing and monitoring compliance with consents, RMA and regional plans, ORC has an educational and awareness-raising role. The regulatory teams work with Otago communities to increase knowledge and understanding of environmental matters.

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

The key programmes that make up this activity are:

- Consent processing
- Compliance monitoring
- Incident response, investigation and enforcement
- Harbours and waterway management

Key work for Year Three

The table below outlines key aspects of Council's planned work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> ● Processing consents under regional plans and national regulations is a mandatory activity with mandatory timeframes. ● Implementating and providing regional context to national regulation and standards. ● Consent fund to support consent processing costs to community and catchment groups for environmental enhancement projects. ● Compliance monitoring - undertaking audits and compliance inspections for RMA consents, forestry and dairy activities and undertaking appropriate follow-ups to ensure compliance with conditions. ● Supporting behaviour change and compliance education activities and workshops on topics as dairy effluent rules, consent processes, winter grazing, wastewater, earthworks, contaminated land rules and best practice. ● Incident response: Maintaining a 24/7 pollution hotline response to environmental complaints. ● Investigating environmental incidents, taking appropriate enforcement action and legal proceedings. ● Harbourmaster services and navigational safety including signange, bouys and education. ● Oil spill response capability.
Revised work [change]	Hazardous Activities and Industries List (HAIL) work will now be undertaken by the Compliance and Environmental Data and Delivery teams (previously part of the science work programme).
Key Projects [one off]	IRIS NextGen

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of resource consents applications processed within Resource Management Act 1991 legislative timeframes.	≥ 98%	≥ 98%	≥ 98%	≥ 98%
Percentage of public enquiries for consent information responded to within 10 working days.	Maintain or increase Note: Year 1 establish a measurement baseline	98%	98%	98%

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of performance monitoring returns completed each year, as per the compliance audit and performance monitoring schedule targets*.	≥90%	≥90%	≥90%^	≥90%
Percentage of programmed inspection/audits completed each year, as per the compliance audit and performance monitoring schedule targets*.	≥90%	≥90%	≥90%^	≥90%
Percentage of significant non-compliance incidents identified where action is taken in accordance with Compliance policy**.	100%	100%	100%^	100%

*Note: Compliance audit and performance monitoring schedule is presented and approved by Council each year.

**Note: The Compliance plan 2023-2026 is available on the the ORC website.

^Note: As part of a planned technology improvement programme to strengthen how services are delivered to ORC customers, the Compliance team will be transitioning to a new system across 2026-27, taking the lead for a sector-wide implementation. During the transition, existing performance measure reporting will be temporarily suspended for a period, as system configurations are established and tested. Reporting will only recommence once data can be produced reliably and with appropriate assurance. Should reliable data become available earlier, partial reporting will be provided in the interim, using transition appropriate targets.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Maintain 24-hour/7 day a week response for environmental incidents.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.	Pollution hotline staff available/ on call 24/7.
Maintain 20 appropriately trained responders for maritime oil pollution incidents.	20 responders attend 3 exercises per year.	20 responders attend 3 exercises per year.	20 responders attend 2 exercises per year. *	20 responders attend 2 exercises per year.*
*Target have been revised for the Annual Plan 2026-2027. This is in alignment with Maritime NZ training requirements.				

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Maintain compliance with Port and Harbour Marine Safety Code.	External review is completed and deemed to be code consistent.	Annual self review is completed by ORC and Port Otago Ltd (POL) and signed off by the chief executives.	Annual self review is completed by ORC and POL and signed off by the chief executives.	Annual self review is completed by ORC and POL and signed off by the chief executives.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
The safety campaign for recreational 'boaters' is delivered.	80% achieved	Develop and deliver a recreational boating engagement plan.	Develop and deliver a recreational boating engagement plan.	Develop and deliver a recreational boating engagement plan.

Funding Impact Statement - Regional Leadership

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
26,240	General rates, uniform annual general charge, rates penalties	26,193	26,481
883	Targeted rates	1,220	935
77	Subsidies and grants for operating purposes	75	78
4,643	Fees and charges	4,445	4,748
0	Internal charges and overheads recovered	0	0
10	Local authorities fuel tax, fines, infringement fees and other receipts	260	0
31,853	Total Sources of Operating Funding (A)	32,193	32,242
Applications of Operating Funding			
24,585	Payments to staff and suppliers	23,602	23,602
0	Finance costs	0	0
7,610	Internal charges and overheads applied	8,286	8,402
0	Other operating funding applications	5	0
32,195	Total Applications of Operating Funding (B)	31,893	32,004
(342)	Surplus (Deficit) of Operating Funding (A - B)	300	238
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (Decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
0	Total Sources of Capital Funding (C)	0	0
Applications of Capital Funding			
	Capital expenditure - To meet additional demand	0	0
0	Capital expenditure - To improve level of service	32	0
29	Capital expenditure - To replace existing assets	30	30
(371)	Increase / (Decrease) in reserves	238	209
0	Increase / (Decrease) in investments	0	0
(342)	Total Applications of Capital Funding (D)	300	238
342	Surplus / (Deficit) of Capital Funding (C - D)	(300)	(238)
0	Funding Balance ((A - B) + (C - D))	0	0

Environment



Kekeno / NZ fur seal, Kātiki Point

Environment

The work we do in the Environment is diverse and aims to support Otago to have a healthy environment, including thriving ecosystems and communities, and flourishing biodiversity. It also encompasses both the completion and implementation of plans relating to Otago's natural environment (e.g. land and water planning, Regional Pest Plan, Biodiversity Strategy).

We have three core activities within our Environment work:

- Land and Water
- Biodiversity and Biosecurity
- Air

Group Revenue and Expenditure - Environment

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
20,125	Land & Water	22,834	19,409
11,996	Biodiversity & Biosecurity	12,993	12,000
1,769	Air	1,808	1,227
33,891	Expenditure	37,636	32,636
17,744	General rates	19,681	17,480
10,557	Targeted rates	15,479	11,035
0	Fees and charges	0	0
2,830	Grants	2,371	1,933
0	Other income	0	0
2,759	Reserves	105	2,189
33,891	Revenue	37,636	32,636

Land and Water

What we do

Our role involves working with Otago communities to manage activities that impact on health and wellbeing of waterbodies and freshwater ecosystems. To do this well, we need robust, integrated and consistent regional plans and strategies. We drafted a new Land and Water Regional Plan (LWRP), with mana whenua, Kāi Tahu. The intention of the plan was to give comprehensive direction for managing land and water resources in the region. However, further work on the plan has been paused as we await Government direction. This will ensure our plan is able to align with the new National Policy Statement on Freshwater Management, which the government is developing.

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

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

The key programmes which make up this activity are:

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

Why we do it

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

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

- ORC has powers to control the use of water, land and the coast under the Resource Management Act 1991.
- ORC must engage with the region's communities and develop regulatory methods and non-regulatory responses to achieve visions and objectives.
- ORC has the technical expertise and knowledge to advise on the region's environmental health, issues and risks, and to monitor water resources.

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

Key work for Year Three

The table below outlines key aspects of Council's planned work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Developing Catchment Action Plans with communities (focus on Taiari/Taiari in 2026-27). • Catchment advisors and project delivery specialists work with communities, and land-owners to provide education, workshops and support project delivery. • Freshwater Implementation: Funding of community-based groups to improve water quality, support best practice land use and regulatory change; Funding of Otago Catchment Communities to support catchment improvement actions and initiatives. • Implement environmental monitoring programmes for land, freshwater resources and coastal environment with over 250 fixed land and water monitoring sites. • Implement a water quality monitoring network review. • Science reporting, monitoring design and analysis including annual and State of the Environment (SoE) reporting, water allocation reviews, highly allocated catchment assessments, scientific advice and support for catchment management planning and environmental projects with over 2500 science tests undertaken each year. • Science programmes across domains of coast and estuaries, wetlands, lakes, water quality, ground water, hydrology, land and soil. • Recreational water quality tested at 25 summer swimming spots.
Revised work [change]	<ul style="list-style-type: none"> • Land and Water Planning: Preparing for new environmental planning legislation and environmental standards for land, water, and coast. The LTP work programme for the Land and Water Regional Plan was paused to reflect government direction and will ramp up again in 2026-27 to reflect new legislation and standards as they develop. • No further remediation work for Tomahawk lagoon. Budget had been included in LTP year three , however the action plan is now complete. • Support for new priority projects for degraded water bodies was removed in AP2025-26 and the LTP year three budget is also now removed.
Key Projects [one off]	<ul style="list-style-type: none"> • Hill country erosion programme - MPI funded.

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Report the results of environmental monitoring for freshwater, land use, estuarine, and regional coastal environments.	Annual report for each of the four environments to Council prior to 30 June 2025. [4 reports = achieved]	Annual report for each of the four environments to Council prior to 30 June 2026. [4 reports = achieved]	Annual report for each of the four environments to Council prior to 30 June 2027. [4 reports = achieved]	Annual report for each of the four environments to Council prior to 30 June each year. [4 reports = achieved]

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Complete the Land and Water Regional Plan (LWRP).	Freshwater hearing panel nominations and required documents submitted to Chief Freshwater Commissioner by 30 June 2025.	Review the draft LWRP against new national direction to freshwater.*	No target*	Target TBC*
Complete a review of the Regional Plan Coast.	No target	Issues and options papers developed and reported to Council by 30 June 2026.	No target	Draft Regional Plan Coast ready for Council decision on notification by 30 June 2028.*
*Targets have been revised from those set in the LTP. Policy measures are unable to be set until the Government’s RMA direction is fully released. Once known, all related measures and associated targets will be realigned to these mandated requirements.				

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

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

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Site specific projects are developed for selected degraded waterbodies.	Project actions have been progressed as scheduled. <i>Note:</i> [>80% = achieved]	At least 80% of project actions are progressed as scheduled.	No target.*	No target. TBC

*Note: All site specific projects will be done by June 2026. Future projects to be determined.

Develop and maintain an integrated catchment management (ICM) programme that aligns with national directions and enables sustainable environmental management.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Catchment Action Plans give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community.	One Catchment Action Plan to be presented to Council for approval by 30 June 2025.	One Catchment Action Plan to be presented to Council for approval by 30 June 2026.	One Catchment Action Plan to be presented to Council for approval by 30 June 2027.	One Catchment Action Plan to be presented to Council for approval by 30 June each year.



Native planting and fencing at Te Hakapupu Pleasant River catchment

Biodiversity and Biosecurity

What we do

Biodiversity

Council's biodiversity work programme is growing and our monitoring programme is progressing. We are strengthening partnerships across the region and we encourage and empower communities to take local action through our ECO Fund.

Our biodiversity work programme incorporates:

Collaboration and partnership

- Support to community groups and partners for joint projects.
- Joint project delivery via support and advice to partners and community.
- Administration and support associated with grant funding.
- QEII covenant incentive and partnership funding.
- OSPRI transition initiatives.

Technical advice and management

- Management plans for high biodiversity sites.
- Education material.
- Catchment and operational planning (to implement strategy).

Science-based monitoring

Biosecurity

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

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

The key programmes which make up this activity are:

- Biodiversity implementation
- Biodiversity monitoring
- Catchment planning and advice
- Biosecurity (pest management)

Why we do it

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

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

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

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<p>Biosecurity:</p> <ul style="list-style-type: none"> • Deliver the Regional Pest Management Plan; Review the plan (Commenced in July 2025, due for notification in 2027). • Surveillance of biosecurity issues and threats; 3,000+ pest inspections or monitoring visits expected to be undertaken in 2026-27. • Development and implementation of marine biosecurity programme. • Support and delivery of community-led pest management approach for rabbits and a site-led programme for pest plant and animals. • National programme delivery of pest control programmes for wallabies, wilding conifer and Check, Clean, Dry. • Education, advice, and information provided to landowners and the public about the impacts of pests and appropriate methods of control. <p>Biodiversity:</p> <ul style="list-style-type: none"> • Hosting Otago Biodiversity forums and delivery of associated projects. • Funding to support environmental work in the community including ECO Fund, incentive funding and the large-scale environmental fund (up to \$2 million to be allocated in 2026-27). • Delivery and/or support of OSPRI transition; education materials; high biodiversity site management plans; mana whenua engagement. • Coordinating collaboration on biodiversity programmes and initiatives within the region. <p>Science and monitoring:</p> <ul style="list-style-type: none"> • Development of an indigenous biodiversity monitoring programme (ecosystems, species, freshwater biodiversity and threat status reports). • Advise on the review of the Biodiversity Strategy; threatened species mapping; Scroll Plain Management Plan development; wetland delineation and mapping.
Revised work [change]	None to report.
Key Projects [one off]	None to report.

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Report the results of environmental monitoring for regional indigenous biodiversity ecosystems. <i>Note: monitoring programme reporting includes freshwater, inland and coastal wetland, coastal and terrestrial ecology.</i>	Annual report completed prior to 30 June 2025.	Annual report on monitoring programme completed and reported to Council on 30 June 2026.	Annual report on monitoring programme completed and reported to Council on 30 June 2027.	Annual report on monitoring programme completed and reported to Council on 30 June each year.
<i>Note: 4 reports = achieved; 3 reports = partially achieved; <3 reports = not achieved</i>				

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Biodiversity forum-based joint projects to enhance indigenous biodiversity are developed.	New projects and associated milestones are developed and reported to Council and forum partners.	At least one new project is developed and implemented with biodiversity forum partners	At least one new project is developed and implemented with biodiversity forum partners	At least one new project is developed and implemented with biodiversity forum partners
Joint projects are implemented against milestones.	Project actions have been progressed as scheduled. <i>[>80% = achieved]</i>	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.	At least 80% of project actions are progressed as scheduled.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Alignment between *initiatives and deliverables receiving Council funding, and Council's strategic biodiversity strategic objectives. * Initiatives and deliverables provided by non-council groups and organisations.	80% alignment [80-100% = achieved]	All environmental projects and initiatives are aligned to at least one of the Council's environmental strategic objectives.	All environmental projects and initiatives are aligned to at least one of the Council's environmental strategic objectives.	All environmental projects and initiatives are aligned to at least one of the Council's environmental strategic objectives.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Actions within the Biosecurity Operational Plan (BOP) are progressed.	90% of actions progressed within time frames specified. 100% of targets for priority pests are delivered.	80% of non-priority pest management actions are achieved.* 100% of priority pest management actions are achieved.*	90% of pest management actions are achieved.*	90% of pest management actions are achieved.*
*Targets have been revised from those set in the LTP. This is to align with the Regional Pest Management Plan and the Biosecurity Operational Plan.				

Ensure that ORC's externally funded biosecurity programmes (such as wilding conifers, wallabies and Check, Clean, Dry) are delivered as per agreements.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Externally funded biosecurity projects/programmes are implemented as per their agreements.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.

Ensure that ORC's externally funded Freshwater programmes (such as Essential Freshwater Hill Country Erosion Funding) are delivered as per the agreement.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Externally funded freshwater projects/programmes are delivered as per their agreements.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.	90% of deliverables in the agreements with central government are progressing as scheduled.

Air

What we do and why

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

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

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

Key programmes which make up this activity are:

- Regional Plan - Air
- Air science and monitoring

Key work for Year Three

The table below outlines key aspects of Council's planned work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<p>Science and monitoring:</p> <ul style="list-style-type: none"> • Monitoring ambient air quality for PM10 and PM2.5 concentrations at 13 sites across Otago; Installing monitoring sites/assets. • Data analysis, State of the Environment reporting against NES-Air quality and specific studies. • Provide expertise and advice for air planning and implementation (ongoing). <p>Air planning and strategy implementation</p> <ul style="list-style-type: none"> • Development of an updated framework to manage air quality under the new resource management legislation. • Public education campaigns including Burn, Dry, Breath Easy and rural burn offs.
Revised work [change]	<ul style="list-style-type: none"> • Development of the Regional Plan Air was paused due to government directive and will ramp up again in 2026-27 to reflect new legislation and standards as they develop. • Development of the Regional Plan Air was paused due to government directive and will ramp up again in 2026-27 to reflect new legislation and standards as they develop.
Key Projects [one off]	None to report.

Level of Service Statements, Measures and Targets

Monitor Otago’s air quality and make accurate, relevant and timely information publicly available.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Implement regional air monitoring programme.	Annual report on monitoring programme completed and reported to Council.	Annual report on monitoring programme of previous calendar year completed and reported to Council. Note: 95% = achieved	Annual report on monitoring programme of previous calendar year completed and reported to Council.	Annual report on monitoring programme of previous calendar year completed and reported to Council.

Provide a robust and integrated environmental planning framework for Otago’s air resource.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Complete the review of the Regional Plan - Air	Council approves Regional Plan - Air for notification by 30 June 2025.	Complete a public engagement campaign and pre-notification consultation on draft Regional Plan – Air.*	No target*	Target TBC*.
*Targets have been revised from those set in the LTP.				



Air monitoring equipment, Ōtepoti Dunedin

Funding Impact Statement - Environment

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
17,744	General rates, uniform annual general charge, rates penalties	19,681	17,480
10,557	Targeted rates	15,479	11,035
2,830	Subsidies and grants for operating purposes	2,371	1,933
0	Fees and charges	0	0
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
31,131	Total Sources of Operating Funding (A)	37,531	30,447
Applications of Operating Funding			
27,825	Payments to staff and suppliers	30,507	25,995
0	Finance costs	0	0
5,624	Internal charges and overheads applied	6,604	6,116
0	Other operating funding applications	0	0
33,449	Total Applications of Operating Funding (B)	37,112	32,111
(2,318)	Surplus (Deficit) of Operating Funding (A - B)	419	(1,663)
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (Decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
0	Total Sources of Capital Funding (C)	0	0
Applications of Capital Funding			
	Capital expenditure - To meet additional demand	0	0
414	Capital expenditure - To improve level of service	529	526
434	Capital expenditure - To replace existing assets	445	443
(3,166)	Increase / (Decrease) in reserves	(555)	(2,633)
0	Increase / (Decrease) in investments	0	0
(2,318)	Total Applications of Capital Funding (D)	419	(1,663)
2,318	Surplus / (Deficit) of Capital Funding (C - D)	(419)	1,663
0	Funding Balance ((A - B) + (C - D))	0	0

Climate Change and Resilience



Gauging equipment, Puahiri / Puahere / Rees River

Climate Change and Resilience

The work we do in climate change and resilience is aimed at supporting the region to adapt to the effects of climate change and to manage and reduce the risks of natural hazards. Work is integrated to ensure that science and technical knowledge supports practical management of risks and includes infrastructure-based flood protection services, adaptation planning and disaster preparedness.

We have three core activities within our Climate Change and Resilience work:

- Natural hazards and climate change
- Flood protection, drainage and river management
- Emergency management

Group Revenue and Expenditure - Climate Change and Resilience

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
3,438	Natural Hazards & Climate Change	4,339	4,965
12,189	Flood Protection, Drainage & River Management	13,609	12,117
4,000	Emergency Management	4,076	4,114
19,627	Expenditure	22,024	21,195
4,349	General rates	4,907	4,543
11,628	Targeted rates	12,464	11,758
337	Fees and charges	349	343
1,753	Grants	498	5,241
256	Other income	256	256
1,305	Reserves	3,550	(946)
19,627	Revenue	22,024	21,195

Natural Hazards and Climate Change

What we do and why

The key programmes within this activity are:

- Natural hazards
- Adaptation — natural hazards and climate change
- Flood planning and forecasting

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

- Monitor and investigate natural hazards to inform our understanding of risk and opportunity relevant to community resilience.
- Communicate our understanding of risk and, where appropriate, options for managing it. This is both internally to Council and externally to a wide range of organisations, groups and affected communities.
- Develop a comprehensive spatial approach to natural hazards to inform future priorities, at the same time as undertaking projects for the risks we already know about.

- Lead and collaborate on key projects to prepare and adapt to natural hazards and climate change.
- Support other activity, particularly Emergency Management and ORC's engineering team, to understand impacts of flood events. This is provided in a planned way, through scenario development and in real time, assessing actual events as they occur.

While there is legislation that directs ORC to address natural hazards risk and climate change as part of regional-scale planning, our experience, knowledge and community also tells us that we need to be active regarding the wide variety of substantive natural hazards present in Otago. Hazards can impact people, property, infrastructure and the wider environment, so it is important to be aware and manage risk where practicable.



Taieri flooding, October 2024

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Otago natural hazards risk assessment. The natural hazards management and adaptation programmes are based on this assessment. Scoping to be completed Year 2 and implementation starts Year 3 with phased delivery over time. • Identification, assessments and mapping of natural hazards and risks such as flood hazard, debris flow hazard and lake tsunami; risk and mitigation investigations in Teviot Valley/Roxburgh, flood hazard and mitigation investigations of Lindsay Creek, Water of Leith, Alexandra, Clutha Delta. • Natural hazard monitoring and data collection: Includes topographical data, regional LiDAR, and coastal hazards monitoring plan. • Maintaining the Otago Natural Hazards Database. • Support to ORC teams, communities, territorial authorities (TAs) and others with natural hazard and risk information to inform decisions; assist territorial authorities with natural hazards and risk information (e.g. District Plan reviews, plan changes). • Natural hazards adaptation: leadership and support of programmes that increase resilience by responding to natural hazards and risk. Including the DCC's Citywide Adaptation and Resilience Project, South Dunedin Future, Clutha Delta and The Head of Lake Whakatipu. • Flood warning service based on innovative technology (e.g. flood and coastal hazard forecasting, rain radar). • Review and update the flood warning service. Ensure that information used operationally for flood response is robust and systems are in-line with industry best practice. • <i>Note: Development and implementation of ORC's Climate Change Strategy is lead by the strategy team and included within the Governance and Community Engagement activity budget.</i>
Revised work [change]	<ul style="list-style-type: none"> • LiDAR programme brought forward due to timing of grant funding received for 2026-27. • Revised timing of some natural hazards projects including coastal hazards, Brewery Creek, and Stoney Creek.
Key Projects [one off]	None to report.

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Natural hazards information is available via the web-based Otago Natural Hazards Database.	Database is accessible and up-to-date 100% of the time.	Database is accessible and up to date 100% of the time. Partially achieved: 80-99% Not achieved: <80%	Database is accessible and up to date 100% of the time. Partially achieved: 80-99% Not achieved: <80%	Database is accessible and up to date 100% of the time. Partially achieved: 80-99% Not achieved: <80%
Percentage of flood warnings that are issued in accordance with the flood warning manual.	100%	100% Partially achieved: 80-99% Not achieved: <80%	100% Partially achieved: 80-99% Not achieved: <80%	100% Partially achieved: 80-99% Not achieved: <80%

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Deliver a natural hazards management and adaptation work programme based on a new prioritisation process.*	New measure	Natural hazards prioritisation process as presented to the Safety and Resilience Committee in November 2024 is completed by June 2026.*	Annual review of priorities is completed by June 2027.*	Annual review of priorities is completed each year.
Implement prioritised natural hazard risks adaptation works.	The first Head of Lake Whakatipu natural hazards adaptation strategy completed by 31 December 2024. Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.
Implement prioritised natural hazard risks adaptation works.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan.
Implement prioritised natural hazard risks adaptation works.	No target	Phase 1 and phase 2 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2026.*	Phase 3 and phase 4 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2027.*	Actions developed, implemented and reviewed, as per Clutha Delta natural hazards adaptation strategy.
*Targets have been revised from those set in the LTP.				

Flood Protection, Drainage and River Management

What we do and why

Otago Regional Council has a range of flood protection and drainage schemes which make up this activity.

They are:

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

ORC owns and is responsible for operation and maintenance of the above schemes. The only exception is the Lower Waitaki River control scheme that we own but commission external management for some parts. ORC is responsible for infrastructure, including 218km of floodbanks, 14 pumping stations, 42 bridges, 535km of drains, and 369 culverts — all of which can be impacted by things like climate change, settlement trends and change in land use. Around 43,000ha of rural and urban land is serviced by infrastructure associated with these schemes. ORC's Infrastructure Strategy provides more detail on the schemes, associated infrastructure assets, the issues, service standards, work programmes and purpose.

Core functions include:

- Maintenance, renewal and development of infrastructure.
- Investigation, development and renewal of amenity projects.
- Operation of flood protection and drainage schemes during floods.
- Operation of drainage schemes 24/7 to support activity on land associated with the scheme.
- Bylaw processing and monitoring technical compliance with bylaws.
- River management including the control of channel erosion, willow maintenance, vegetation control, removing obstruction, and repairing critical erosion works.
- Input to consent applications for gravel extraction with a focus on flood protection and river health.

Key work for Year Three

The work programme, as defined in the Infrastructure Strategy, has been reviewed and updated as part of the Annual Plan 2026-27. The detailed draft work programme can be found on the ORC website.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Maintenance of flood and drainage infrastructure: floodbanks, pumping stations, bridges, drains, and culverts. • Response to flood events and post-event assessment and repair programmes. • Investigations looking at hazards in Middlemarch and Lindsay Creek (North Dunedin), resilience work for the Kaikorai Stream near Green Island. • Installation of river mouth monitoring technology in key areas. • Establish liaison groups – a decision made during the LTP process. Groups for Lower Taieri and Lower Clutha have been established; Tokomairiro group is planned. • River management across Otago.
Revised work [change]	<p>Flood protection and drainage</p> <ul style="list-style-type: none"> • Planned work on the Outram floodbank is not progressing due to the asset state not requiring anticipated interventions. Resources are being redirected into additional works in the Silverstream. • Regional infrastructure fund grants from the Ministry for Business Innovation and Employment have been secured for six projects across the Lower Clutha Flood Protection and Drainage Scheme and the Lower Taieri Flood Protection Scheme. This grant funding enables Council to accelerate planned work and deliver projects earlier. <p>River management</p> <ul style="list-style-type: none"> • In the LTP there was a focus on increasing quantity and scale of river management works across Otago with a significant ramp up of operational budgets forecast. However, analysis of the programme, the regulatory environment, the resource needs and availability has indicated a longer timeframe for this growth. Operational river management budgets for 2026-27 have subsequently been reduced to reflect this. • Reduction in river channel maintenance within scheme boundaries.
Key Projects [one off]	<ul style="list-style-type: none"> • Regional infrastructure fund grants from the Ministry for Business Innovation and Employment for six projects across the Lower Clutha Flood Protection and Drainage Scheme and the Lower Taieri Flood Protection Scheme.

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of scheme maintenance programme: Major flood protection drainage and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.
Percentage of scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.	≥ 85% of renewal programmes completed.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
The flood repair programme is made available to affected communities within 3 months of the event.	100%	100%	100%	100%
Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days.	100%	98%*	98%*	98%*

*Targets have been revised from those set in the LTP.

Maintain channel capacity and stability, while balancing environmental outcomes and recognising mana whenua values in rivers.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Percentage of planned maintenance programme: channel works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.	≥ 85% of planned maintenance programme completed.

Emergency Management

What we do and why

This activity is responsible for the coordination of emergency management including reduction, readiness, response and recovery from emergency events. It is provided in partnership with councils, emergency response organisations and other stakeholders of the Otago region.

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

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

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

Key work for Year Three

The table below outlines key aspects of Council's planned work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> • Implementation of the Otago CDEM Group Plan. • Emergency Coordination Centre (ECC): ORC staff are trained, capable and the ECC is resourced to respond to emergency events. • Warning system remains operational; CDEM systems and databases maintained with IT set-up and software for emergency response. • Mana whenua emergency management facilitator: marae and mana whenua networks that are resilient in the face of emergencies. • Supporting Otago Lifelines group: defining regional critical infrastructure risk and identifying priorities for resilient infrastructure investment. • Supporting community resilience through education sessions and engagement activities such as the Clued Up Kids programme. • Establishment and continued support for community resilience groups.
Revised work [change]	<ul style="list-style-type: none"> • Tsunami study progressing; work is starting later than planned in the LTP and consultant costs are rephased across years three and four (2026-28).
Key Projects [one off]	Integrated projects with ORC's Natural Hazards team: Flood modelling, tsunami modelling.

Level of Service Statements, Measures and Targets

Support the Otago CDEM Group in improving the resilience of Otago to civil defence emergencies.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Support is provided to Emergency Management Otago to fulfil Otago CDEM Group requirements as defined in the CDEM Act and CDEM.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement.

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.
	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region-wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region-wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region-wide response.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region-wide response.
Emergency Management Otago staff are available to respond 24/7 to a civil defence emergency.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to civil defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to civil defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to civil defence emergencies.	Maintain a duty roster for 24/7 – 365 coverage for initial responses to civil defence emergencies.

Funding Impact Statement - Climate Change and Resilience

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
4,349	General rates, uniform annual general charge, rates penalties	4,907	4,543
11,628	Targeted rates	12,464	11,758
1,753	Subsidies and grants for operating purposes	498	5,241
337	Fees and charges	349	343
986	Internal charges and overheads recovered	0	937
256	Local authorities fuel tax, fines, infringement fees and other receipts	256	256
19,309	Total Sources of Operating Funding (A)	18,474	23,079
Applications of Operating Funding			
15,434	Payments to staff and suppliers	17,421	16,834
0	Finance costs	0	0
4,227	Internal charges and overheads applied	3,608	4,419
0	Other operating funding applications	0	0
19,661	Total Applications of Operating Funding (B)	21,029	21,253
(352)	Surplus (Deficit) of Operating Funding (A - B)	(2,555)	1,826
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (Decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
0	Total Sources of Capital Funding (C)	0	0
Applications of Capital Funding			
	Capital expenditure - To meet additional demand	0	0
0	Capital expenditure - To improve level of service	419	102
7,997	Capital expenditure - To replace existing assets	8,066	13,556
(8,349)	Increase / (Decrease) in reserves	(11,040)	(11,832)
	Increase / (Decrease) in investments	0	0
(352)	Total Applications of Capital Funding (D)	(2,555)	1,826
352	Surplus / (Deficit) of Capital Funding (C - D)	2,555	(1,826)
0	Funding Balance ((A - B) + (C - D))	0	0

Transport



Transport

The work we do in Transport includes land transport planning and the provision of public transport. Our land transport planning work involves collaboration to improve the transport network across the region and apply for national funding for improvements. Council provides public transport services in Dunedin and Queenstown through private contractors, and is investigating other regional public transport options.

We have one core activity in our Transport portfolio, and within that activity we have four key underlying work programmes:

Regional Land Transport Plan	This programme delivers our two foundational transport plans; the Regional Land Transport Plan and the Regional Public Transport Plan.
Public Transport Dunedin	This programme delivers public passenger transport services (buses) in Dunedin City.
Public Transport Queenstown	This programme delivers public passenger transport services (buses and ferries) in the Queenstown-Lakes District.
Regional Total Mobility Services	This programme provides the government funded region-wide Total Mobility service to assist eligible people who are unable to use public transport.

Group Revenue and Expenditure - Transport

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
46,637	Transport	54,111	50,555
46,637	Expenditure	54,111	50,555
4,358	General rates	5,187	4,529
14,237	Targeted rates	16,668	14,638
0	Fees and charges	80	0
20,503	Grants	24,124	22,740
9,010	Other income	10,179	10,756
(1,472)	Reserves	(2,127)	(2,108)
46,637	Revenue	54,111	50,555

Regional Land Transport Plan (work programme)

What we do and why

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

A new Regional Land Transport Plan must be developed every six years and the Plan reviewed after three years of operation. The Plan was developed for the period 2021-2031 and then in 2024, the Otago and Southland Regional Transport Committees completed a mid-term review as required. The Otago Southland Regional Land Transport Plans (RLTP) outline the 30-year strategic objectives and 10-year network improvement plans for the regions' transport network. The mid-term review and the RLTP informed the detailed funding applications to the National Land Transport Fund for the three years from 2024-27.

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> Support the Regional Transport Committee. Develop and review Regional Transport Plans. Prepare bid, submit and report Council's transport budget in Transport Investment Online. Develop a Regional Public and Active Transport Connectivity Strategy: A staged approach to the development of regional public and active transport connectivity and community transport initiatives.
Revised work [change]	None to report.
Key Projects [one off]	None to report.

Level of Service Statements, Measures and Targets

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026- 2027	2027-34
The Regional Land Transport Plan (RLTP) is reviewed and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency.	No target	RLTP implementation progress reported annually to Regional Transport Committee.	RLTP review completed and adopted by Council by 30 June 2027.	No target

Public Transport Dunedin and Queenstown (programmes)

What we do and why

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

The Regional Public Transport Plan (RPTP) sets out the objectives and policies for delivering public transport in Dunedin, Queenstown and the wider Otago region. The plan aims to provide public transport solutions that are easy to understand and meet communities’ diverse needs. In short, public transport people want to use – more often.

Key work for Year Three

The table below outlines key aspects of Council's work programme from 1 July 2026.

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> Implementing key actions in the RPTP as agreed by Council. <p>Public Transport Dunedin and Queenstown:</p> <ul style="list-style-type: none"> Manage and monitor private operator service delivery contracts in Dunedin and Queenstown for provision of 26 bus routes, and a ferry service in Queenstown. Planned operational service improvements for Queenstown public transport i.e. the business case proposal as consulted during the LTP process, with the exception of the planned ferry service expansion. Provide public transport communications, notifications and updates; digital timetables, real time bus tracker. <p>Regional Total Mobility scheme:</p> <ul style="list-style-type: none"> Provision of the Total Mobility scheme across Otago.
Revised work [change]	<p>Public Transport Dunedin and Queenstown:</p> <ul style="list-style-type: none"> Planned operational service improvements are not progressing and current delivery will be maintained. This is due to a government decision, via New Zealand Transport Agency, not to co-fund the improvements. Council decided at the 20 November 2024 Council meeting that it would be unaffordable without the co-funding and therefore are not proceeding with the Dunedin public transport (buses) increased frequencies and services or the Queenstown ferry service expansion. <p>Public transport trials and investigations:</p> <ul style="list-style-type: none"> Ōamaru – trial removed and an investigation of an Ōamaru to Dunedin service included. Central Otago (Alexandra/Clyde/Cromwell to Queenstown service) – trial removed and an investigation of options included. Balclutha/Airport to Dunedin – trial removed and an investigation of options included.
Key Projects [one off]	Preparation for National Ticketing System transition

Level of Service Statements, Measures and Targets

Provide efficient, reliable and accessible public transport services that meets community needs.

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Annual public transport boardings in Queenstown.	Increase	Increase	Increase	Increase
Annual public transport boardings in Dunedin.	Increase	Increase	Increase	Increase
Overall passenger satisfaction with Whakatipu public transport system at annual survey.	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%	Maintain or increase 3yr rolling average >=90%
Overall passenger satisfaction with Dunedin Public Transport system at annual survey.	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%
Service reliability – % Whakatipu scheduled services delivered.	New measure	>95%	>95%	>95%
Service reliability – % Dunedin scheduled services delivered.	New measure	>95%	>95%	>95%
Departure punctuality – % Whakatipu on-time departures from point of origin.*	New measure	>90%*	>90%*	>90%
Departure punctuality – % Dunedin on-time departures from point of origin.*	New measure	>90%*	>90%*	>90%
Arrival punctuality – % Whakatipu on-time arrivals to planned destination.*	New measure	New measure*	>90%*	>90%
Arrival punctuality – % Dunedin on-time arrivals to planned destination.*	New measure	New measure*	>90%*	>90%
Overall passenger satisfaction with Total Mobility system at annual survey.	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%	Maintain or increase 3 yr rolling average >=90%
<p><i>*Measures and/or targets have been revised from those set in the LTP. The punctuality measure has been refined to report departure and arrival punctuality separately.</i></p>				

Funding Impact Statement - Transport

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
4,358	General rates, uniform annual general charge, rates penalties	5,187	4,529
14,237	Targeted rates	16,668	14,638
20,503	Subsidies and grants for operating purposes	24,124	22,740
8,642	Fees and charges	9,688	10,756
0	Internal charges and overheads recovered	0	0
369	Local authorities fuel tax, fines, infringement fees and other receipts	571	0
48,109	Total Sources of Operating Funding (A)	56,238	52,663
Applications of Operating Funding			
45,509	Payments to staff and suppliers	52,746	49,416
0	Finance costs	0	0
859	Internal charges and overheads applied	1,201	957
0	Other operating funding applications	0	0
46,367	Total Applications of Operating Funding (B)	53,947	50,373
1,741	Surplus (Deficit) of Operating Funding (A - B)	2,291	2,289
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (Decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
0	Total Sources of Capital Funding (C)	0	0
Applications of Capital Funding			
	Capital expenditure - To meet additional demand	0	0
0	Capital expenditure - To improve level of service	0	0
0	Capital expenditure - To replace existing assets	0	0
1,741	Increase / (Decrease) in reserves	2,291	2,289
0	Increase / (Decrease) in investments	0	0
1,741	Total Applications of Capital Funding (D)	2,291	2,289
(1,741)	Surplus / (Deficit) of Capital Funding (C - D)	(2,291)	(2,289)
0	Funding Balance ((A - B) + (C - D))	0	0

Council Organisation



Waiwhakaata / Lake Hayes, Queenstown Lakes

Council Organisation

The work we do in Council Organisation provides business support to all other activities of Council, enabling them to deliver their work across the region.

Our internal business support services include information technology and services, records management, financial management and reporting, operational buildings and facilities, human resources, health and safety, and the vehicle fleet.

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

We have two core activities within our Council Organisation work:

- Internal Services
- Port Otago

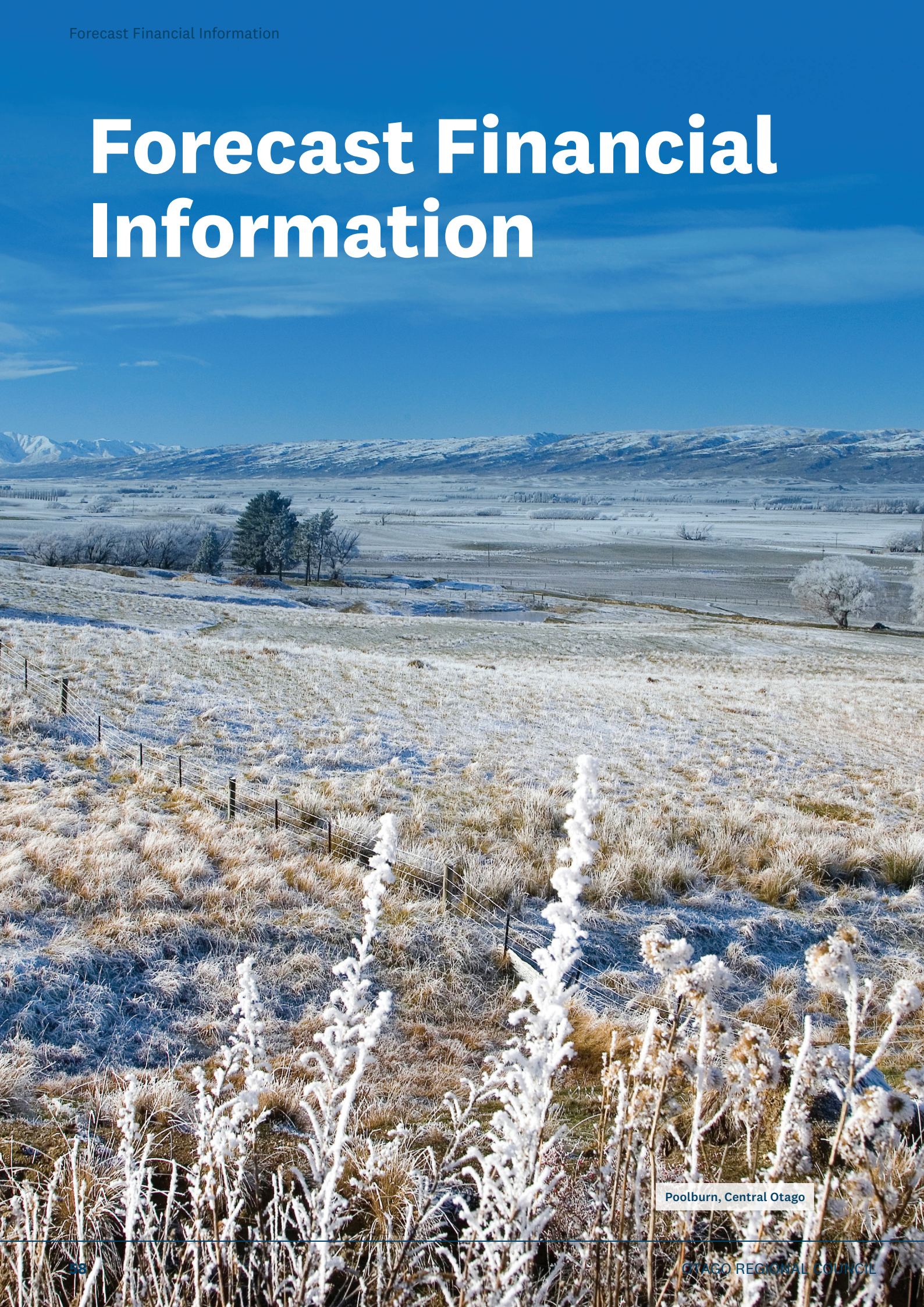
Group Revenue and Expenditure - Council Organisation

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
8,148	Internal	8,930	9,554
8,148	Expenditure	8,930	9,554
(21,531)	General rates	(21,531)	(22,932)
0	Targeted rates	0	0
0	Fees and charges	0	0
0	Grants	0	0
28,521	Other income	30,019	28,949
1,157	Reserves	442	3,538
8,148	Revenue	8,930	9,554

Funding Impact Statement - Council Organisation

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
(21,531)	General rates, uniform annual general charge, rates penalties	(19,923)	(22,932)
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
0	Fees and charges	0	0
17,474	Internal charges and overheads recovered	19,822	18,980
27,587	Interest and dividends from investments	26,472	27,533
2,431	Local authorities fuel tax, fines, infringement fees and other receipts	935	2,484
25,962	Total Sources of Operating Funding (A)	27,306	26,064
Applications of Operating Funding			
18,743	Payments to staff and suppliers	20,509	21,420
5,464	Finance costs	6,603	5,625
140	Internal charges and overheads applied		22
0	Other operating funding applications	10	0
24,347	Total Applications of Operating Funding (B)	27,122	27,067
1,615	Surplus (Deficit) of Operating Funding (A - B)	185	(1,003)
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
24,700	Increase (Decrease) in debt	15,000	15,000
5,846	Gross proceeds from sale of assets	524	521
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
30,546	Total Sources of Capital Funding (C)	15,524	15,521
Applications of Capital Funding			
	Capital expenditure - To meet additional demand	0	0
797	Capital expenditure - To improve level of service	791	787
10,885	Capital expenditure - To replace existing assets	3,478	3,461
532	Increase / (Decrease) in reserves	11,440	8,452
19,947	Increase / (Decrease) in investments	0	1,818
32,161	Total Applications of Capital Funding (D)	15,709	14,518
(1,615)	Surplus / (Deficit) of Capital Funding (C - D)	(185)	1,003
(0)	Funding Balance ((A - B) + (C - D))	(0)	(0)

Forecast Financial Information



Poolburn, Central Otago

Operational expenditure

2025/26 Annual Plan \$000s	Activity	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
15,518	Governance and Community Engagement	15,187	15,246
2,640	Regional Planning	2,304	2,220
14,173	Regulatory	14,525	14,600
32,331	Regional Leadership	32,017	32,066
20,125	Land & Water	22,834	19,409
11,996	Biodiversity & Biosecurity	12,993	12,000
1,769	Air	1,808	1,227
33,891	Environment	37,636	32,636
3,438	Natural Hazards & Climate Change	4,339	4,965
12,189	Flood Protection, Drainage & River Management	13,609	12,117
4,000	Emergency Management	4,076	4,114
19,627	Climate Change and Resilience	22,024	21,195
46,637	Transport	54,111	50,555
8,148	Council Organisation	8,930	9,554
140,634	Total Expenditure	154,717	146,006

Forecast operating expenditure at the activity level totals \$146.094 million compared to the \$154.717 million as consulted and agreed with the community for the LTP Year 3. The proposed total expenditure represents a decrease of \$8.623 million compared to the Year 3 Long-Term Plan forecast.

Sources of funding

2025/26 Annual Plan \$000s	Funding Source	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
31,160	General rates	34,438	30,101
37,306	Targeted rates	45,832	38,366
5,348	Fees & charges	14,731	5,091
25,162	Grants	27,068	29,992
37,430	Other income	29,852	39,960
4,228	Reserves	2,797	2,496
140,634	Total Sources of Funding	154,717	146,006

The table above shows the forecast sources of funding applied to the cost of council activity. The total rating revenue (general and targeted) is \$68.467 million.

Planning Assumptions

The significant forecasting assumptions are scheduled in the Long-Term Plan 2024-34 (LTP). The significant forecasting assumptions from the LTP and any notable changes in this Annual Plan are discussed below. Actual results achieved are likely to vary from these assumptions and these variations may be material.

Non-financial assumptions

People and Government

Population growth and demographic change

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

Assumption	Otago's total population was 253,900 in 2025, up 0.6% from a year earlier. This is close to the total population growth of 0.7% in New Zealand over the same period. Between the years 2023-2033, the region's population is expected to increase by a projected 6% to reach 264,700 (Source: Statistics New Zealand). Population within the Queenstown Lakes and Central Otago districts is forecast to grow significantly over the 10 years, with much smaller increases in Clutha, Waitaki and Dunedin. Otago's median age is forecast to increase, with fewer in the under 15 age group and more in the over 65 age group than the New Zealand average.
Risk	There is a risk that population growth forecasts are incorrect. Changes in population may impact the level of certain activities carried out by council, such as transport, demand on resource use, environmental incidents, civil defence and emergency management and natural hazards. Council's work programmes have considered the projected growth in the region, with new initiatives and resources being provided to address the impacts of population growth.
Uncertainty	High. Population growth might be lower than the projections if there is a lack of international migration. Population growth might be higher than the projections if there is stronger migration driven by larger numbers of returning New Zealanders, Otago's relative affordability in an international context, and a diverse range of well serviced and connected urban, semi-urban and rural living choices at an overall lower density than the rest of New Zealand.
Impact	Accommodating increasing numbers of people will require greater use of and investment in infrastructure, public transport, housing, and waste disposal services (to name but a few); and places greater demands on ecological services to meet those needs. An ageing population may see the demands on health care and social assistance increase and the labour supply proportionately decrease.

Role of Local Government

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

Assumption	<p>Changes in Government policy will directly impact the roles and responsibilities of council. This plan assumes that there will be changes in the legislation that will impact on council's work programmes this year.</p> <p>There is significant government reform underway that will impact the role of local government, our communities and how we manage environmental outcomes. Council is anticipating the ongoing need to respond to reform and policy change in the areas of: local government system, resource management (at system level), water services, freshwater and land management (including the National Planning Framework), climate change, public transport and more.</p> <p>Specifically, the Government has announced a proposal to simplify local government, including significant reorganisation at the regional level. At the time of writing, this proposal includes replacing regional councillors with a board of mayors. The Government has also commenced a process to repeal the Resource Management Act 1991 in 2026 and replace it with two new acts: a Planning Act addressing land-use (particularly in urban areas), and a Natural Environment Act addressing the use, protection, and enhancement of the natural environment. Other key legislative changes relate to the structure of local government (Local Government Systems Improvement Bill), and Emergency Management.</p> <p>We anticipate that the Government will continue to repeal and replace various policies that ORC has been working under. Implementing new legislative requirements has been considered in the development of our work programme. It is assumed that any further legislative changes will include a transition period to understand and implement the changes.</p>
Risk	Further significant local government reform occurs in the next year. New requirements are greater than expected.
Uncertainty	High.
Impact	If it proceeds as signalled, the Government's reform programme will result in fundamental change to all regional councils, and the eventual end of regional councils as standalone organisations. These changes are unlikely to be implemented in the Annual Plan period, though preparatory work with Otago local authorities is likely to be required.

Te Tiriti o Waitangi and iwi partnerships

There are strong legal requirements and community expectations that local government will work in genuine partnership with mana whenua.

Assumption	Council will, under relevant legislation including the Ngāi Tahu Claims Settlement Act 1997, provide appropriate opportunities to ensure Kāi Tahu participation in decision-making, particularly in matters relating to natural resource use and protection, and will uphold Treaty rights. National direction also requires consideration of mātauraka Māori in decision-making and monitoring and reporting.
Risk	Council and mana whenua do not partner with each other as anticipated.
Uncertainty	Medium
Impact	The whole of the organisation is responsible for ensuring adequate level of mana whenua involvement and integrating mātauraka Kāi Tahu in monitoring, reporting and decision-making processes.

Collaboration

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

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

Economy and technology

Economic growth

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

Assumption	<p>In 2025, Otago's regional GDP was valued at \$19,073 million. This reflected an decrease of \$5.4 million (0.0%) for the year, by comparison, national GDP decreased by -0.9%.</p> <p>The top industries in terms of GDP in Otago were construction; agriculture, forestry and fishing; professional, scientific and technical services; and health care and social assistance.</p> <p>Otago districts have different economic structures. Clutha and Waitaki's economies are focused heavily on the primary sector and have a bigger manufacturing sector than other districts. Dunedin's economy is relatively concentrated on service sectors (e.g. education, and health and social services); Central Otago's economy relies more on both primary and service sectors; and Queenstown-Lakes' economy has the highest service sector concentration in the region.</p>
Risk	Economic growth is lower than predicted. Tourism, primary production and education may be impacted more than expected by global trends, such as a decline in visitors and environmental pressures.
Uncertainty	Medium.
Impact	The rate of economic growth in Otago impacts on all aspects of council's operations, industry in the region, affordability, and in the longer term, protection of natural resources.

Employment

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

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

Inflation and cost of living

A period of high inflation over recent years has impacted on households, industry, businesses and organisations.

Assumption	This plan assumes inflation of 2.0% which is above the range assumed for the 10 year LTP period - between 1.9% and 2.7%.
Risk	Inflation increases above the assumed level.
Uncertainty	Medium.
Impact	High inflation rates will impact on the cost of delivering council services and increase financial pressure on households and businesses.

Technology

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

Assumption	Technology advances will have a profound impact on environmental management (for both council and primary producers), consumer expectations and transport systems. Technological innovation will continue to transform the economy and the way people live and work in Otago. Demands will increase for new public transport models to reduce emissions and meet communities' needs.
Risk	Technology replaces more jobs than it creates. Adoption of new technology is uneven, resulting in digital inequality. Technology jobs have higher skill requirements for employment and increase barriers to employment for disadvantaged groups.
Uncertainty	High.
Impact	Council can expect to see increasing demand for reliable, accessible and up-to-date environmental information. The public transport offering may need to be reshaped as needs and expectations change.

Environment and climate

Environment

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

Assumption	That environmental loss and pressure on natural resources will increase over the planning period. Otago faces environmental challenges associated with land use, affecting air and soil quality, ocean and coastal areas. Climate change and biodiversity loss both exacerbate these concerns.
Risk	Greater than expected environmental loss and/or pressure on natural resources in the next three years. Large-scale land use change and/or drastic change in direction for current land use trends in the next three years.
Uncertainty	Low.
Impact	Council can expect greater involvement in the planning and management of urban growth, land use intensification and land use change.

Climate change

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

Assumption	<p>Climate change projections for the Otago region include warmer temperatures, with more hot days and fewer frosts. Winter and spring are expected to be wetter, but with significant decreases in seasonal snow likely. More severe extreme rainfall events are anticipated, as is the severity and frequency of windy days. Even with intervention, sea level rise is expected for the next 100 years and more. Hazards associated with these changes in climate are likely to include increased flooding and landslides, drought, coastal inundation and erosion and increased instances of wildfire.</p> <p>Climate change will increase the severity and frequency of the natural hazards that we experience in New Zealand, including flooding, heatwaves, drought and wildfire. For the purpose of this Annual Plan the assumptions remain, as outlined in the Long-Term Plan:</p> <ul style="list-style-type: none"> • There will be one significant flood event impacting on ORC’s flood and drainage infrastructure every year. • There will not be any significant droughts/low flows event — should one happen, it will likely lead to a reprioritisation of work and resources.
Risk	<p>The severity of natural hazard events may be greater or happen sooner than anticipated. Some groups and communities may be disproportionately affected by financial impacts or the lack of the resources to adapt.</p>
Uncertainty	<p>Medium. Though the overall impacts of climate change on the region's climate are well known, there is uncertainty over specific impacts at a local/catchment level.</p>
Impact	<p>Impacts of climate change include risk to terrestrial and wetland ecosystems, water quantity and quality, coastal communities and infrastructure such as flood management schemes. Climate change will also impact Otago’s economy (via the primary sector and tourism especially), community cohesion, public health and cultural identity. Adverse events can have major impacts on community wellbeing and may result in loss of lives, injuries and property damage.</p>

Financial Assumptions

Sources of funds for future replacement of significant assets

Assumption	Sources of funds for the future replacement of significant assets are in accordance with council's Revenue and Financing Policy. For infrastructure assets, these are funded through scheme reserves and/or borrowing (either internal or external). Reserves are then repaid through depreciation, targeted rates from the defined scheme areas and grants where possible. Council's non-infrastructure assets are funded from the asset replacement reserve and where necessary, general reserves and/or borrowings.
Risk	Low. There is a risk that council won't be able access the funding required to replace significant assets. Council has the ability to borrow the forecast levels of expenditure over this plan and will remain compliant with council's and the Local Government Funding Agency's borrowing limits.
Uncertainty	Medium. The level of infrastructure expenditure included in this plan is consistent with the Long-Term Plan 2024-34 which included a increase from current levels and the previous Long-Term Plans.

Waka Kotahi NZ Transport Agency subsidy rates

Assumption	The following subsidy rates are as currently advised by Waka Kotahi NZ Transport Agency: <ul style="list-style-type: none"> • Transport planning and public passenger transport to receive 51% subsidy. • Total Mobility to receive 60% subsidy. • Total Mobility flat rate payments to receive 100% subsidy.
Risk	High. Waka Kotahi funds a significant amount of council's transport programme and should this funding be withdrawn or reduced significantly this would require a corresponding significant reduction in service and/or increase in rates.
Uncertainty	Low. Waka Kotahi NZ Transport Agency has given no indication that the rates may change during the LTP period. If the subsidy for Total Mobility was to decrease, the impact would be directly on general rates. Any changes in subsidy for public passenger transport would impact directly on targeted rates, fares and/or the scope of services.

Useful lives of significant assets

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

Revaluation of non-current assets

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

Forecast return on investments

Assumption	<table border="1"> <thead> <tr> <th></th> <th>Annual Plan 25/26</th> <th>LTP 26/27</th> <th>Annual Plan 26/27</th> </tr> </thead> <tbody> <tr> <td>Cash / Term Deposits</td> <td>3.60%</td> <td>2.9%</td> <td>2.9%</td> </tr> <tr> <td>Managed Fund *</td> <td>6.35%</td> <td>5.65%</td> <td>5.65%</td> </tr> <tr> <td>Port Otago Dividends **</td> <td>\$20M</td> <td>\$20M</td> <td>\$20M</td> </tr> </tbody> </table>				Annual Plan 25/26	LTP 26/27	Annual Plan 26/27	Cash / Term Deposits	3.60%	2.9%	2.9%	Managed Fund *	6.35%	5.65%	5.65%	Port Otago Dividends **	\$20M	\$20M	\$20M
	Annual Plan 25/26	LTP 26/27	Annual Plan 26/27																
Cash / Term Deposits	3.60%	2.9%	2.9%																
Managed Fund *	6.35%	5.65%	5.65%																
Port Otago Dividends **	\$20M	\$20M	\$20M																
	<p>* Managed fund is total return including capital movement and gross income. ** All Port Otago Limited dividends will be received fully imputed and accordingly no taxation liability will arise.</p>																		
Risk	Medium. The cash and managed fund returns are based on underlying interest rate forecasts. Port Otago dividends are reliant on the underlying performance of the Port and its ability to pay those dividends. With respect to earning rates, the Statement of Investment Policy and Objectives for council's managed fund estimates council's rate of return at between 2.3%–3.1% plus inflation. As investment income is used to reduce general rates, any change in return on investments will impact directly on the level of general rates.																		
Uncertainty	Low to medium. Port Otago Limited has a stable trade base. Port operating and property performance over past years have been consistent, as are predictions for future trade which should allow for stable dividend payments over the life of this plan. Investment returns are subject to movements in the underlying financial markets and could differ significantly from the rates assumed in the estimates.																		

Forecast borrowing rates

Assumption	Annual Plan 25/26	LTP 26/27	Annual Plan 26/27
External	4.0%	3.3%	3.3%
Internal	2.5%	2.5%	2.5%

Risk Medium. The interest rates are based on underlying interest rate forecasts which are subject to market forces and fluctuations. Council's Treasury Management Policy includes parameters to manage interest rate risk.

Uncertainty Medium. Interest rates are subject to movements in the underlying financial markets and could differ significantly from the rates assumed in the estimates.

Capital expenditure

Assumption Various projects require spending of a capital nature. The estimates are prepared using actual costs, adjusted for inflation where known, or "rough order of costs". These have been determined using methods such as current known costs.

Risk Medium. There is risk that actual costs will differ from the estimates and that this difference may be significant. Capital purchases in respect of flood and drainage schemes are funded by those schemes and any variation in costs will impact on their depreciation and reserves. Variations in other capital expenditure will impact on council's Asset Replacement Reserve.

Uncertainty Medium. The risk is market dependent and outside of council's direct control, such as the cost of construction materials and freight.

Investment properties

Assumption This plan assumes that council will not sell any of its investment properties over the next financial year.

Risk Low.

Financial Statements

Prospective Statement of Comprehensive Revenue and Expense for the year ending 30 June 2027

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Revenue from Non-Exchange Transactions			
68,467	Rates revenue	80,269	68,467
25,162	Grant and subsidies revenue	27,068	29,992
3,316	Other revenue	14,086	2,989
Revenue from Exchange Transactions			
20,000	Dividends	20,000	20,000
6,090	Investment revenue	6,472	6,465
13,371	Other revenue	4,025	15,597
136,406	Total Revenue	151,920	143,510
Expenditure			
42,388	Employee benefits	42,765	43,270
3,075	Depreciation and amortisation	3,436	3,115
5,464	Finance costs	6,445	5,625
89,708	Other operating expenses	102,071	93,996
140,634	Total Expenditure	154,717	146,006
4,958	Other Gains/Losses	1,176	1,240
730	Surplus/(Deficit)	(1,621)	(1,256)
Other Comprehensive Revenue and Expenditure			
29,649	Fair value gain/loss on shares in subsidiary	30,410	31,954
30,379	Total Other Comprehensive Revenue and Expenditure	28,789	30,698

Prospective Depreciation by Activity for the year ending 30 June 2027

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
154	Regional Leadership	123	109
441	Environment	524	526
917	Climate Change & Resilience - Flood	960	810
17	Climate Change & Resilience - Hazards	35	22
269	Transport	164	181
1,276	Corporate	1,630	1,467
3,075	Total Depreciation	3,436	3,115

Prospective Statement of Financial Position as at 30 June 2027

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Current Assets:			
4,069	Cash and cash equivalents	4,705	3,810
31,619	Other financial assets	32,787	33,997
18,812	Trade and other receivables	18,170	18,590
0	Inventories	0	0
0	Property intended for sale	0	0
38,480	Related party receivables current	0	150,000
3,350	Other current assets	1,433	0
96,329	Total Current Assets	57,095	206,397
Non-Current Assets:			
138,705	Property, plant and equipment	126,626	137,428
0	Investment property	17,479	17,341
790,878	Shares in Port Otago Ltd	839,931	850,799
0	Intangible assets	1,519	813
106,850	Related party receivables	150,088	0
2,258	Borrower notes	500	750
0	Deferred tax asset	0	0
1,038,691	Total Non-Current Assets	1,136,143	1,007,131
1,135,021	Total Assets	1,193,238	1,213,528
Current Liabilities:			
21,278	Accounts payable	22,594	23,753
48,355	Borrowings (secured)	74,378	159,881
2,628	Employee entitlements	2,716	3,105
72,261	Total Current Liabilities	99,688	186,739
Non-Current Liabilities:			
135,733	Borrowings (secured)	128,438	37,250
135,733	Total Non-Current Liabilities	128,438	37,250
207,994	Total Liabilities	228,126	223,989
927,026	Net Assets	965,112	989,538
Equity:			
131,473	Public equity	125,803	132,808
770,878	Port Otago Limited Revaluation Reserve	819,931	830,799
(6,263)	Asset replacement reserve	(6,726)	(1,708)
2,965	Building reserve	0	0
4,801	Emergency response reserve	5,115	4,925
6,955	Kuriwao endowment reserve	5,574	6,345
16,218	Asset revaluation reserve	15,414	16,371
927,027	Total Equity	965,112	989,538

Prospective Statement of Changes in Net Assets/Equity as at 30 June 2027

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
896,647	Balance at 1 July	936,323	958,841
30,379	Net Comprehensive Income	28,789	30,698
927,027	Balance at 30 June	965,112	989,538
	Net Movements		
11,052	Net surplus transferred to Public Equity	(2,797)	1,782
0	Public Equity	3,634	0
29,649	Port Otago Limited Revaluation Reserve	30,410	31,954
(5,974)	Asset Replacement Reserve	(2,360)	(3,048)
0	Emergency Response Reserve	125	0
(108)	Kuriwao Reserve	(395)	(162)
170	Asset Revaluation Reserve	173	172
16	Water Management Reserve	0	0
(4,426)	Building Reserve	0	0
0	Environmental Enhancement Reserve	0	0
30,379	Net Comprehensive Income	28,789	30,698
927,027	Balance at 30 June	965,112	989,538

Prospective Statement of Reserves as at 30 June 2027

2025/26 Annual Plan \$000s	Reserve	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
	Asset Replacement Reserve		
(289)	Opening balance	(4,366)	1,340
2,160	Transfers into reserves	2,475	2,199
(8,134)	Transfers out of reserves	(4,835)	(5,247)
(6,263)	Asset Replacement Reserve	(6,726)	(1,708)
	Asset Revaluation Reserve		
16,048	Opening balance	15,241	16,199
170	Transfers into reserves	173	172
0	Transfers out of reserves	0	0
16,218	Asset Revaluation Reserve	15,414	16,371
	Building Reserve		
7,391	Opening balance	0	0
0	Transfers into reserves	0	0
(4,426)	Transfers out of reserves	0	0
2,965	Building Reserve	0	0
	Emergency Response Reserve		
4,801	Opening balance	4,991	4,925
0	Transfers into reserves	125	0
0	Transfers out of reserves	0	0
4,801	Emergency Response Reserve	5,115	4,925
	Kuriwao Reserve		
7,064	Opening balance	5,970	6,507
40	Transfers into reserves	186	40
(148)	Transfers out of reserves	(581)	(201)
6,955	Kuriwao Reserve	5,574	6,345
	Port Otago Limited Revaluation Reserve		
741,229	Opening balance	789,522	798,845
29,649	Transfers into reserves	30,410	31,954
0	Transfers out of reserves	0	0
770,878	Port Otago Limited Revaluation Reserve	819,931	830,799
	Public Equity		
81,109	Opening balance	87,613	92,167
37,780	Transfers into reserves	32,142	40,693
(19,312)	Transfers out of reserves	(27,952)	(28,916)
99,578	Public Equity	91,803	103,944
	Biosecurity		
(1,509)	Opening balance	(1,567)	(978)
(37)	Transfers into reserves	7,221	(16)

0 Transfers out of reserves	(7,259)	0
(1,545) Biosecurity	(1,605)	(994)
Dairy Monitoring		
(73) Opening balance	(145)	0
(2) Transfers into reserves	0	0
0 Transfers out of reserves	(4)	0
(75) Dairy Monitoring	(149)	0
Dunedin Transport		
(9,785) Opening balance	(5,796)	(8,951)
1,606 Transfers into reserves	31,506	1,886
0 Transfers out of reserves	(29,819)	0
(8,178) Dunedin Transport	(4,109)	(7,065)
Emergency Management		
(95) Opening balance	(15)	(8)
(2) Transfers into reserves	4,076	(0)
Transfers out of reserves	(4,058)	0
(97) Emergency Management	3	(8)
Flood and Drainage Alexandra		
49 Opening balance	64	197
43 Transfers into reserves	352	44
0 Transfers out of reserves	(350)	0
92 Flood and Drainage Alexandra	66	241
Flood and Drainage East Taieri		
(488) Opening balance	(1,338)	(971)
579 Transfers into reserves	827	550
(1,226) Transfers out of reserves	(2,385)	(2,094)
(1,135) Flood and Drainage East Taieri	(2,896)	(2,514)
Flood and Drainage Leith		
(12,272) Opening balance	(11,283)	(9,638)
960 Transfers into reserves	1,570	1,131
(241) Transfers out of reserves	(859)	(244)
(11,552) Flood and Drainage Leith	(10,572)	(8,752)
Flood and Drainage Lower Clutha		
(1,598) Opening balance	(2,177)	(7,782)
626 Transfers into reserves	1,974	1,058
(1,827) Transfers out of reserves	(4,046)	(3,337)
(2,799) Flood and Drainage Lower Clutha	(4,249)	(10,061)
Flood and Drainage Lower Taieri		
3,342 Opening balance	(1,904)	(2,025)
765 Transfers into reserves	1,484	741
(3,704) Transfers out of reserves	(4,393)	(4,943)
402 Flood and Drainage Lower Taieri	(4,814)	(6,228)

Flood and Drainage Tokomairiro		
(207) Opening balance	(714)	(309)
80 Transfers into reserves	218	85
(572) Transfers out of reserves	(777)	(528)
(700) Flood and Drainage Tokomairiro	(1,272)	(752)
Flood and Drainage West Taieri		
(3,349) Opening balance	(5,192)	(2,748)
681 Transfers into reserves	1,104	704
(2,456) Transfers out of reserves	(2,038)	(2,534)
(5,123) Flood and Drainage West Taieri	(6,126)	(4,578)
Infrastructural Assets		
68,389 Opening balance	74,970	73,892
0 Transfers into reserves	6,861	0
0 Transfers out of reserves	(879)	0
68,389 Infrastructural Assets	80,952	73,892
Queenstown Transport		
(1,698) Opening balance	(1,484)	(1,356)
420 Transfers into reserves	19,286	481
(550) Transfers out of reserves	(18,854)	0
(1,828) Queenstown Transport	(1,052)	(875)
River Management Central Otago		
55 Opening balance	(246)	(17)
(1) Transfers into reserves	472	(4)
(217) Transfers out of reserves	(825)	(251)
(163) River Management Central Otago	(599)	(272)
River Management Clutha		
(1,041) Opening balance	(1,454)	(1,133)
(31) Transfers into reserves	571	(33)
(420) Transfers out of reserves	(990)	(387)
(1,492) River Management Clutha	(1,872)	(1,553)
River Management Dunedin		
(1,176) Opening balance	(2,647)	(382)
(42) Transfers into reserves	339	(28)
(1,003) Transfers out of reserves	(2,518)	(1,444)
(2,221) River Management Dunedin	(4,827)	(1,854)
River Management Queenstown Lakes District		
(61) Opening balance	(2,018)	(84)
(2) Transfers into reserves	731	(8)
(633) Transfers out of reserves	(1,665)	(501)
(696) River Management Queenstown Lakes District	(2,952)	(593)
River Management Waitaki		
857 Opening balance	473	1,030

19 Transfers into reserves	728	22
(213) Transfers out of reserves	(1,017)	(323)
663 River Management Waitaki	184	729
Catchment Management		
622 Opening balance	366	960
16 Transfers into reserves	1,835	0
0 Transfers out of reserves	(1,760)	0
637 Catchment Management	441	960
Wilding Pines		
(667) Opening balance	(540)	(837)
(17) Transfers into reserves	262	(21)
0 Transfers out of reserves	(275)	0
(683) Wilding Pines	(553)	(858)
927,027 Total Reserves	965,112	989,538

Prospective Statement of Cashflows for the year ended 30 June 2027

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
	Cash Flows from Operating Activities		
	Receipts from Non-Exchange Transactions		
68,467	Rates Receipts	80,269	68,467
25,162	Grant income and subsidies	14,086	29,992
3,321	Other receipts	27,068	2,995
	Receipts from Exchange Transactions		
6,090	Interest and investment income	6,472	6,465
20,000	Dividends	20,000	20,000
13,371	Other receipts	4,030	15,597
(132,095)	Payments to suppliers and employees	(144,836)	(137,266)
(5,464)	Interest and other costs of finance paid	(6,445)	(5,625)
(1,148)	Net Cash Inflow / (Outflow) from Operating Activities	644	624
	Cash Flows from Investing Activities		
5,846	Proceeds from sale of Property, Plant and Equipment	524	521
(750)	Managed Fund	(750)	(750)
(17,931)	Purchase of Property, Plant and Equipment	(13,790)	(18,011)
(2,625)	Purchase of intangible assets	0	(894)
(15,461)	Net Cash Inflow / (Outflow) from Investing Activities	(14,016)	(19,134)
	Cash Flows from Financing Activities		
24,700	Proceeds from borrowings	15,000	15,000
(17,700)	Port Otago Limited lending	0	0
0	Repayment of borrowings	0	0
7,000	Net Cash Inflow / (Outflow) from Financing Activities	15,000	15,000
(9,608)	Net Increase / (Decrease) in Cash and Cash Equivalents	1,628	(3,509)
13,677	Cash and Cash Equivalents as at 1 July	3,077	7,319
4,069	Cash and Cash Equivalents as at 30 June	4,705	3,810

Reconciliation of Net Surplus to Net Cash from Operating Activities

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
730	Net Surplus (Deficit) from Activities	(1,621)	(1,256)
	Add (Deduct) Non cash items:		
3,075	Depreciation and amortisation	3,436	3,115
(4,958)	Other (gains) / losses	(1,176)	(1,240)
5	Bad Debts	5	5
(1,148)	Net Cash from Operating Activities	644	624

Schedule of Capital Expenditure

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
	Regional Leadership		
21	Harbour Management	22	22
8	Compliance Monitoring & Contaminated Sites	40	8
	Environment		
153	Air Monitoring	157	156
542	Water Monitoring Sites	555	553
153	Biodiversity	262	261
	Flood Protection and Control Works		
102	Leith Flood Protection	262	102
613	Lower Clutha Flood & Drainage	1,571	2,100
4,190	Lower Taieri Flood Protection	2,462	7,084
1,656	West Taieri Drainage	890	1,710
460	East Taieri Drainage	1,257	1,303
358	Tokomairiro	419	306
598	Dunedin River Management	1,550	979
20	Clutha River Management	73	21
0	Queenstown Lakes River Management	0	52
	Council		
9,663	Property	2,200	2,189
818	Vehicles	838	1,095
894	Computers & Software	917	912
256	Plant	262	0
51	Sundry	52	52
20,527	Total	13,790	18,905

Summary of Accounting Policies

Reporting entity

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

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

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

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

The level of rate funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from those subsidiaries. Distributions from the Council's subsidiary Port Otago Limited are included in the prospective financial statements of the Council. The Prospective Financial Statements of Council are to be adopted by Council 29 April 2026.

Statement of Compliance

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

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

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

Basis of Accounting

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

Standards and interpretations issued but not yet adopted

There are no PBE Standards and interpretations that have recently been issued or amended that are not yet effective for the Group in the Annual Plan.

PBE IFRIS 17 Insurance Contracts was adopted for the 30 June 2027 Annual Plan without a material impact.

Significant Accounting Policies

Revenue recognition

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

Revenue from non-exchange Transactions	
TYPE	RECOGNITION AND MEASUREMENT
Rates revenue	Rates revenue is recognised as income when levied. Council levies general rates for those functions that are assessed as providing benefits to all ratepayers within each of the constituent districts and city, and levies targeted rates where functions benefit a defined group of ratepayers.
Grants and subsidies	Grants and subsidies are recognised upon entitlement, as conditions pertaining to expenditure have been fulfilled.
Other fee income	Other fee income from non-exchange transactions is recognised when the supplies and services have been rendered.
Revenue from exchange Transactions	
TYPE	RECOGNITION AND MEASUREMENT
Dividend income	Dividend income is recognised on the date of the dividend declaration.
Interest revenue	Interest revenue is recognised on a time proportionate basis using the effective interest method
Revenue from port services	Revenue from port services is recognised in the accounting period in which the actual service is provided.
Revenue from the rendering of services	Revenue from the rendering of services, including relating to contracts and consent application that are in progress at balance date, is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.
Rental income from operating leases	Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.
Fees and charges	Fees and charges are recognised as income when supplies and services have been rendered. Fees received from the following activities are recognised as revenue from exchange transactions: resource consent processing, pest animal and plant contract work, grazing leases and licenses and enforcement work.

Other gains and losses

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

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

Trade and other receivables

Trade and other receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and Group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivable have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and economic environment.

Rates are "written off"

- When remitted in accordance with the Council's rates remission policy.
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonable recovered) and 90B (in relation to Maori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than two years overdue.

Intangible assets

Computer software

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

Impairment

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

Property, plant and equipment

Property, plant and equipment consist of the following:

Operational assets

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

Infrastructural assets

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

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

Restricted assets

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

(A) Cost

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

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

(B) Depreciation

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

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

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

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

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

(C) Disposal

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

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

Critical judgements and assumptions

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

Investment property

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

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

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

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

Fair value of property portfolio assets (includes investment property, property held for sale and property in development)

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

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

Employee entitlements

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

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

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

Equity

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

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

Restricted and council created reserves

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

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

Prudence disclosures

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

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

Benchmark	Planned Met
Rates affordability benchmark	
• Income	Total rates will not exceed 60% of Operating Revenue 47.7% Yes
• Increases	Total rates increase will not exceed 14% 0.0% Yes
Debt affordability benchmark	The quantified limit is that debt cannot exceed 175% of the total revenue 32.8% Yes
Balanced budget benchmark	Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses 99.1% No
Essential services benchmark	Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services 1685.9% Yes
Debt servicing benchmark	Planned borrowing costs are equal to or less than 10% of its planned revenue. 3.9% Yes

Notes

1. Rates affordability benchmark

(1) For this benchmark, —

- a. the council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's long-term plan; and
- b. the council's planned rates increases for the year are compared with quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term plan.

(2) The council meets the rates affordability benchmark if —

- a. its planned rates income for the year equals or is less than each quantified limit on rates; and
- b. its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2. Debt affordability benchmark

- a. for this benchmark, the council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the council's long-term plan.
- b. the council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3. Balanced budget benchmark

a. for this benchmark, the council’s planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

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

4. Essential services benchmark

a. for this benchmark, the council’s planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

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

5. Debt servicing benchmark

a. for this benchmark, the council’s planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

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

Rate Funding and Funding Impact Statements

Funding Impact Statement

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
Sources of Operating Funding			
31,160	General rates, UAGC, and rates penalties	34,438	30,101
37,306	Targeted rates	45,832	38,366
25,162	Subsidies and grants for operating purposes	27,068	29,992
13,621	Fees and charges	4,873	15,847
27,587	Interest and dividends from investments	26,472	27,533
3,066	Local authorities fuel tax, fines, infringement fees, and other receipts	13,238	2,739
137,903	Total Sources of Operating Funding (A)	151,920	144,578
Applications of Operating Funding			
132,095	Payments to staff and suppliers	144,600	137,266
5,464	Finance costs	6,603	5,625
0	Other operating funding applications	79	0
137,559	Total Applications of Operating Funding (B)	151,281	142,891
344	Surplus (Deficit) of Operating Funding (A - B)	639	1,687
Sources of Capital Funding			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
24,700	Increase (decrease) in debt	0	15,000
5,846	Gross proceeds from sale of assets	524	521
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
30,546	Total Sources of Capital Funding (C)	524	15,521
Applications of Capital Funding			
Capital expenditure			
0	• to meet additional demand	0	0
1,211	• to improve the level of service	1,771	1,415
19,345	• to replace existing assets	12,019	17,489
(9,613)	Increase (decrease) in reserves	(12,627)	(3,515)
19,947	Increase (decrease) of investments	0	1,818
30,890	Total Applications of Capital Funding (D)	1,163	17,208
(344)	Surplus (Deficit) of Capital Funding (C - D)	(639)	(1,687)
(0)	Funding Balance ((A - B) + (C - D))	(0)	(0)

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

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
344	Surplus/(Deficit) of Operating Funding per Funding Impact Statement	639	1,687
	Add/(Deduct)		
(3,075)	Depreciation	(3,436)	(3,115)
3,461	Other Gains/(Losses)	1,176	172
0	Other	0	
730	Surplus/(Deficit) from Activities per Statement of Comprehensive Revenue and Expense	(1,621)	(1,256)

Funding Impact Statement - Calculation of Rates for the 2026/2027 year

Rating Base Information

The rating base information on the following pages comprises the rating base for the entire Otago region as a whole made up of Central Otago, Dunedin, Clutha, Queenstown Lakes and Waitaki districts.

The rating base for 30 June 2027 is the rating base estimate used for the preparation of this Annual Plan 2026/27. The comparative rating base is for the preceding year ended 30 June 2026 and was used for the rates for the period 2025/26.

Otago Region	Rating base Information for the year ended 30 June 2027	Rating base Information for the year ended 30 June 2026
Total number of rating units	138,870	136,202
Total capital value of rating units	169,756,013,609	155,863,474,309
Total land value of rating units	96,451,308,150	89,014,470,850

Rates charged on a capital value basis							
Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2026-27 including GST	Estimated rates payable including GST			
				Capital Value	Capital Value	Capital Value	
				\$500,000	\$1,000,000	\$5,000,000	
General rates							
Contributes to all activities of council	Capital value	Where the property is situated	Allocated as:	\$25,961,467			
			Central Otago	\$3,206,808	\$86.13	\$172.26	\$861.28
			Clutha	\$1,786,262	\$85.10	\$170.20	\$851.00
			Dunedin	\$7,239,354	\$80.92	\$161.85	\$809.23
			Queenstown	\$12,187,454	\$83.54	\$167.08	\$835.38
			Waitaki	\$1,541,589	\$85.71	\$171.42	\$857.10
Targeted rates – refer to maps of targeted rating areas							
Flood protection and control works							
Leith flood protection scheme	Capital value	Where the property is situated within the defined scheme area	Allocated as:	\$1,444,845			
			Direct benefit zone	\$722,423	\$212.01	\$424.01	\$2,120.06
			Indirect benefit zone	\$722,423	\$8.40	\$16.79	\$83.95
Lower Taieri flood protection scheme	Capital value	Where the property is situated using approved classifications	Allocated as:	\$1,233,476			
			Lower Taieri Flood Protection WF1	\$352,757	\$712.55	\$1,425.10	\$7,125.52
			Lower Taieri Flood Protection WF2	\$745,038	\$712.55	\$1,425.10	\$7,125.52
			Lower Taieri Flood Protection EF1	\$795	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF2	\$987	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF3	\$20	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF4	\$445	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF5	\$3,616	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF6	\$38	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF7	\$1,738	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF8	\$99,311	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF9	\$20,652	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF10	\$7,897	\$15.31	\$30.63	\$153.14
			Lower Taieri Flood Protection EF12	\$98	\$15.31	\$30.63	\$153.14
Lower Taieri Flood Protection EF13	\$84	\$15.31	\$30.63	\$153.14			
Lower Clutha flood and drainage scheme	Capital value	Where the property is situated using approved classifications	Allocated as:	\$1,267,623			
			Flood Protection & Drainage A	\$54,922	\$3,855.31	\$7,710.61	\$38,553.05
			Flood Protection & Drainage B	\$208,941	\$1,530.78	\$3,061.57	\$15,307.83
			Flood Protection & Drainage C	\$389,862	\$1,445.74	\$2,891.48	\$14,457.39
			Flood Protection & Drainage D	\$70,196	\$907.13	\$1,814.26	\$9,071.31
			Flood Protection & Drainage E	\$64,941	\$481.91	\$963.83	\$4,819.13
			Flood Protection & Drainage F	\$47,436	\$56.70	\$113.39	\$566.96
			Flood Protection & Drainage U1	\$5,739	\$1,530.78	\$3,061.57	\$15,307.83
			Flood Protection & Drainage U2	\$308,790	\$510.26	\$1,020.52	\$5,102.61
Flood Protection & Drainage U3	\$25,491	\$113.39	\$226.78	\$1,133.91			

			Flood Protection & Drainage U4	\$91,305	\$85.04	\$170.09	\$850.44
Tokomairiro drainage scheme	Capital value	Where the property is situated within the defined scheme area	Allocated as:	\$176,560			
			Tokomairiro Drainage A	\$1,897	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage B	\$5,390	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage C	\$8,169	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage D	\$19,714	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage E	\$21,395	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage F	\$70,558	\$87.62	\$175.23	\$876.16
			Tokomairiro Drainage U1	\$49,437	\$48.66	\$97.32	\$486.58
River and waterway management							
City and district waterway and river management	Capital value	Where the property is situated	Allocated as:	\$2,880,630			
			Central Otago	\$612,739	\$16.46	\$32.91	\$164.57
			Clutha	\$558,153	\$26.59	\$53.18	\$265.91
			Dunedin	\$305,375	\$3.41	\$6.83	\$34.14
			Waitaki	\$752,813	\$41.86	\$83.71	\$418.55
			Queenstown Lakes	\$651,551	\$4.47	\$8.93	\$44.66
Catchment management rate							
	Capital value	Where the property is situated	Allocated as:	\$6,609,049			
			Central Otago	\$816,361	\$21.93	\$43.85	\$219.26
			Clutha	\$454,731	\$21.66	\$43.33	\$216.64
			Dunedin	\$1,842,933	\$20.60	\$41.20	\$206.01
			Waitaki	\$392,445	\$21.82	\$43.64	\$218.19
			Queenstown Lakes	\$3,102,579	\$21.27	\$42.53	\$212.66
Transport							
Dunedin passenger transport	Capital value	Where the property is situated within the defined scheme area, and differentiated on basis of land use:	Allocated as:	\$11,847,056			
		Class A		\$3,085,686	\$474.51	\$949.03	\$4,745.14
		Class B					
		Class A - non-residential	* Dunedin	\$8,696,412	\$126.54	\$253.07	\$1,265.37
		Class B - others	* Waitaki	\$64,958	\$134.02	\$268.04	\$1,340.22
Whakatipu passenger transport	Capital value	Where the property is situated within the defined scheme area, and differentiated on basis of land use:	Allocated as:	\$4,985,806			
		Class A		\$1,190,395	\$103.06	\$206.12	\$1,030.61
		Class A - non-residential					
		Class B - others	Class B	\$3,795,411	\$51.53	\$103.06	\$515.30

Rates charged in a fixed rate basis (per property)						
Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2026-27 including GST	Estimated rates payable including GST		
Uniform Annual General Charge						
Contributes to all activities of council	Fixed charge per rating unit		Calculated as \$x per rating unit \$8,653,822	\$70.98	\$70.98	\$70.98
Wilding trees	Fixed charge per rating unit		Calculated as \$xper rating unit \$300,150	\$2.46	\$2.46	\$2.46
Emergency management	Fixed charge per rating unit		Calculated as \$x per rating unit \$4,732,250	\$38.82	\$38.82	\$38.82
Navigational safety	Fixed charge per rating unit	Charged to all district excluding Queenstown Lakes who have a separate harbourmaster service.	Calculated as \$x per rating unit \$1,074,415	\$11.82	\$11.82	\$11.82

Rates charged on a land value basis							
Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2026-27 including GST	Estimated rates payable including GST			
				Land Value	Land Value	Land Value	
				\$350,000	\$750,000	\$2,000,000	
Biosecurity							
City and district pest management plan	Land value	Where the property is situated	Allocated as: Central Otago Clutha Dunedin Queenstown Waitaki	\$5,782,199 \$679,755 \$441,046 \$1,513,678 \$2,826,429 \$321,291	\$23.40 \$23.12 \$22.15 \$22.81 \$23.14	\$50.15 \$49.54 \$47.47 \$48.89 \$49.59	\$133.72 \$132.12 \$126.58 \$130.37 \$132.23

Rates charged on a land area basis							
Source of funding and activities	Valuation system and basis of calculation	Matters for differentiation	Est. Revenue sought for 2026-27 including GST	Estimated rates payable including GST			
				Land Area	Land Area	Land Area	
				0.5 hectares	2 hectare	5 hectares	
East Taieri drainage scheme	Fixed charge per hectare	Where the property is situated within the defined scheme area	Allocated as:	\$787,957			
			East Taieri Drainage - ED1	\$153,501	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED2	\$130,300	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED4	\$18,603	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED5	\$161,335	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED7	\$13,506	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED8	\$139,091	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED9	\$110,480	\$82.56	\$330.23	\$825.57
			East Taieri Drainage - ED10	\$61,141	\$82.56	\$330.23	\$825.57
West Taieri drainage scheme	Fixed charge per hectare	Where the property is situated within the defined scheme area	Allocated as:	\$999,883			
			West Taieri Drainage - WD1	\$540,263	\$63.85	\$255.41	\$638.53
			West Taieri Drainage - WD2	\$344,385	\$63.85	\$255.41	\$638.53
			West Taieri Drainage - WD3	\$38,857	\$63.85	\$255.41	\$638.53
			West Taieri Drainage - WD4	\$13,757	\$63.85	\$255.41	\$638.53
			West Taieri Drainage - WD5	\$62,621	\$63.85	\$255.41	\$638.53

Effect of Rating

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
31,160	General Rates	34,438	30,101
	Targeted Rates		
5,402	Catchment Management	10,040	5,746
0	Farm Monitoring	302	0
4,000	Emergency Management	4,076	4,114
256	Wilding Pines	262	261
4,899	Biosecurity	5,178	5,028
883	Harbour Management	918	935
	Targeted River Management Rates		
511	Central Otago	585	533
485	Clutha	571	485
266	Dunedin	339	266
567	Whakatipu/Wanaka	677	567
659	Waitaki	718	655
	Targeted Transport Rates		
10,716	Dunedin Public Transport	10,905	10,303
3,522	Whakatipu Public Transport	5,568	4,335
0	Ōamaru Public Transport	195	
	Targeted Flood and Drainage Rates		
1,256	Leith Flood Protection	1,256	1,256
1,102	Lower Clutha Flood Protection & Drainage	1,204	1,102
1,073	Lower Taieri Flood Protection	1,187	1,073
869	West Taieri Drainage	931	869
685	East Taieri Drainage	744	685
154	Tokomairiro Drainage	175	154

Schedule of Fees and Charges

Scale of Charges

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

Charge	From 1 July 2025	From 1 July 2026
Staff time per hour:		
• Management	\$215	\$215
• Team Leader/Principal	\$195	\$195
• Senior Technical	\$175	\$175
• Technical	\$150	\$150
• Field Staff	\$150	\$150
• Administration	\$115	\$115
• Specialist Expert Services. For example: Science, Hazards or Engineering time.	\$175	\$175
Disbursements	Actual	Actual
Additional Site Notice	Actual	Actual
Advertisements	Actual	Actual
Vehicle use per kilometre	As per IRD Published Rates	As per IRD Published Rates
Harbourmaster vessel per hour	\$395	\$395
Travel and accommodation	Actual	Actual
Testing charges	Actual	Actual
Consultants	Actual	Actual
Commissioners	Actual	Actual
Councillor Hearing fees per hour:		
• Chairperson	\$116	\$116
• Members	\$93	\$93
• Expenses	Actual	Actual

Resource Management Act – Section 36 Charges

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

Resource Consent Application Fees

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

Pre-Application Work

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

Deposits		From 1 July 2025	From 1 July 2026
Publicly Notified Deposits:³		\$25,000	\$25,000
Non-Notified and Limited Notification Deposits:³			
	First consent	\$3,000	\$3,000
	Subsequent consents	\$200	\$200
Other Application Types			
	Variation to Conditions – s127	\$3,000	\$3,000
Fixed Fees			
	Single Bore	\$1,365	\$1,365
	Single farm dairy effluent storage and discharge to land	\$5,000	\$5,000
	Single dairy effluent discharge to land	\$3,500	\$3,500
	Small scale contaminated land disturbance	\$3,500	\$3,500
	Exemption under regulation 7A of the Water Metering Regulations	\$250	\$250
	Exemption under regulations 9 or 10 of the Water Metering Regulations	\$600	\$600
	Transfer consent holder and certificate	\$200	\$200
Hearings			
	Hearings	Per Note 2 below	Per Note 2 below
	Payment for Commissioner request – s100A	Per Note 4 below	Per Note 4 below
Objections			
	Payment for Commissioner request – s357AB	Per Note 4 below	Per Note 4 below
Transfer of Consent Holder and Certificates Deposits:			
	Priority Table	\$200	\$200
	Certificate of Compliance	\$2,000	\$2,000
	All Other Costs	As per Scale of Charges	As per Scale of Charges

Notes:

- For additional permits in respect of the same site, activity, applicant, time of application, and closely related effect as the first application. Applications for more than one activity require an additional deposit for each activity. The \$200 deposit is required for each additional activity applied for in an application this deposit amount includes a one-off compliance administration fee of \$100.
- An interim invoice of costs to date in addition to a deposit payable shall be 90% of the cost of a hearing as calculated by Council in accordance with information contained in the application file and using the scale of charges. The amount payable will be due at least 10 working days before the commencement of the hearing. If the amount is not paid by the due date, then the Council reserves the right under S36(7) of the Resource Management Act to stop processing the application. This may include cancellation of the hearing.
 - Should a hearing be cancelled or postponed due to the non-payment of the charge, the applicant will be invoiced for any costs that arise from that cancellation or postponement.
 - Following completion of the hearing process, any shortfall in the recovery of hearing costs will be invoiced, or any over-recovery will be refunded to the applicant.
- This deposit is to be paid as the initial deposit if you request public notification when your application is lodged with Council, or when there is a decision made to publicly notify your application. This is as well as the other

costs associated with notified applications. Where actual and reasonable costs are less than the deposit paid, a refund will be given.

- 4 Where an applicant requests under s100A (for a consent hearing) or under s357AB (for the hearing of an objection) an independent commissioner(s); the applicant will be required to pay any increase in cost of having the commissioner(s).

Use of Consultants for Resource Consents

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

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

Review of Consent Conditions

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

Compliance Monitoring

Performance Monitoring

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

Resource Consent Monitoring and Annual Administration Charges	From 1 July 2025	From 1 July 2026
One-off compliance administration fee to be charged on all new applications. Covers the cost of compliance monitoring systems. This is included in the consent deposit and fixed fees above and only to be charged if a deposit or fixed fee is not paid.	\$180	\$180
One off compliance set up fee to be charged on all new applications (subsequent consents) covers the cost of compliance monitoring systems. This is included in the consent deposit and fixed fees above and only to be charged if a deposit or fixed fee is not paid.	\$100	\$100
Ongoing compliance administration fee to be charged on consents with Performance Monitoring requirements.	\$62	\$62
Late performance monitoring fee to be charged as required.	\$180	Removed
Annual Consent Compliance Monitoring Charges		
Compliance monitoring charge for each other item due during the financial year (unless covered by one of the fees below). Examples include management plans, provision of photos, bore logs, notifications, record of complaints, annual reports.	\$87	\$87
Annual charge for the receipt and processing of telemetered water take data/information (including verifications returns).	\$230	\$230
Each additional telemetered water measuring device.	\$62	\$62
Annual charge for the receipt and processing of manual and data logger water take data/information (including verification returns), excludes those who hold a WEX for the installation of telemetry.	\$290	\$290
Each additional non telemetered water measuring device	\$125	\$125
Annual charge for the receipt and processing of all returns relating to small/simple discharge consents.	\$102	\$102
Annual charge for the receipt and processing of all returns relating to medium/moderately complex discharge consents.	\$390	\$390
Annual charge for the receipt and processing of all returns relating to large/complex discharge consents.	\$1,145	\$1,145
Annual charge for the receipt and processing of all returns relating to simple/small earthworks consents.	\$335	\$335
Annual charge for the receipt and processing of all returns relating to standard/medium earthworks consents.	\$1,075	\$1,075
Annual charge for the receipt and processing of all returns relating to complex/large earthworks consents. Very large developments may be set up as major clients.	\$2,250	\$2,250
Inspection reports for small dams	\$175	\$175
Inspection reports for large dams	\$340	\$340
Structural integrity report	\$125	\$125
CMA Structure Permit (Annual Charge)	\$30	\$30
Low Flow Monitoring Charges		

Kakanui at McCones	\$410	\$410
--------------------	-------	-------

Fees for Specific Consent Holders

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

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

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

Resource Consent Monitoring

Resource Consent Audits

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

Resource Consent Monitoring audit fee	From 1 July 2025	From 1 July 2026
Coastal permit – structure	\$300	\$300
Coastal permit – mooring	\$250	\$250
Bore inspection	\$400	\$400
Small/simple on-site waste water discharge consent	\$450	\$450
Dairy Audit fee per inspection	\$500	\$500

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

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

Non Compliance – Resource Consent

The following activities will be charged at the actual and reasonable cost incurred, using the Scale of Charges. For clarification, these costs are in addition to any resource consent auditing costs:

This includes, but is not limited to:

- 1 Where non-compliance with a resource consent is identified, charges may be paid by a person, for the ORC carrying out any function to determine whether the contravention has occurred.
- 2 If there has been a breach of a resource consent then the ORC shall charge the consent holder the full costs of monitoring and supervising the exercise of the consent in respect of that breach, including:
 - 1 Staff time to consider the non-compliance, prepare reports and correspondence, and any disbursements (eg sampling services, technical advice) related to consent non-compliance.
 - 2 Response to an incident notification (eg a complaint about water pollution or odour discharge), the consent holder is only charged if the consent is breached, and non-compliance is observed.
 - 3 Costs for external consultants/contractors (actual charges)

Non-Compliance General

Where non-compliance with the Resource Management Act 1991, a National Environmental Standard, a Regulation or a rule in a plan is identified, charges may be paid by a person, for the ORC carrying out any function to determine whether the contravention has occurred, using the Scale of Charges.

Other Compliance Activities

The following activities will be charged at the actual and reasonable cost incurred, using the Scale of Charges. For clarification, these costs are in addition to any resource consent auditing costs:

- 1 The monitoring of a person's compliance with any rule that relates to a permitted activity, excluding a rule in a plan that permits the same activity as is permitted in a National Environmental Standard.

- 2 Performance and compliance monitoring of permitted activities under a National Environmental Standard, including but not limited to Freshwater, Commercial Forestry and Storing of Tyres Outdoors - if the ORC is empowered to charge for the monitoring in accordance with section 43A(8) of the RMA .
- 3 Charges payable by farm operators, in relation to freshwater farm plans, for ORC carrying out its functions under section 217I of the RMA.

Gravel Inspection and Management

Gravel extraction fee — \$0.66 per cubic metre (incl. GST). Up to a maximum of \$6,600 per consent per year.

Resource Monitoring

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

Private Plan Changes

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

Building Act 2004 – Section 243 charges

Dam Safety and Building Control

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

Activity	Description	Deposit	From 1 July 2026
Issue of Certification of Acceptance (CoA)	Receive, process and grant or refuse applications for CoA	\$2,000	Scale of Charges plus MBIE/BRANZ levies where applicable*
Project Information Memorandum (PIM) for a Dam	Receive, process and issue PIM applications	-	Scale of Charges
Dam Safety	Dangerous dams, earthquake-prone dams, and flood-prone dams – inspections and enforcement	-	Scale of Charges
	Consider and approve (or refuse) dam classifications	-	Fixed Fee - \$115
	Approve or refuse dam safety assurance programmes	-	Fixed Fee - \$285
	Receive annual dam safety assurance programme compliance certificates	-	Fixed Fee - \$60
Notices to Fix (NTF)	Issue of NTF	-	Scale of Charges
	Inspection(s) of building work under NTF	-	Scale of Charges
Any other activity under the Building Act			Scale of Charges

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

Biosecurity Act – Section 135 charges

Regional Pest Management Plan Implementation

Work carried out resulting from inaction of landowners not complying with the Otago Pest Management Plan 2019-2029. The 'Scale of Charges' applies.

Section 128 of the Biosecurity Act 1993 enables the power to act on default when an enforcement document has not been complied with in

- (a) The time specified in it for compliance; or
- (b) If no time was specified in it, a reasonable time.

Local Government Act – Section 150 charges

Transport Licensing Exempt Services

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

Bylaw Application Processing

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

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

Information Requests

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

Local Government (Rating) Act 2002 – Section 88 Charges

Postponement

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



North Otago