

# Council Agenda 9 April 2025



Meeting will be held at the Otago Regional Council Chambers, Level 2, 144 Rattray Street, Dunedin, and live streamed at [ORC YouTube Channel](#)

Members:

- Cr Gretchen Robertson, Chairperson
- Cr Lloyd McCall, Deputy Chairperson
- Cr Alexa Forbes
- Cr Gary Kelliher
- Cr Michael Laws
- Cr Tim Mephram
- Cr Kevin Malcolm
- Cr Andrew Noone
- Cr Alan Somerville
- Cr Elliot Weir
- Cr Kate Wilson

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

09 April 2025 12:00 PM

Agenda Topic	Page
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1. WELCOME	
2. APOLOGIES	
3. PUBLIC FORUM	
Pierre Marasti will speak on behalf of Extinction Rebellion.	
4. CONFIRMATION OF AGENDA	
The agenda to be confirmed as published.	
5. DECLARATIONS OF INTEREST	
Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. The <a href="#">Register of Pecuniary Interests</a> can be found on the ORC Website.	
6. <a href="#">ACTIONS (STATUS OF COUNCIL RESOLUTIONS)</a>	3
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## 7.1 Large Scale Environmental Funding 5

To update Council on the process to develop the framework for the Large-Scale Environmental Funding and to seek feedback on the draft principles and delivery models for the fund, in advance of the final report to be presented to Council for decision making in May 2025.

### 7.1.1 Council Workshop Presentation 22 October 2024 10

### 7.1.2 Council Workshop Presentation 18 February 2025 64

### 7.1.3 Council Workshop Pre-Reading 18 February 2025 112

## 7.2 Waitaki Update 169

To update Council on progress on the investigation into managing the Waitaki catchment as a single integrated catchment, and request approval to collaborate with Environment Canterbury (ECan), to undertake a section 35 assessment.

## 7.3 ORC Membership Representation Review - Determination Outcome 173

To formally receive the determination from the Local Government Commission on the Otago Regional Council's 2025 Membership Representation Review.

### 7.3.1 Local Government Commission Mana Kāwanatanga ā Rohe Determination 177

## 7.4 Six-Monthly report to the Minister under Section 27 of the Resource Management Act 196

To present for approval by Council, the eleventh progress report to the Minister for the Environment, in accordance with section 27 of the Resource Management Act 1991 in relation to the recommendations made under Section 24A of the Resource Management Act.

### 7.4.1 April 2025 Six-Monthly Report to the Minister 200

## 8. NOTICES OF MOTION

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

## 9. CLOSURE

Meeting Date	Document	Item	Status	Action Required	Assignee/s	Action Taken
22-03-2023	Council Meeting 2023.03.22	GOV2306 Proposal to participate in CouncilMARK programme	In Progress	The Chief Executive will execute an agreement with CouncilMARK to undertake an independent assessment in 2024. Res CM23-130	Chief Executive	<p>13/09/2023 Governance Support Officer Underway. Assessment likely to take place February 2024</p> <p>15/05/2024 Governance Support Officer Te Korowai (formerly CouncilMARK) is underway and due to be completed in September 2024. The main data gathering exercise takes place between May and June. A Councillor Workshop for input into our assessment is due to take place by July.</p> <p>19/07/2024 Governance Support Officer Workshop took place on 3 July. Next workshop takes place on 7 August.</p> <p>21/08/2024 General Manager Strategy and Customer Workshop took place on 7 August. Te Korowai assessors onsite 3/4 September 2024.</p> <p>11/10/2024 Governance Support Officer 10/10/24 - CE Assessment has been completed and we are awaiting the final report which will be on a future Council agenda.</p>
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-139: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: g. Requests that staff complete a review of options for the allocation of Public Transport targeted rates and report back in time for the 25/26 annual plan.	General Manager Finance, General Manager Regional Planning and Transport	16/10/2024 General Manager Finance In progress. Staff will provide an update and proposed next steps in the Annual Plan 2025-26 workshop on 30-Oct-2024.
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-138: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: d. Investigate within existing year one forecast budgets the feasibility of incorporating an Oamaru-Dunedin service within the 'Oamaru year two and three public transport trial.	General Manager Regional Planning and Transport	
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	Assigned	FIN24-137: 32) Directs Council staff to make the following adjustments to the draft Long-Term Plan 2024-2034 detailed in paper 6.1.2 and including: c. Allocate \$50,000 in Year two Long-Term Plan 2024-2034 for potential sponsorship of the activity outlined in 'Dunedin Tracks and Trails' submission or other activity that would deliver on the Public and Active Transport Connectivity Strategy.	General Manager Regional Planning and Transport	
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	In Progress	FIN24-120: 44) Requests staff undertake a review of all flood and drainage schemes to inform rate allocation and report back to Council on the Terms of Reference and timing for this review	Chief Executive, General Manager Finance, General Manager Science and Resilience	<p>11/10/2024 Governance Support Officer 10/10/24 CE Underway. Staff are considering the best approach for this work and will report back to Council early in 2025.</p> <p>31/03/2025 Executive Assistant, Operations Review planned to be completed by the 2027 Long Term Plan.</p>

Meeting Date	Document	Item	Status	Action Required	Assignee/s	Action Taken
29-05-2024	Finance Committee LTP Deliberations - 29&30 May 2024	CS2421 Long-Term Plan 2024-2034 Deliberation	In Progress	FIN24-149: 50) Requests that staff research and report on alternative community ownership models for flood and drainage schemes as a way of addressing financial unsustainability.	General Manager Finance, General Manager Science and Resilience	16/10/2024 General Manager Finance Underway. Staff are considering the best approach for this work and will report back to Council early in 2025 along with FIN24-120.  31/03/2025 Executive Assistant, Operations Staff will bring an update to Council mid 2025.
28-08-2024	Council Meeting - 28 August 2024	POL2419 Waitaki River Update	Assigned	CM24-167 Notes a further update will be provided in 2025, after the early engagement has been undertaken;	Executive Assistant - Regional Planning and Transport, General Manager Regional Planning and Transport	
19-02-2025	Council Meeting - 19 February 2025	GOV2513 Te Korowai Evaluation Report	In Progress	Resolution CM25-117 Asks the Chief Executive to present a programme of business transformation to the July Council Meeting that will include options for prioritised areas of improvement listed in Te Korowai Evaluation report	Chief Executive, Executive Assistant - Corporate Services	01/04/2025 Governance Support Officer This is on the work programme for the new Organisational Performance and Planning Team and will be reported back on as per the agreed timeframe.

**7.1. Large Scale Environmental Funding**

**Prepared for:** Council

**Report No.** GOV2536

**Activity:** Governance Report

**Author:** Libby Caldwell, Manager Environmental Implementation

**Endorsed by:** Joanna Gilroy, General Manager Environmental Delivery

**Date:** 9 April 2025

**PURPOSE**

- [1] To update Council on the process to develop the framework for the Large-Scale Environmental Funding and to seek feedback on the draft principles and delivery models for the fund, in advance of the final report to be presented to Council for decision making in May 2025.

**EXECUTIVE SUMMARY**

- [2] Through the Long-Term Plan (LTP) Council approved the allocation of \$2M per year to fund 'large-scale environmental projects, funded by an Otago-wide rate'. The funding comes into effect from 1 July 2025.
- [3] To date, two workshops have been held to gain an understanding of what Councillors want to achieve with the funding and on the potential delivery framework. Feedback was provided that the fund was to be based on the below principles:
- a. Intergenerational impact;
  - b. Facilitation of collaboration across the system; and
  - c. Alignment to organisational strategy and strategic direction
- [4] Feedback on the models that could support the delivery of the fund included:
- a. A hybrid model that:
    - i. would account for funding decisions against a set-criteria that invited expressions of interest from the community and accounted for utilising the processes such as the biodiversity strategy and Catchment Action Plans; and
    - ii. looks at joint ventures or a co-funded model in partnership with other entities.
  - b. Transition to a model that would involve the establishment of a standalone trust or entity to administer and leverage external funding once the fund has been in place for 3-5 years.
- [5] Confirmation of the fund principles and preferred delivery models will support staff in the development of the final report and paper to support decision making by the Council in May 2025.

## RECOMMENDATION

*That the Council:*

1. **Receives** this report.
2. **Endorses** the draft principles and delivery models referred to in option 1 to inform the preparation of a paper which details the process for establishing and administering the \$2 million large-scale environmental fund.
3. **Notes** that the establishment date for implementation of the \$2m large scale environmental fund is subject to decisions made during the current annual plan process.

## BACKGROUND

- [6] Through the Long-Term Plan 2024-2034, Council consulted on a proposed increase in environmental funding of \$500,000 per year from 2025/26 to support large scale environmental projects. Following consultation, Council approved the allocation of \$2M per year to fund 'large scale environmental projects, funded by an Otago-wide rate'. The LTP details that the additional \$2 million per annum comes into effect from 1 July 2025.
- [7] Staff have been working since September 2024 to review and assess the opportunities for funding models to support the effective delivery of the large-scale environmental funding from next financial year. Two workshops have been held with Councillors and interviews completed with stakeholders and partners. Workshop materials and a list of who has been interviewed are attached as appendices.
- [8] All potential funding models will be included in the final report and this paper does not pre-empt any formal decision on the continued existence of the fund (this is through the Annual Plan process) and is not a final decision on the format of the fund.
- [9] Following workshops 1 and 2, staff are seeking feedback on draft principles and funding models to support the development of a final report to be prepared and presented to Council in May 2025 for decision making on the delivery method for the fund and supporting funding criteria.

## DISCUSSION

- [10] During the workshops, direction was provided to focus solely on the new 'large-scale environmental' funding and to not consider this within the context of a review of all funding allocated by ORC to meet environmental outcomes (namely our direct agreements and ECO Fund). This means the ECO Fund will continue to operate in parallel to the new fund.
- [11] Feedback provided at the workshops was that the large-scale environmental fund was to be based on the below principles:
- a. **Intergenerational impact** – achieving enduring impacts that are in partnership with mana whenua and communities.

- b. **Facilitation of collaboration across the system** – ORC should take a leadership role of the funding system, but local leadership and action should be driven by communities.
- c. **Alignment to organisational strategy and strategic direction** – knowing that the right investment decisions are being made in the right place at the right time to support ORC’s strategic directions and goals as set by Council.

[12] During the workshops, six funding model allocation options were discussed:

- a. Contestable process (specifically in reference to an expanded ECO Fund model).
- b. Direct or Expression of Interest process (aligned to a set criteria).
- c. Funding via Catchment Action Plans (as part of our wider ICM planning and implementation).
- d. Devolution (or contracting) to administer on behalf of ORC.
- e. Joint venture or co-funding arrangement in partnership with another entity or to pool funding to jointly allocate.
- f. Establishment of a standalone a separate Trust or Council Controlled Organisation (CCO) to manage and administer the funding on behalf of ORC, a dual purpose of leveraging additional funding to support investment.

[13] Councillors in attendance provided feedback the models proposed considering the potential risks, benefits and costs identified. The following models will be included in the final report but will not be a focus of the options analysis and recommendations going forward:

- a. A full contestable process (specifically rolling the funding into the existing ECO Fund).
- b. Devolving funding to or contracting another entity or third party to administer a grant of funding process on behalf of ORC.
- c. Establishing a separate Trust or CCO in the short term to administer existing funding or leveraging additional investment. This was deemed as a longer-term aspiration and for inclusion in the final report as such.

[14] Attendees at the workshops requested that the final report was to provide further detail on the following funding model options:

- a. A hybrid model of the funding that would account for funding decisions against a set criteria that invited expressions of interest and also accounted for utilising the mechanisms and processes as part of the ICM process. direct/expression of interest process and funding via Catchment Action Plans.
- b. A model that looks at a joint venture or co-funded model in partnership with other entities.
- c. A model that would involve the establishment of a standalone trust or entity to administer and leverage funding, and how the Council and ratepayers could benefit from this as part of a long-term strategy.

[15] All potential funding models will be included in the final report and this paper does not pre-empt any formal decision on the continued existence of the fund (this is through the Annual Plan process) and is not a final decision on the format of the fund.

## OPTIONS

- [16] **Option 1 (recommended option):** Council provides feedback on, and endorses, the draft principles that underpin the funding model (paragraph 11) and draft options for the delivery model (paragraph 14) to inform the staff report to be presented in May 2025.
- [17] This option provides parameters and enables staff to ensure that appropriate information is presented to inform a decision to be made on the principles and model to be used for large-scale environmental funding in year 2. This option also enables alignment with dates in the Annual Plan process.
- [18] **Option 2:** Council does not provide feedback or endorse the principles and fund options included in the report.
- [19] This option would likely result in staff needing to reconsider principles and fund options to present to Council for a decision and may result in a delay to when the final report is presented to Council.
- [20] This option could result in a delay for stakeholders and community in understanding what principles and funding model are being progressed by ORC for the large scale environmental fund.

## CONSIDERATIONS

### Strategic Framework and Policy Considerations

- [21] ORC's strategic directions commit ORC to delivering integrated environmental management, engaging communities and collaborating to deliver. Appropriate design of the large-scale environmental fund will support these objectives.

### Financial Considerations

- [22] Funding of \$2 million is included in the budget for the LTP 2024-2034, commencing in Year 2 of the LTP. This is still subject to the annual plan approval process.

### Significance and Engagement

- [23] There are no significance and engagement considerations associated with this report.

### Legislative and Risk Considerations

- [24] Nil

### Climate Change Considerations

- [25] There are no climate change considerations associated directly with this report, however large-scale environmental funding investment could support climate outcomes.

### **Communications Considerations**

- [26] This report will be considered in public and will allow interested groups to understand the objectives of Council for the development of this fund.

### **NEXT STEPS**

- [27] Work will progress to develop the final report which will be presented to Council in May 2025 for formal decision making.

### **ATTACHMENTS**

1. Council Workshop Presentation 22102024 [**7.1.1** - 54 pages]
2. Council Workshop Presentation 18022025 Final v2 [**7.1.2** - 48 pages]
3. Council Workshop Presentation Pre- Reading Pack 18022025 [**7.1.3** - 57 pages]

*frequency*

# Council Workshop

Future Strategy and Priorities for ORC Environmental Funding

22 October 2024

Council Meeting - 9 April 2025

*frequency*

# Welcome and Introductions

2

## *frequency*

### Workshop Purpose

- Revisit the purpose, allocation and structure of **existing** environmental funding allocated by ORC
- Consider and discuss the ORC's **future vision, strategy, and environmental priorities** for future investment in environmental programmes and activities
- **Agree a high-level approach** to the purpose, design and implementation of future environmental funding and priority investment areas
- Help inform staff and consultants in their development of a **detailed report and recommendations** that will guide future decision making around investment structure, investment opportunities; and
- Note any **unresolved issues or concerns** that will need to be addressed in this work



## Meet Our Team

### 01. **EMMA HODGKIN *SENIOR ASSOCIATE***

Emma is based in our Ōtepoti office and comes to Frequency with over 20 years' experience in senior roles, predominately in the public sector. She has worked for the last decade as a consultant, providing strategic support and advice, procurement, programme and project mgmt. services to central and local government, and NFP clients.



### 02. **MARINAH RONDEL *GRADUATE***

Marinah is a valued graduate in our Ōtautahi team and comes with a diverse background in architecture. A significant part of her studies focused on the practical implementation of the Christchurch Central Recovery Plan and Kaikoura District Council's LTP emphasising sustainable strategies and their impact on communities in post-earthquake environments.

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*frequency*

Workshop Agenda

Time	Item	Discussion Lead
2.00pm – 2.15pm	Welcome and Workshop Opening	Chair
2.15pm – 3.00pm	Analysis and discussion of current structure Environmental Funding Structure	Libby Caldwell & Emma Hodgkin
3.00pm – 3.20pm	NZ and overseas examples of Environmental Funding Initiatives	Emma Hodgkin & Marinah Rondel
3.20pm – 3.30pm	BREAK	
3.30pm – 4.15pm	Presentation and Discussion of pre-workshop survey findings to obtain agreement and alignment	Emma Hodgkin
4.15pm – 4.45pm	Unsolved issues and questions to address before moving forward	Emma Hodgkin & Libby Caldwell
4.45pm – 5.00pm	Agreed actions and next steps	Emma Hodgkin
5.00pm	Closing	Chair

*frequency*

## Current Environmental Funding Structure

A brief snapshot of the 'current state'

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## *frequency*

## Background Context and Strategic Intent

- Currently supports areas of biodiversity, biosecurity and water quality
- Since 2018 funding increased and diversified
- 2024-34 LTP consultation proposed increased investment of \$500,000 a year from 2025/26.
- Feedback from submissions confirmed the need for ongoing investment
- Final LTP resolved to allocate \$2 million a year of funding for large-scale environmental projects from 2025/26, funded by an Otago-wide catchment management rate, with interim increase of \$500,000 in 2024/25 funding
- Additional \$2M will be on top existing funds and is to support 'large-scale environmental initiatives'



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## *frequency*

### Jobs for Nature

- Was a \$1.19B multi-agency programme to benefit the environment and create jobs as part of the govt wide COVID-19 recovery package
- Project ended 30 June 2024 after providing investment of \$61.9M into Otago, supporting 32 projects (to 30 Sept 2023)
- Provided 910 employment opportunities and funded 588,845 worker hours
- Projects were supported by DOC, MfE, MPI, LINZ and Kānoa
- Significant investment in a number of strategically important projects at risk by loss of funding – such as the Te Wai Whakaata Restoration Project - \$5.45M total funding

*frequency*

## Current Environmental Funding Structure



### Funding currently consists of

- General ECO Fund
- Various incentive funds
- Large scale biodiversity funding

### Direct funding currently includes

- Wilding Conifer groups
- One-off activities or initiatives such as Ballance Environmental Awards

### Related to environmental outcomes but outside this scope

- Consent fee fund
- Ad hoc requests
- Nationally funded initiatives such as Toitū Te Hākapupu

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Fund Type	Total \$\$	Max. \$ allocation p/project	Term of investment	Scope of Investment	Eligibility
General ECO Fund	\$318,630.00	\$50,000	1-3yrs	Community projects that protect, enhance or promote ORC environment. Can fund up to 50% salary/wage costs.	<ul style="list-style-type: none"> <li>Groups of landowners</li> <li>Educational Institutions</li> <li>community groups</li> <li>Iwi/hapū</li> </ul>
Incentive Funding – native planting (pest mgmt.)	\$50,000.00	\$15,000	1-3yrs	Native planting or regeneration after the removal of pest plants.	<ul style="list-style-type: none"> <li>Groups of landowners</li> <li>Educational Institutions</li> <li>Community groups</li> <li>Iwi/hapū</li> </ul>
Incentive Funding – native planting (water)	\$50,000.00	\$15,000	1-3yrs	Planting or regeneration of native vegetation in riparian areas to improve water quality.	<ul style="list-style-type: none"> <li>Groups of landowners</li> <li>Educational Institutions</li> <li>Community groups</li> <li>Iwi/hapū</li> </ul>
Incentive Funding – biodiversity on private land	\$100,000.00	\$15,000	1-3yrs	Protecting privately owned land.	<ul style="list-style-type: none"> <li>Individual landowners</li> </ul>
Incentive Funding – rabbit mgmt.	\$100,000.00	\$50,000	1-3yrs	Long-term coordinated community-led rabbit management.	<ul style="list-style-type: none"> <li>Groups of landowners</li> <li>NFP community groups</li> <li>Some individual properties</li> </ul>
Large Scale Biodiversity	\$300,000	\$50,000 - \$150,000	1 year	Projects with large scale biodiversity outcomes.	<ul style="list-style-type: none"> <li>May involve pest management, habitat enhancement, protection of high value areas</li> </ul>

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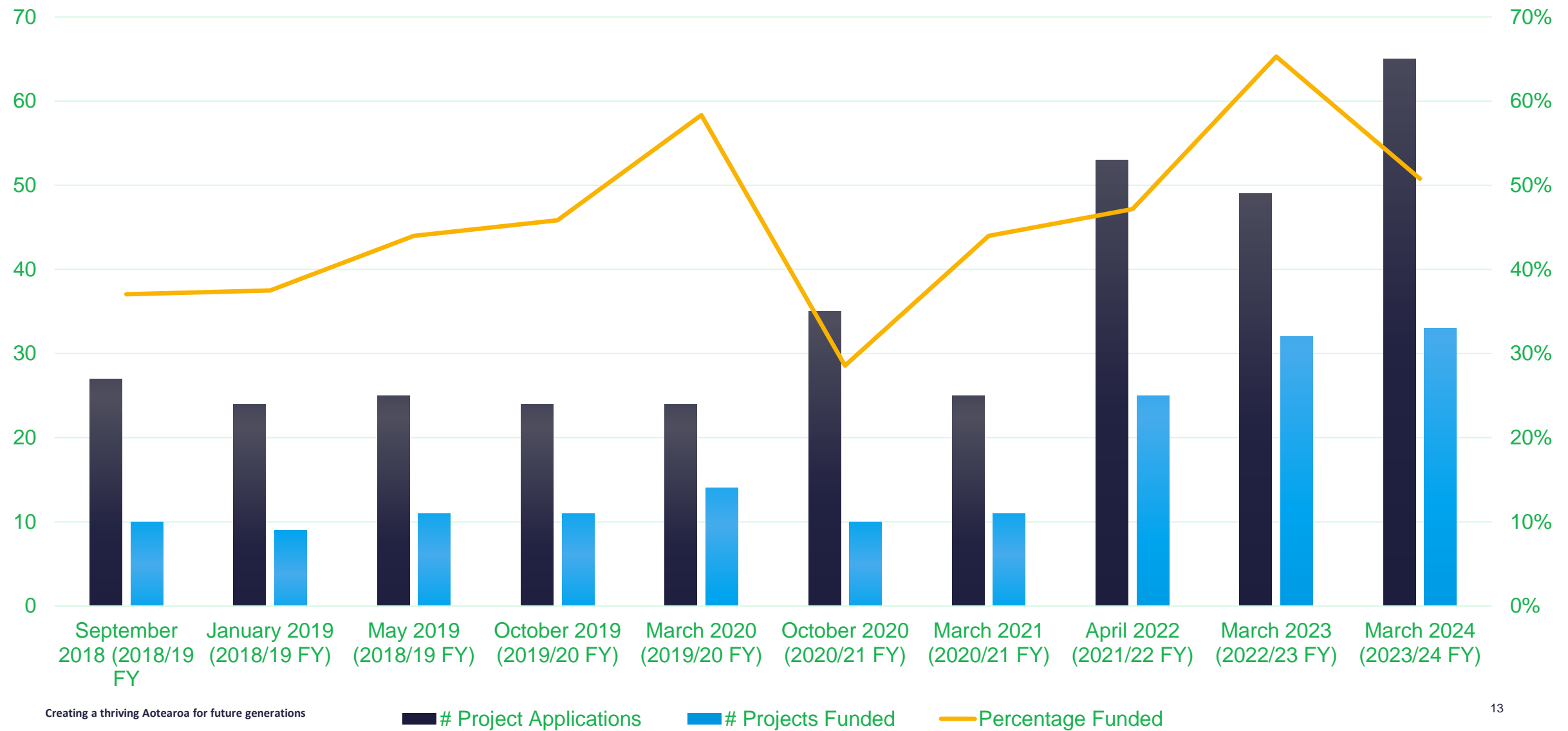
*frequency*

Environmental Funds Requested in 2023/24 Application Process (March 2024)

Category	# of Applications	Funds Requested	Funds Available	% over or under subscribed
ECO Fund (general)	31	\$989,091.15	\$318,600.00	310%
Incentive Funding – sustained rabbit mgmt.	10	\$249,740.78	\$100,000.00	250%
Incentive Funding – native planting after plant pest removal	4	\$47,978.17	\$50,000.00	96%
Incentive Funding – native planting for water quality	0	\$0	\$50,000.00	100%
Incentive Funding – biodiversity enhancement on protected private land	10	\$149,379.00	\$100,000.00	149%
Large-scale biodiversity	10	\$1,270,387.82	\$300,000.00	423%
TOTAL	65	\$2,706,576.92	\$918,600.00	295%

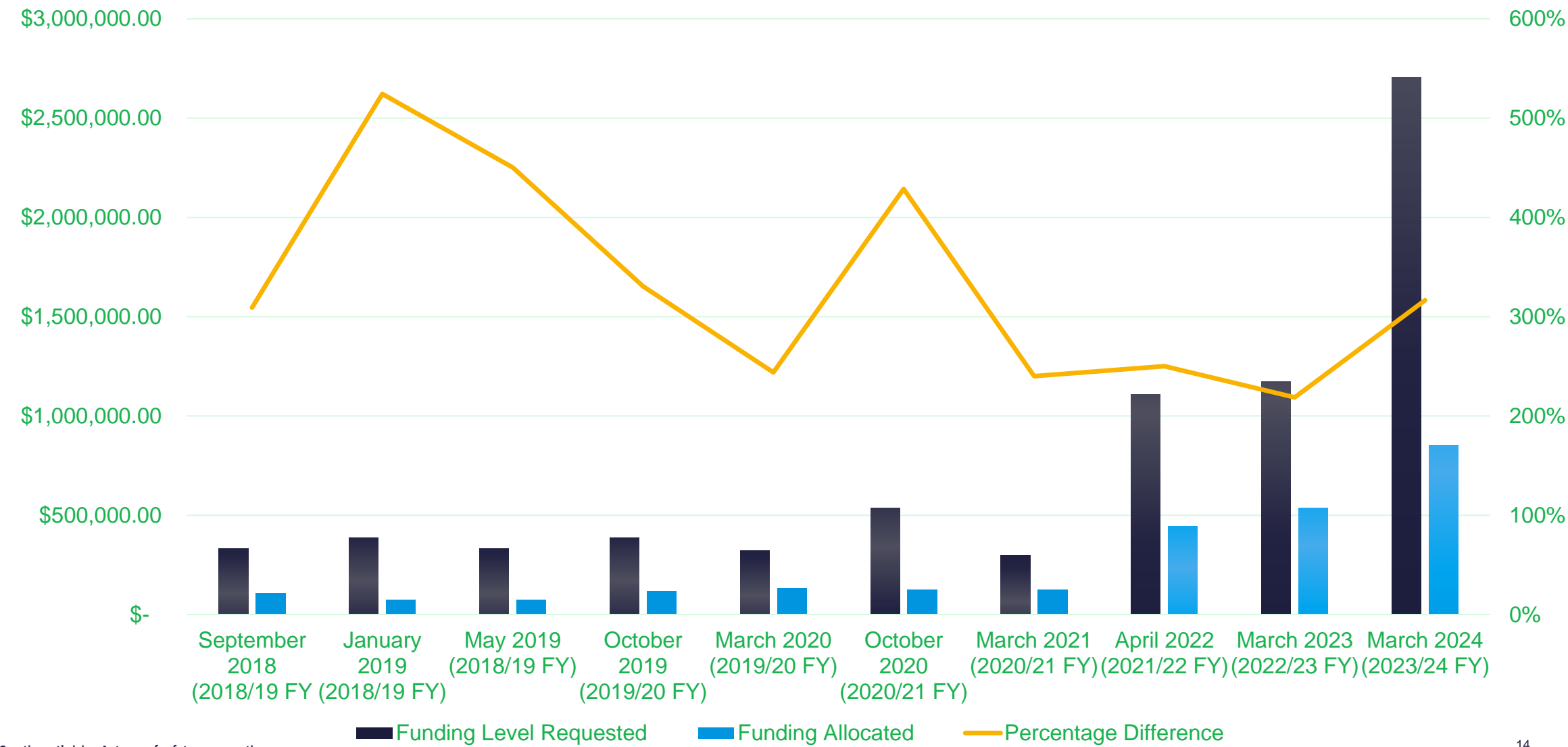
***frequency***

**Changes in Number of Applications and Number of Funded Projects (Contestable Funding) 2018/19 -2023/24 FY**

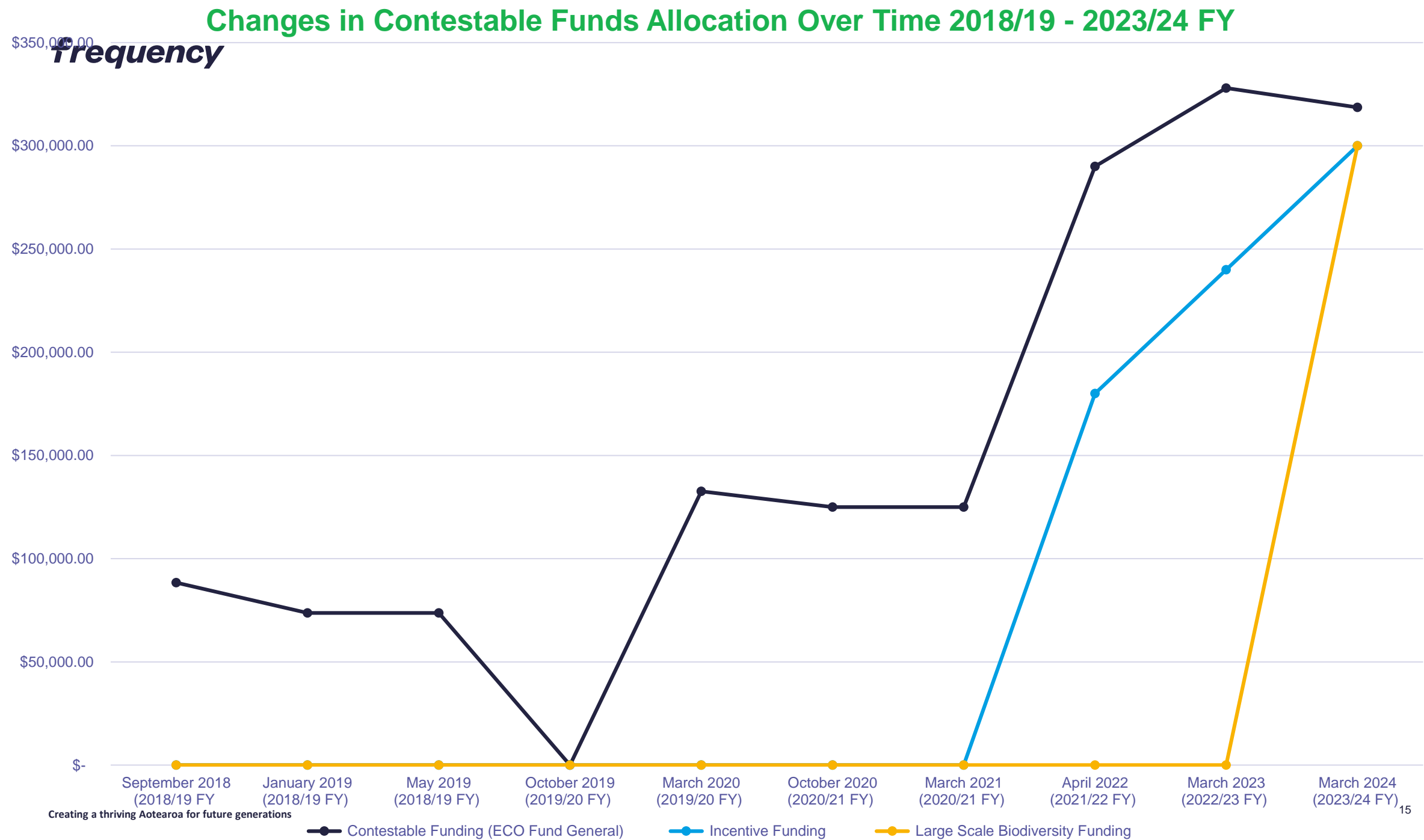


*frequency*

Changes in Levels of Contestable Funding Requested and Funding Allocated  
2018/19 – 2023/24 FY



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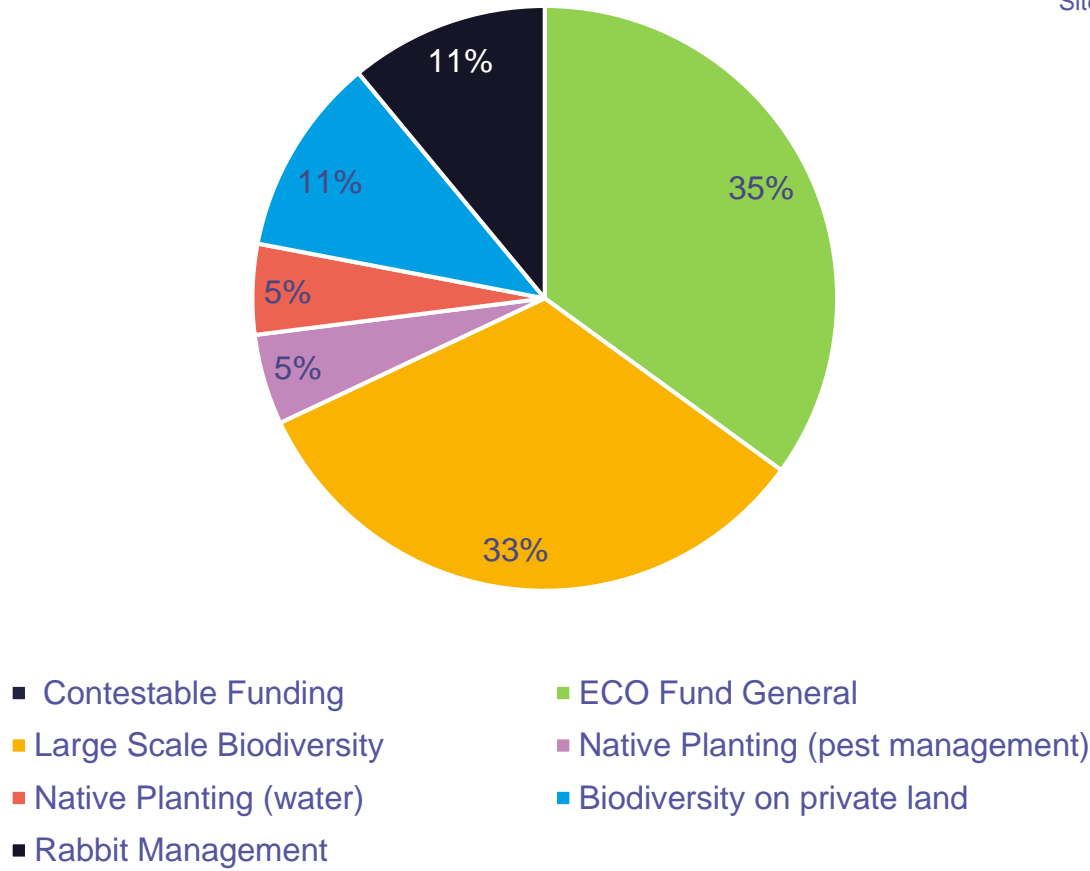


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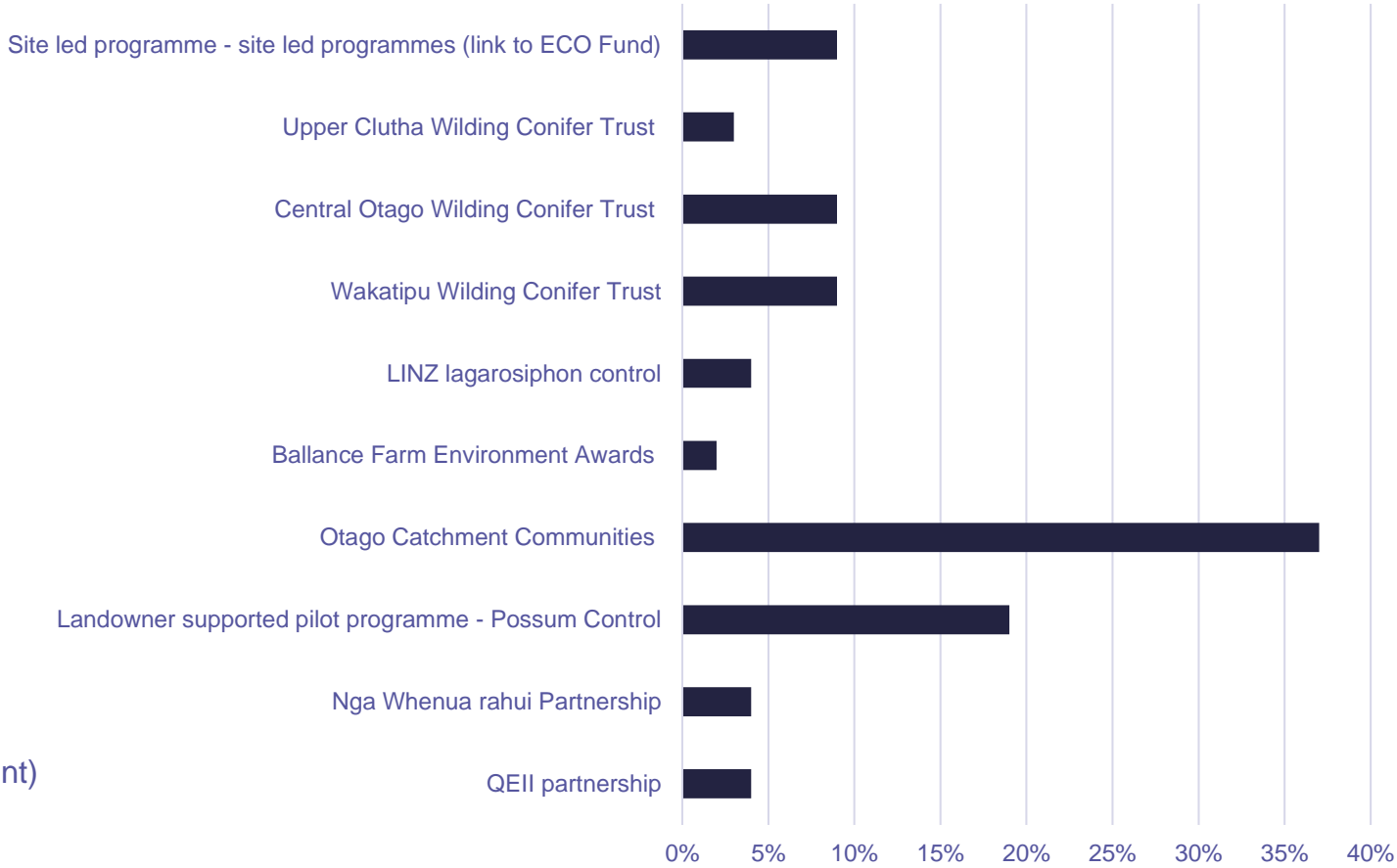
*frequency*

Contestable Funding	Non-Contestable (Direct) Funding
44%	56%

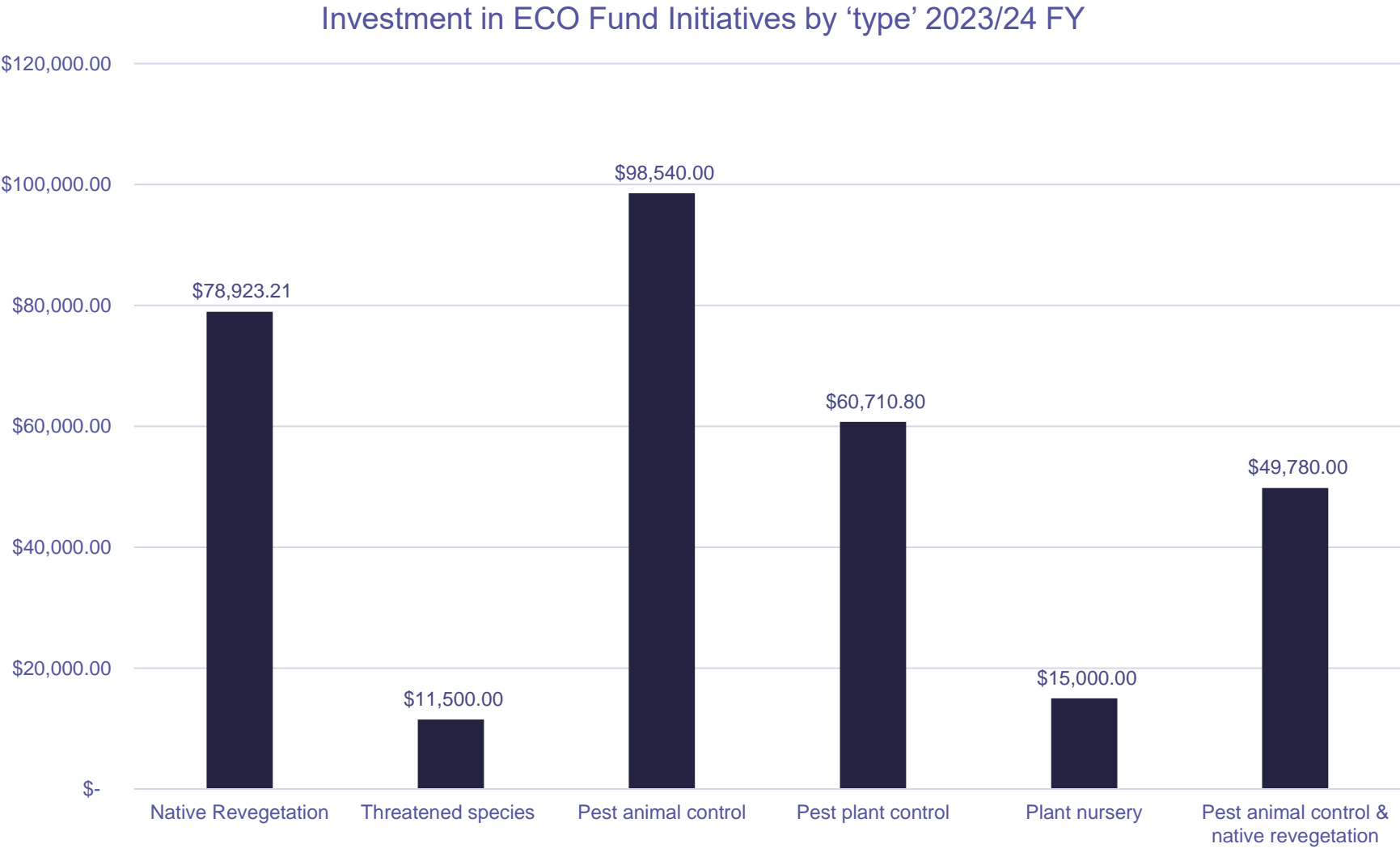
Contestable Funding by Type

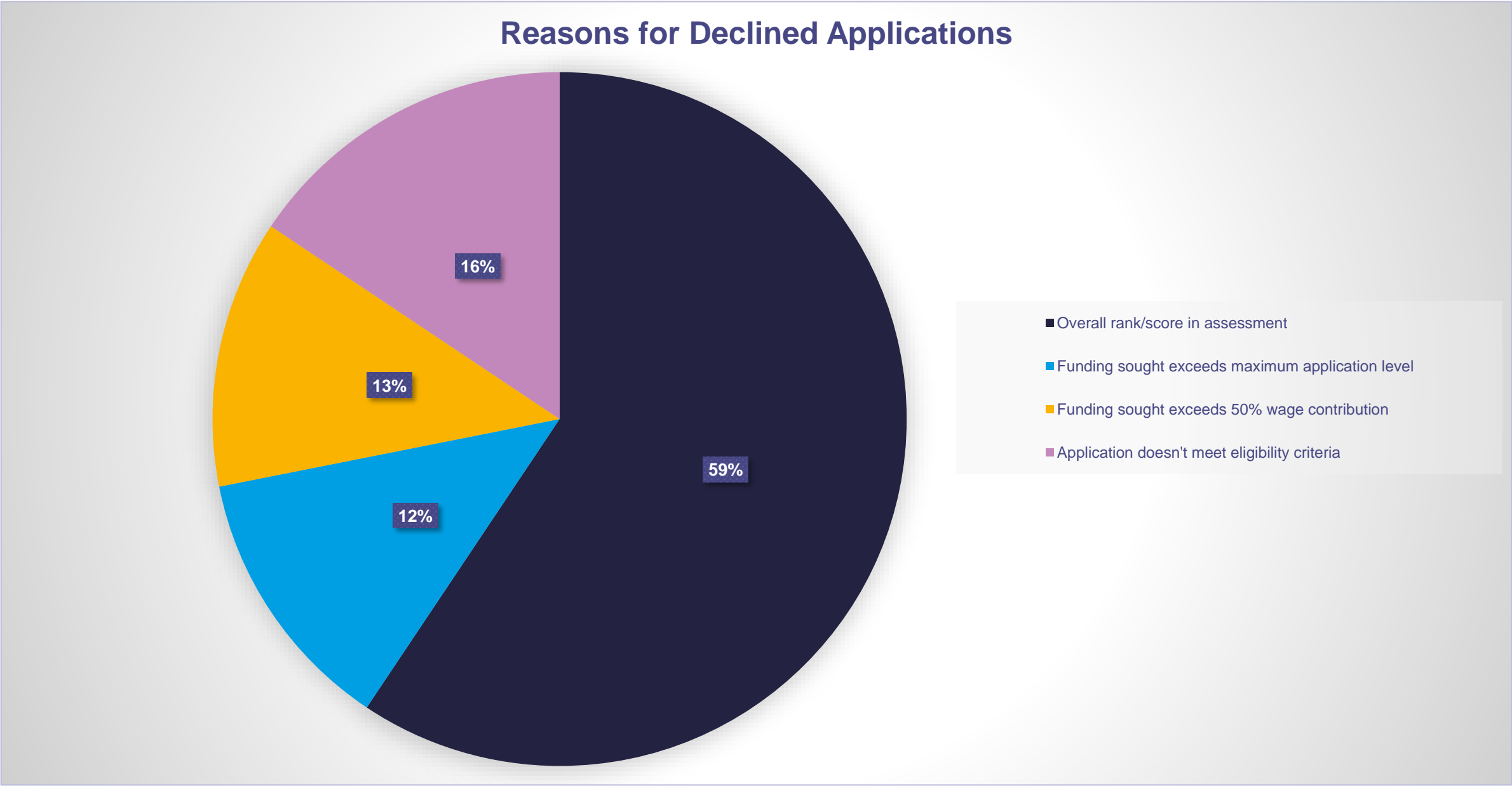


Non-Contestable Funding by Contract



*frequency*





## *frequency*

## LTP Feedback on Environmental Funding

A significant item re-iterated was the uncertainty of ongoing funds and resources for the continuation of pests and biosecurity projects. This is further supported by many suggestions of providing education, research and upskilling the community to engage in large-scale projects.

### **Climate change**

- Concerns about the response to climate change events including flooding and environmental resilience.

### **Biosecurity & Pest management**

- More resources for pest management between large groups and individuals are required over areas of significant ecological value.

### **Research/Education**

- Concerned about the lack of knowledge on environmental issues within the community and resources to carry out monitoring and research.

### **Trending Themes:**

- Flood land resilience
- Climate change
- Funding for large-scale projects
- Water quality
- Air quality
- Pest management
- Biosecurity
- Clear direction on project funding
- Biosecurity; Pest Plants and Animals
- Research

## *frequency*

# Findings from ECO Fund Survey

## Applicants

### Challenges in the ECO Fund Application Process

- Lengthy forms, duplicated details, and complex eligibility requirements.
- 33% of organisations applying are unregistered or incorporated societies.

### Improvements Suggested by Applicants

- Clearer criteria and access to personalised help.
- Greater number of funding rounds, better feedback processes & increased support for wage costs.

### The Importance of ECO Fund for Projects

- Half (49%) of the projects could not proceed without ECO funding.
- Most common projects: pest management, biodiversity conservation, securing additional funding, and engaging the community.

## Assessors

### Landowner Access to Grants

- Support for private landholders to apply for grants to some funds such as pest control and water quality.

### Eligibility and Ongoing Funding

- Eligibility criteria should allow for the maintenance of a handful of existing projects.
- Supports capping the amount unformed groups can apply for.

### Project Evaluation

- All staff to be familiar with assessment criteria.
- Challenges in scoring a diverse range of projects.

### Educational Projects

- Concern that educational projects not scoring well under the current criteria.

*frequency*

## Examples of Environmental Funding Initiatives

An example from NZ and overseas

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## *frequency*

## Waikato Regional Council– Environmental Funding

### **Small Scale Community Initiatives Fund (SSCIF) (Contestable)**

- To support projects in ecological restoration through animal and plant pest control.

### **Natural Heritage Fund (Contestable & Direct Funding)**

- To support community projects with long-term, large-scale, intergenerational ecological benefits.  
Or assisting in securing public assets.

### **The Environmental Initiatives Fund (EIF) (Contestable)**

- To provide one-off grants to projects which provide environmental benefit or education.

### **Enviro Schools Fund (Contestable)**

- To assist Enviro Schools with environmental projects that enhance nature or are educational.

### **Dr Stella Frances Scholarship (Contestable)**

- In partnership with DOC, the scholarship supports final year students in studying environmental issues in the Waikato region, with the intention that the funds are to pay research expenses.

Fund type	Total \$\$	Max allocation	Term	Who can apply	Assesment Criteria
<b>Small Scale Community Initiatives Fund (SSCIF)</b>	\$150,000	\$5,000	1 year	<ul style="list-style-type: none"> <li>• Individuals</li> <li>• Volunteer community groups</li> </ul>	<ul style="list-style-type: none"> <li>• Aligns with Pest Management Plan.</li> <li>• Ecological significance.</li> <li>• Community participation.</li> <li>• Collaboration.</li> <li>• Project budget.</li> <li>• Viability.</li> </ul>
<b>Natural Heritage Fund</b>	\$1.4 million	\$300,000	4 years	<ul style="list-style-type: none"> <li>• Legal entities/groups</li> <li>• Tertiary education institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental enhancement.</li> <li>• Long-term benefit/viability.</li> <li>• Participation/awareness.</li> <li>• Collaboration.</li> <li>• Mana Whenua (involvement and values).</li> </ul>
<b>The Environmental Initiatives Fund (EIF)</b>	\$380,000	\$40,000	Undefined	<ul style="list-style-type: none"> <li>• Legal entities</li> <li>• Community Groups</li> <li>• Landowner groups</li> <li>• Tertiary education institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Fits within LTP values.</li> <li>• Promote and/or enhance.</li> <li>• Collaboration.</li> <li>• Viability.</li> <li>• Budget.</li> <li>• Value to Mana Whenua .</li> </ul>
<b>Enviro Schools Fund</b>	Undefined	\$5,000	6 months	<ul style="list-style-type: none"> <li>• Enviro schools within the Waikato region</li> </ul>	<ul style="list-style-type: none"> <li>• An Enviro school</li> <li>• New initiative, new to the area, extension of existing project.</li> <li>• Follow Enviro school guidelines.</li> </ul>
<b>Dr Stella Frances Scholarship</b>	\$6,000	\$6,000	1 year	<ul style="list-style-type: none"> <li>• University of Waikato final year master students</li> </ul>	<ul style="list-style-type: none"> <li>• Natural or physical sciences.</li> <li>• Human perspectives in the environment.</li> <li>• Environment management practice.</li> <li>• Technology.</li> </ul>

Council Meeting - 9 April 2025

## *frequency*

## Environment Victoria – Environmental Funding

### **Victorian Landcare Grants – Environment (Contestable)**

- To support land care/volunteer group projects involving education, capacity building, and protecting and restoring the natural environment.

### **Strengthening Local Government Partnerships (Contestable & Direct Funding)**

- To support local governments and communities collaboratively to reduce bushfire risks and build resilience.

### **Bush Bank – Public Restoration & Protection Grants (Contestable)**

- To support local governments and communities collaboratively to reduce bushfire risks and build resilience.

### **Bush Bank – Private Restoration & Protection Grants (Contestable)**

- To support the restoration of the natural environment, increase biodiversity and carbon sequestration on private land.

### **Victorian Junior Landcare and Biodiversity Grants (Contestable)**

- To support projects that educate young people about biodiversity and the natural environment.

### **Nature Fund (Contestable)**

- To support high-impacting projects that are within the scope of Victoria’s Environment – Biodiversity 2037 (Biodiversity 2037), the Government’s plan

Fund type	Total \$\$	Max allocation	Term	Who can apply	Assessment Criteria
<b>Victorian Landcare Grants - Environment</b>	\$3.62 million	\$20,500	1 year	<ul style="list-style-type: none"> <li>Registered Groups</li> <li>Unregistered organisations</li> </ul>	<ul style="list-style-type: none"> <li>Land &amp; environment outcomes.</li> <li>Community engagement and capability building.</li> <li>Demonstrates fulfillment of a need &amp; community benefit.</li> <li>Project design &amp; group/network capacity.</li> <li>Value for money.</li> </ul>
<b>Strengthening Local Government Partnerships</b>	Not provided	\$150,000	2 years	<ul style="list-style-type: none"> <li>Local Government Authorities</li> </ul>	<ul style="list-style-type: none"> <li>Add value &amp; fill a gap in projects needed.</li> <li>Collaborative with government and communities.</li> <li>Community orientated.</li> <li>Sufficient capacity and capabilities.</li> <li>Outlines how funding is used.</li> <li>Delivery and sustainability.</li> </ul>
<b>Bush Bank – Private Restoration &amp; Protection Grants</b>	\$30.9m	Undefined	5 years	<ul style="list-style-type: none"> <li>Private entities</li> <li>Individuals</li> </ul>	<ul style="list-style-type: none"> <li>Expertise and experience.</li> <li>Landowner relationship.</li> <li>Priority landscape value alignment.</li> <li>Biodiversity benefit.</li> <li>Carbon outcomes.</li> <li>Broader Project benefits.</li> </ul>
<b>Bush Bank – Public Restoration and Protection Grants</b>	\$46.1m	\$5 million	5 years	<ul style="list-style-type: none"> <li>Registered organisations</li> <li>Not-for-profit entities</li> </ul>	<ul style="list-style-type: none"> <li>Expertise and experience.</li> <li>Project Risk</li> <li>Self-determination enabled.</li> <li>Biodiversity benefits.</li> <li>Carbon benefits.</li> <li>Broader project benefits.</li> </ul>
<b>Victorian Junior Landcare and Biodiversity Grants</b>	\$405,000	\$5,000	1 year	<ul style="list-style-type: none"> <li>Schools</li> <li>Childcare centers</li> <li>Youth groups</li> </ul>	<ul style="list-style-type: none"> <li>Meets “Victoria Value Nature” scheme.</li> <li>Meets “Victoria’s natural environment is healthy” scheme.</li> <li>Project activities.</li> <li>Student or youth involvement.</li> <li>Community engagement.</li> </ul>

Council Meeting - 9 April 2025

*frequency*

# Findings of the Pre-Workshop Survey

Discussion to achieve alignment

26

*frequency*

The survey tested the following thinking and ideas...

1.

Strategic Priorities

And the importance of alignment to organisational and environmental outcomes

2.

Vision for the Future

The scale of environmental outcomes you want this funding to achieve and the level of impact

3.

Size and Scale of Initiatives

The level of investment you want to make in individual projects, the term you want to invest for and the types of initiatives you want to fund

4.

Funding Type

The scale of funding you'd like directly allocated vs contestable community funding

5.

Project Delivery

Who you want to deliver programmes and projects on your behalf and the level of formality and accountability desired

6.

Defining Large Scale for Future Investment

Defining what your future increased investment will look like

*frequency*

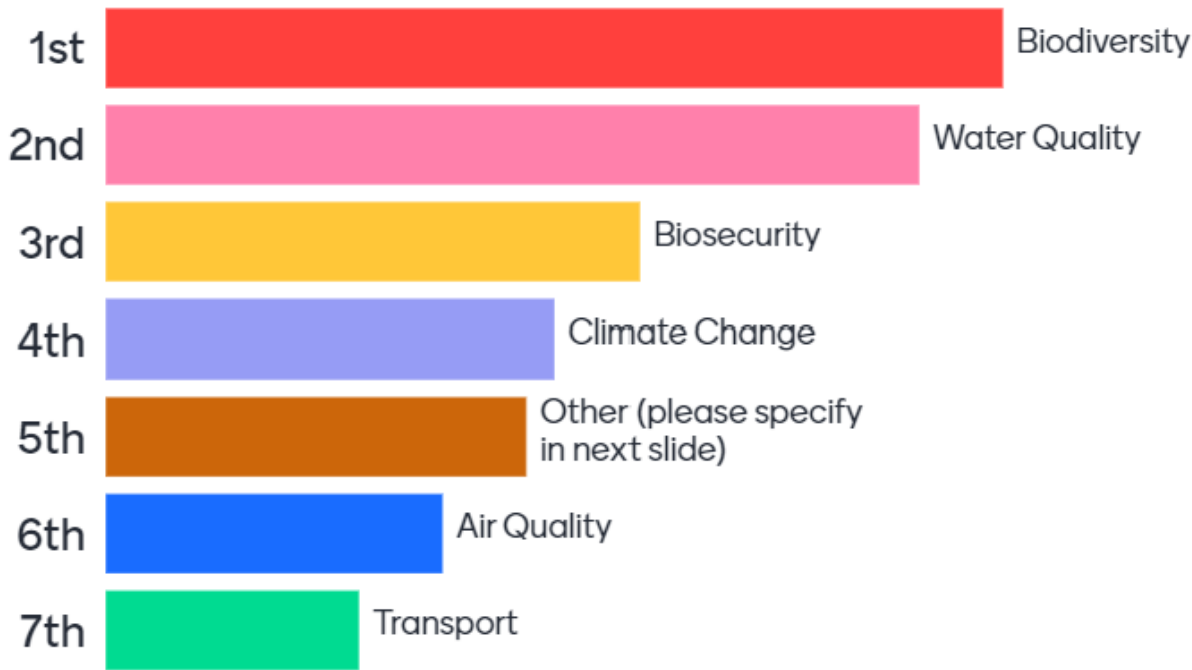
# The Results

Priority funding domains and long-term vision

28

*frequency*

Results Question 1a



Environmental Area	Range of Responses
Biodiversity	1 <sup>st</sup> – 2 <sup>nd</sup>
Water Quality	1 <sup>st</sup> – 3 <sup>rd</sup>
Biosecurity	2 <sup>nd</sup> – 7 <sup>th</sup>
Climate Change	1 <sup>st</sup> – 6 <sup>th</sup>
Other	
Air Quality	4 <sup>th</sup> – 7 <sup>th</sup>
Transport	5 <sup>th</sup> – 6 <sup>th</sup>

## *frequency*

## Discussion

- Why did you rank the domains the way you did?
- Did you rank any equally that the survey wouldn't let you show/choose?
- What do we need to understand/discuss/agree before we can agree a final priority list?
- Why do you think there's such a range of views in areas such as biosecurity and climate change?
- What are the 'other' domains that you thought of?

**frequency**

## Question 1b.

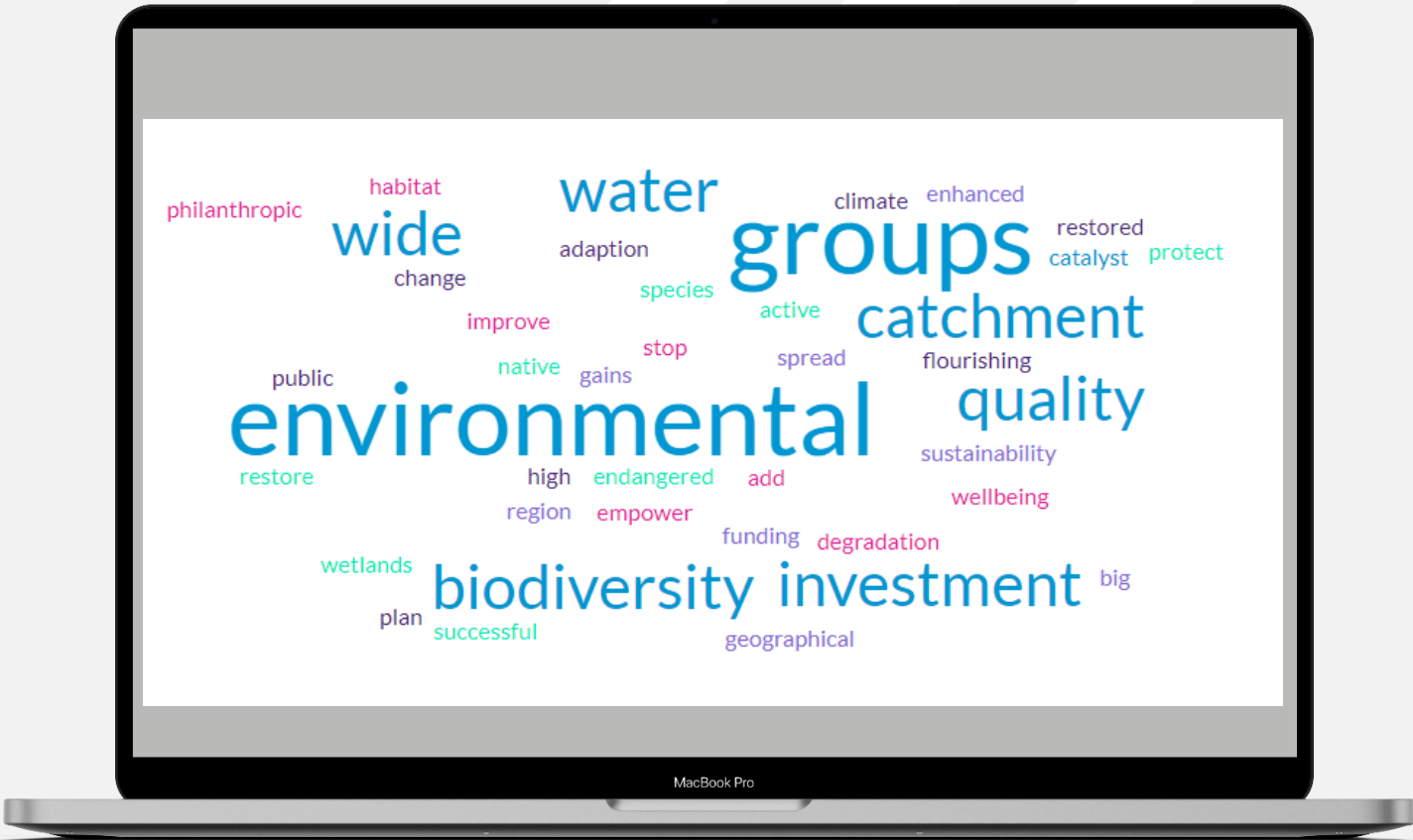
## 5-year vision



*frequency*

Question 1b.

10-year vision



## ***frequency***

### **Discussion**

- Do you currently have an agreed or united vision?
- If you don't already share the same vision, how do they differ?
- What are the outcomes you want to achieve or the impact you want to make?
- What do you need to achieve alignment?
- What's your elevator pitch for investment in this area?

*frequency*

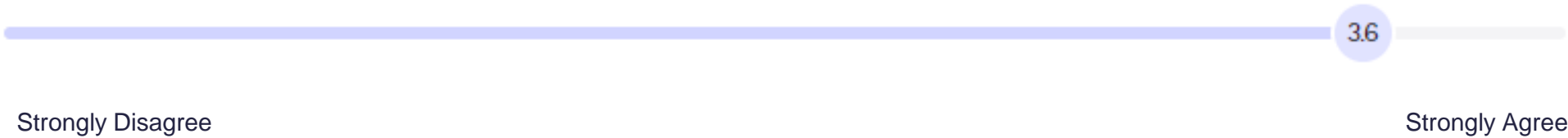
# The Results

Funding Intent, Outcomes and Structure – level  
of agreement on statements

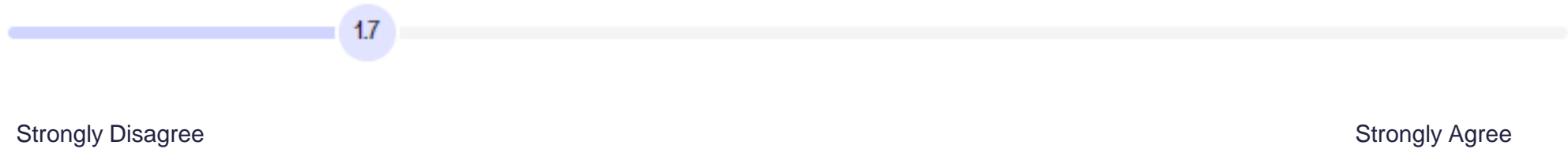
34

***frequency***

*a. Environmental Funding decisions should directly align with ORC strategic outcomes and priorities*

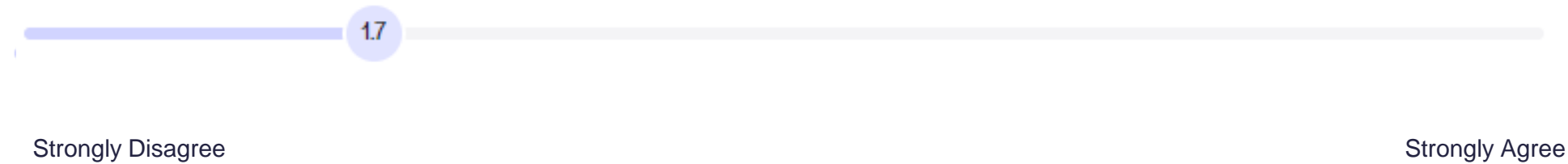


*b. Initiatives that contribute to or enhance community engagement are more important than funding initiatives that contribute to environmental outcomes*

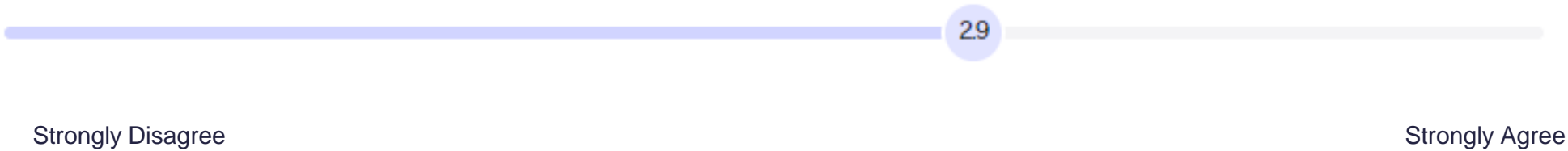


**frequency**

*c. I am more comfortable funding small one-off projects or single year projects than investing in large-scale or long term initiatives*

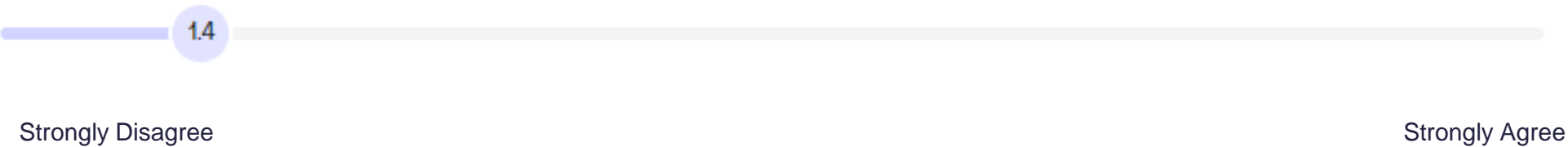


*d. It is the role of ORC to fund long-term environmental programmes over discrete one-off projects*

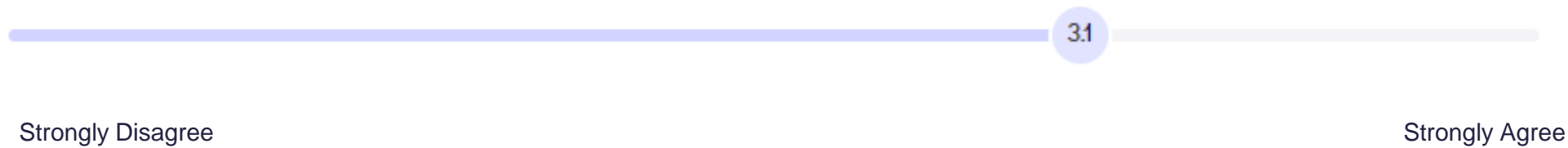


**frequency**

*e. Environmental Funding should be equally allocated across Wards, regardless of alignment to our environmental needs*

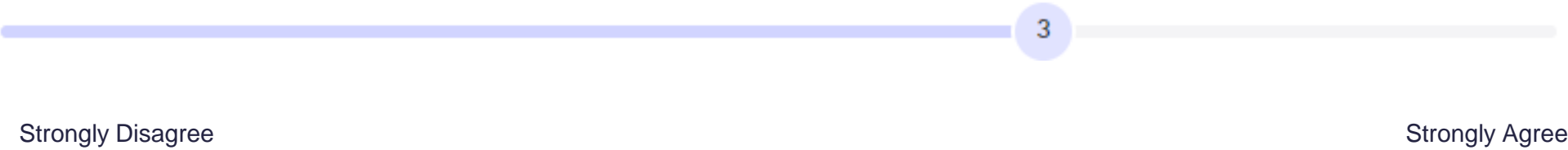


*f. In current ECO Fund eligibility criteria, applicants can apply for up to 50% of salary costs for project delivery. ORC should continue supporting these costs*



**frequency**

*g. The purpose of Environmental Funding is to give groups a ‘hand up’ not a ‘hand out’ projects we support need to be sustainable past 3 years of ORC funding*



*h. In future, we should increase our investment in initiatives that enhance environmental outcomes on private land*



**frequency**

*i. In future, ORC should investigate other funding ‘pots’ such as offering scholarships to support environmental or action-based research*



*j. I am comfortable with the level of accountability the Council receives from our investment, and we receive value for money*



## *frequency*

## Discussion

### Areas of Alignment

- Investment should align to strategic outcomes and have environmental impact
- Level of comfort funding multi-year high investment projects
- Funding should be assigned based on need
- Importance of environmental outcomes of private land

### Areas of Misalignment

- Role of ORC to fund one-off projects vs long term funding
- Whether funding purpose is a hand-out or hand up
- Level of comfort with funding large, multi-year projects is high but this doesn't flow into question around ORC role
- ORC role in contributing to salary costs
- The importance of other funding 'pots' to support education and research
- Level of comfort with accountability of spend and current value for money

*frequency*

Discussion

*frequency*

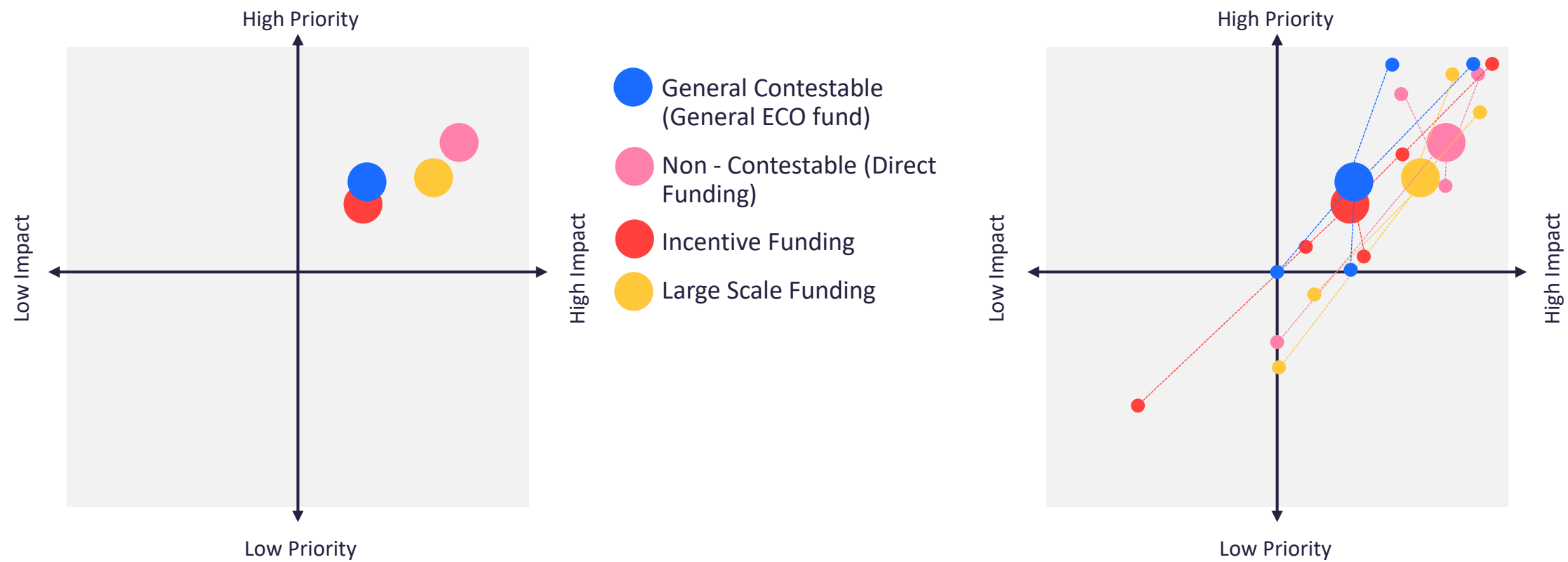
# The Results

The Way Environmental Funding initiatives are funded

42

*frequency*

## Priority and Impact of Funding by Type

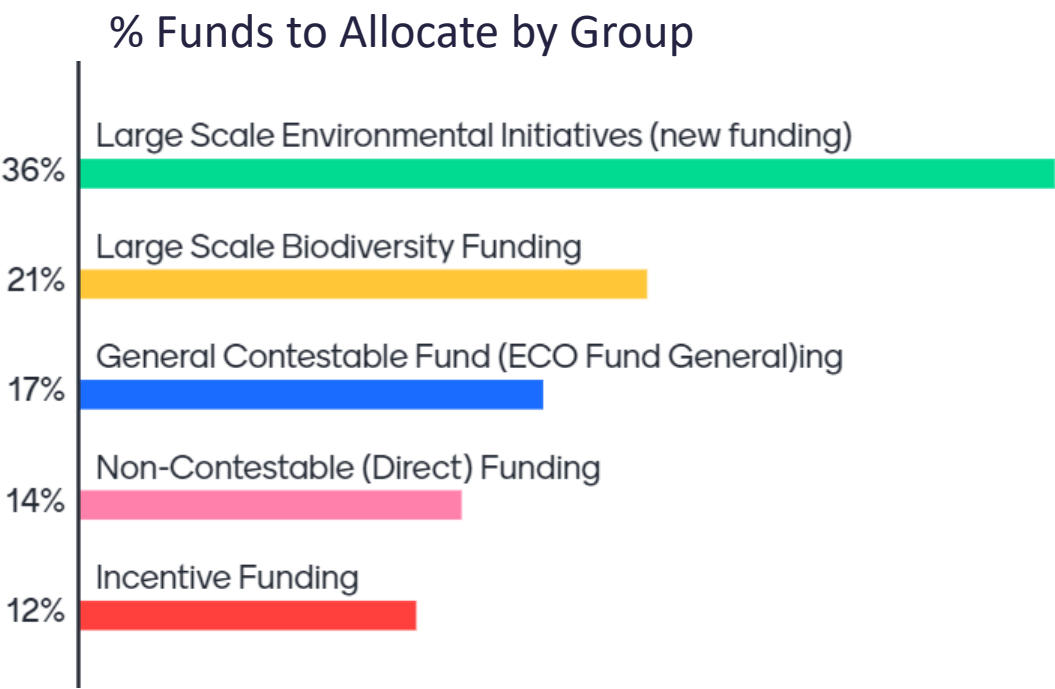
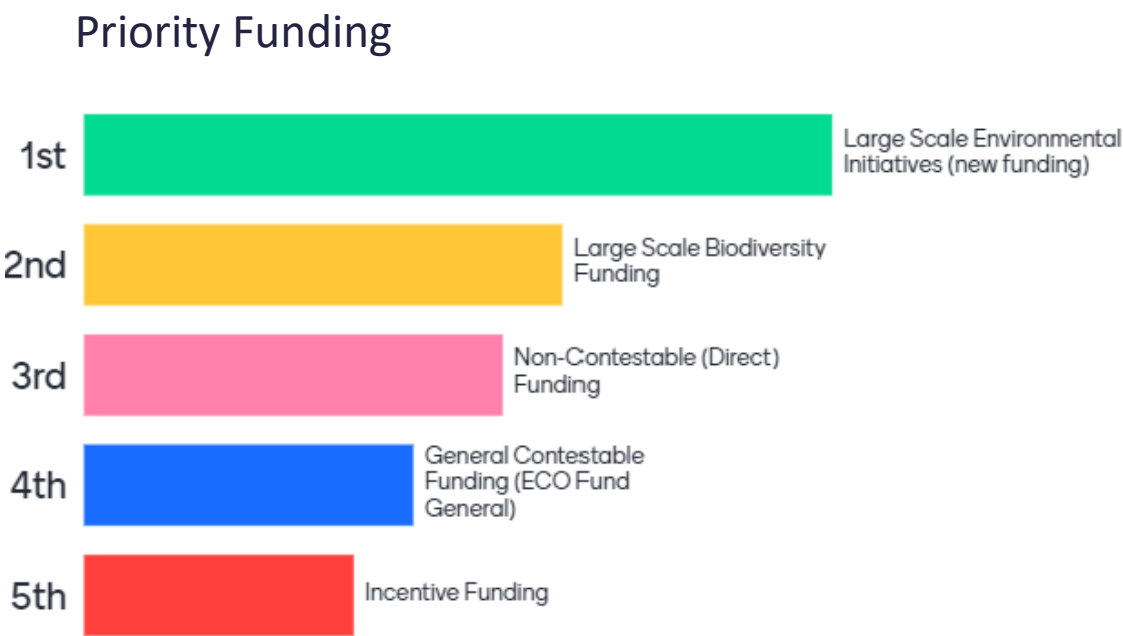


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*frequency*

Importance of Funding by Type and % Allocation by Fund



*frequency*

What this allocation would mean in the future

Funding Type	Proposed Rank	Current %	Current \$	Future %	Future \$
Large-scale environmental (new funding)	1	0%	\$0	39%	\$1,560,000*
Large-scale biodiversity	2	14.5%	\$300,000	22%	\$880,000
Direct Funding (non-contestable)	3	56%	\$1,151,000	15%	\$600,000
Contestable Funding (ECO Fund only)	4	15%	\$318,630	15%	\$600,000
Incentive Funding	5	14.5%	\$300,000	9%	\$360,000
TOTAL		100%	\$2,069,630	100%	\$4,000,000

\* Current LTP approval \$2M but noting large-scale not yet defined

## *frequency*

## Discussion

- What basis did you make your assessment of priority and impact?
- Are you surprised by the range and distribution of views?
- Looking at the future preferences with current funding, what's the level of comfort in what the future of direct funding would look like?

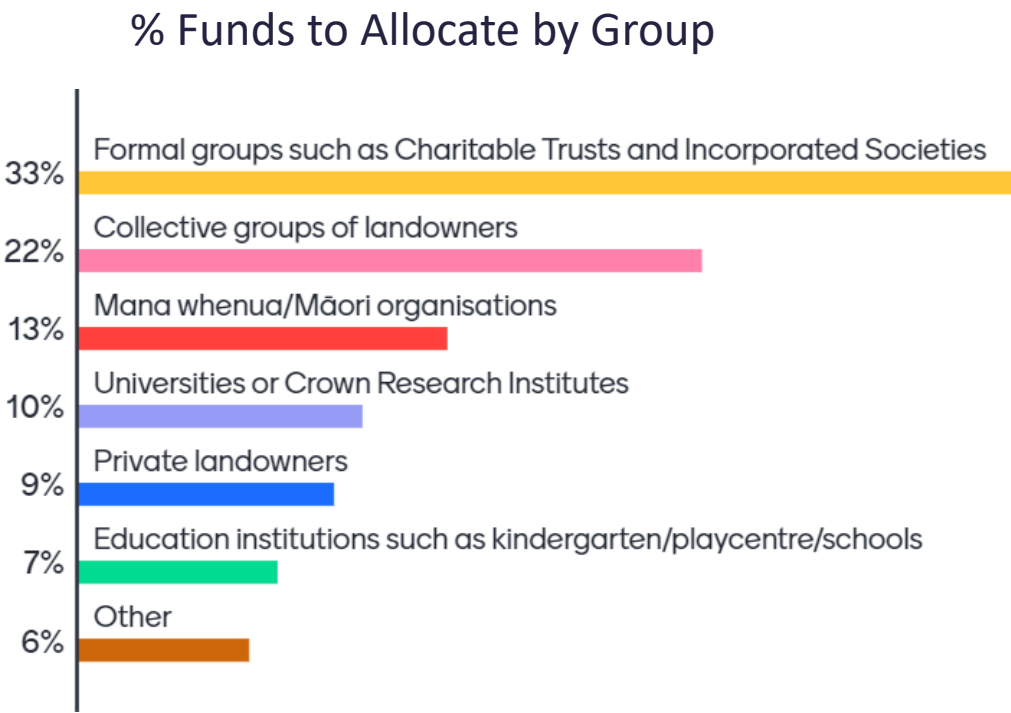
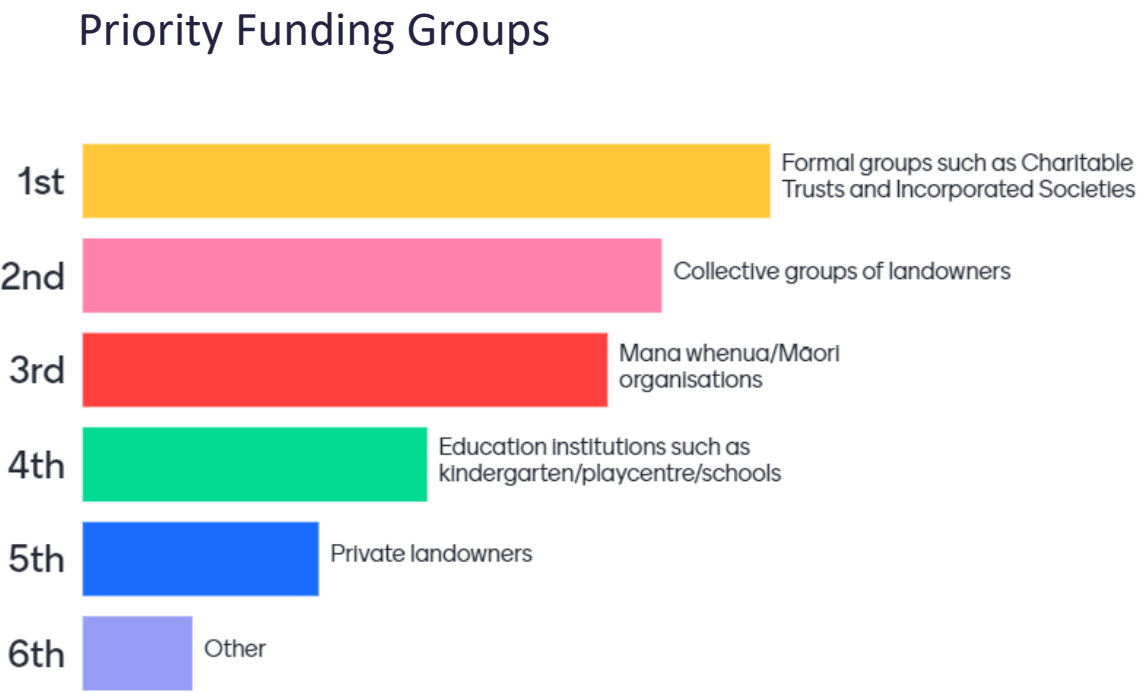
*frequency*

What would you like to see established?



*frequency*

Priority Funding Groups and % Funds to Allocate by Group



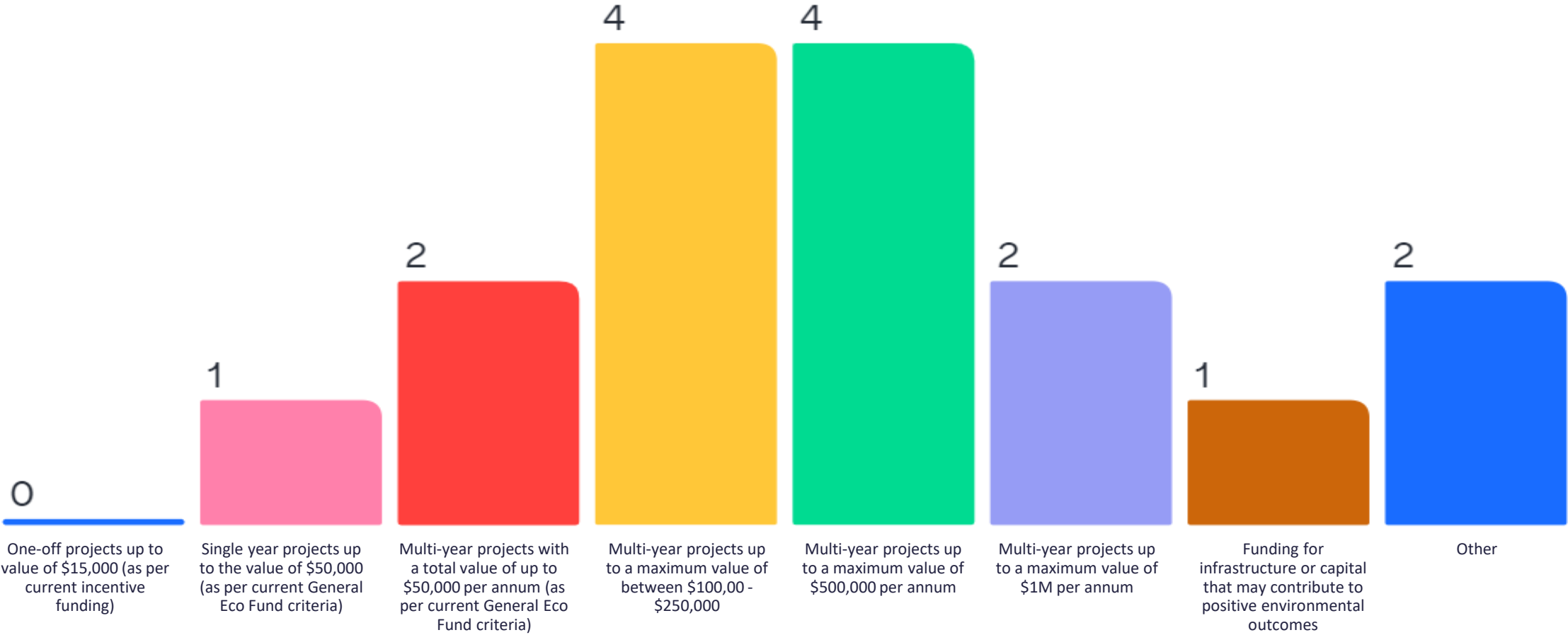
## *frequency*

## Discussion

- Is distribution by priority groups relevant or is the type of project and outcomes more important?
- Where do universities sit in the ranking of priority funding given on average 10% of funding could be allocated to Tertiary and CRI?
- Is there a level of additional comfort that comes with funding 'official' organisations or is this based on your experience of the groups that currently receive funding?
- Is there anything here that surprises you or you feel is inconsistent with other answers or views?

*frequency*

What does ‘large scale environmental projects’ mean to you?



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## *frequency*

## Discussion

- There's reasonable distribution in the results here (noting you could pick up to 3 answers)
- Shows an interpretation that large scale sits somewhere between \$100-\$500K of funding per project. Does this still feel right given the other results you've seen?
- Should our definition of 'large scale' be based on monetary investment or environmental impact?

*frequency*

Unsolved Issues and questions that need addressing



*frequency*

Agreed Actions



*frequency*

## Next Steps

- Engagement with mana whenua
- Engagement with stakeholders
- Further analysis of current model and possible options and structures (including case studies)
- Timeline for completion of a draft Report end January 2025 to ORC staff
- Proposed report and workshop with Councillors March 2025

*frequency*

**Thank you**  
Nga mihi nui



Follow us on LinkedIn



*frequency*

# Council Workshop

Update on ORC Environmental Funding Project

18 February 2025

Council Meeting - 9 April 2025

Otago Harbour

*frequency*

Workshop Agenda

Time	Item	Discussion Lead
2.00pm – 2.05pm	Welcome and Workshop Opening	Co-Chairs
2.05pm – 2.15pm	Questions and Discussion on Research and Stakeholder feedback (contained in the pre-readings)	Emma Hodgkin
2.15pm – 2.45pm	Discussion and agreement on definition of ‘large-scale’	Emma Hodgkin & Marinah Rondel
2.45pm – 3.00pm	BREAK	
3.00pm – 4.45pm	Funding Model discussion, Q&A and assessment against RVAC Matrix	Emma Hodgkin & Marinah Rondel
4.50pm – 5.00pm	Confirmation of agreed models for further review and other agreed actions	Libby Caldwell
5.00pm	Closing	Co-Chairs

## *frequency*

## Intended Outcomes of the Council Workshop

By the end of the workshop, Councillors will:

- **Understand what evidence and best practice tells us** about how to invest to support and achieve environmental gain.
- Have a greater understanding of how this **fund and funding mechanism could impact** local TA's, community stakeholders and other funders.
- **Discuss a definition of 'large-scale'** and the high level criteria that will form this definition from the Otago context.
- **Discuss on the ideal long-term aspiration** of the Council for the future model of funding – determine the 'end game'.
- Understand the **implications and timing of the implementation** of the large-scale fund in relation to the ORC Biodiversity Strategy refresh.
- Be more **familiar with the range of funding mechanisms available**, their strengths and risks, the potential long term impacts and considerations, and insight into how the model is currently working in practice.
- Identify and **agree a short list of funding model options**, based on an assessment against risk, value, cost and effort, that require further investigation for the final report to be presented to Council in May 2025.

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3

*frequency*

## Previous Workshop Outcomes

What we heard from you last time:

- The scope of this project was to focus on the definition, and use of this new funding only (not all funding).
- A more precise definition was needed to define what “large-scale environmental funding” means from the ORC context.
- Many environmental areas are considered a priority for this funding, apart from Transport.
- Investment should be directed towards need, not necessarily allocated out across catchments evenly.
- Supporting salary costs with ORC funding was seen as important to continue.
- That ORCs investment into large-scale should be viewed as a ‘hand up’, and that co-funding arrangements would need to be in place to avoid long-term reliance on ORC funding.

## *frequency*

### Previous Workshop Outcomes

Councillors wanted to see further information and analysis on the following areas/topics:

- Research and evidence to inform a local definition of ‘large-scale environmental initiatives’.
- Evidence on the funding mechanisms most effective to contribute to outcomes (e.g. direct vs contestable funding).
- Evidence on the level of, or duration of funding needed to meet biodiversity or environmental outcomes.
- Details and analysis of the types of funding mechanisms available to Council to administer these funds in the short and long-term, with examples of the structures and learnings of other Council’s.
- Detail of the opportunities open to Council to grow investment through co-funding, CCO and Trust type mechanisms.

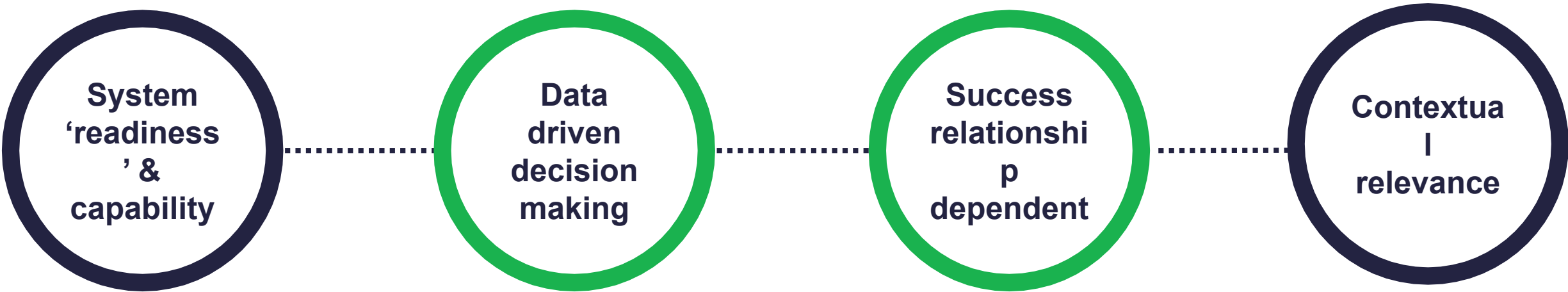
*frequency*

## Understanding what the evidence and our stakeholders are telling us

A summary of the key themes from our review of the research and stakeholder engagement to date

*frequency*

Key Themes



## *frequency*

## Alignment and Timing in relation to the ORC Biodiversity Strategy

- Intent of the Strategy is to align collective biodiversity outcomes for Otago with the ways we're going to achieve them, in alignment with the NPSIB (2023)



*frequency*

## Defining Large-Scale

Definitions from the evidence and proposed definition for ORC

**frequency**

## So what is large-scale?



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*frequency*

## Our Proposed Approach

- A high-level definition is proposed (for governance purposes) with
- More detailed criteria explaining the application of the definition at a management/operational level
- The recommended criteria will be included in the final report

## *frequency*

### Activity 1

- Split into two groups
- Write down three things that you want the fund to achieve
- Present back your outcomes to the group



## *frequency*

### Activity 2

- Stay in your two groups
- On one piece of paper write your definition of large-scale
- On the other piece of paper, write your definition of landscape-scale
- Think about the funding cycles as part of this – i.e. is this \$2M p/a or \$6M over three years?
- Present back your definitions to the group



*frequency*

Definition of Large-Scale

*frequency*

## Funding Model Discussion

Discussion of six possible options and agreement on preferred options for further investigation

18

## *frequency*

### Quick recap from the feedback and evidence

- Contestable funding mechanisms drive competition and are time and resource intensive
- Short term funding and focus on 'new' creates significant challenges to delivery and sustainability
- Balancing transparency and accountability with good environmental outcomes is difficult
- ORC and the sector need to be 'ready' for the model ORC wish to
- Leveraging additional investment is harder than it sounds
- The impact of investment is likely to be greater, where the model allows for continued ORC leadership and involvement
- Feedback tells us that the most effective models function a step removed from elected officials

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*frequency*

## Funding Models for Discussion

1.

Contestable Funding Model  
(i.e. upscaling the ECO Fund)

2.

Direct Funding Model or  
EOI

3.

Funding by Catchment  
or Biodiversity  
priority/plans

4.

Administration of a Fund  
by a third party  
(i.e. an existing Trust or CCO)

5.

Collaborative, Co-  
funded or Joint Venture  
model  
(i.e. pooled funding or joint  
funding with philanthropic entity  
or other local authorities)

6.

Establish stand alone  
Trust or CCO entity to  
leverage and administer  
funds

***frequency***

## **The RVCE Matrix**

- Now that you have read the detail on each model and have considered the questions please use a Risk-Value-Cost-Effort Matrix to assess each model
- This matrix provides a framework to help prioritise decisions using a criteria (and definition of each criteria) in a structured and efficient way
- The final prioritisation is best determined as a group to discuss viewpoints and promote transparency
- The matrix will allow us to assess whether each model requires a low or high level of risk, value, cost and effort
- Each model must be clearly placed in a quadrant – not on a line

## *frequency*

## Category Definitions

- **Risk** – the level of risk to Council by using this model, which may include relationship risk, loss of money, risk to achieving your intended goals and outcomes with the funding. It can also relate to the risk of overall effective delivery, and can extend to the risk that may extend into communities/catchments
- **Value** – this relates to the alignment to what you want the fund to achieve, the economic value the investment can bring, as well as value to communities and the environment
- **Cost** – this relates to both the investment to stand up and continue to operate and administer the model, as well as the ongoing cost implications – such as the level of investment you can make in initiatives, or how thin you spread the investment
- **Effort** – this is the level of effort required to make the model operational and functional in the long-term and should take into account quality and quantity of resources needed, management time, level of in-kind support needed internally and to the sector/partners/communities

## *frequency*

### Quadrants Explained

- **Quad 1: Avoid** – these models should be avoided as they are assessed as high cost, high risk and low/lower value.
- **Quad 2: Considered** – these models could still be considered as opportunities as they require low effort, cost and risk to ORC. Their value may still be low or unknown.
- **Quad 3: Prioritised** – these models should be investigated further as we believe they create high value, and although require high effort, are low risk and cost effective
- **Quad 4: Investigated** – these models rank highly across all four assessment areas and they should be investigated further as the payback in time and effort put in may achieve substantial value

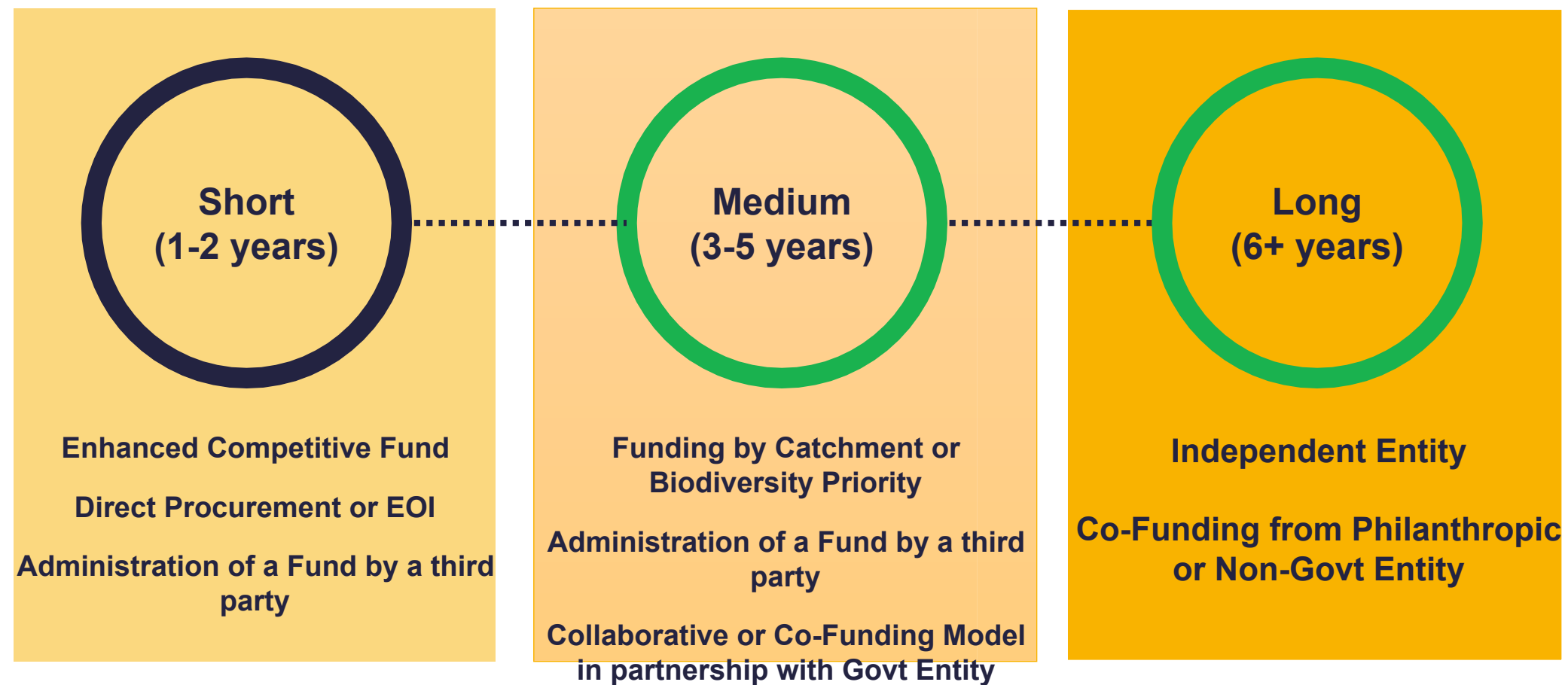
*frequency*

RVCE Matrix for Decision Making



*frequency*

## Likely Timescale per Option



*frequency*

1.

Contestable Funding Model

Timescale

Short  
(1-2 years)

How this could work/look in practice:

- New contestable fund
- Upscale existing ECO Fund
- All or only part of the new funding allocated to this

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can be administered internally as systems already in place</li> <li>• Implemented effectively in the short term</li> <li>• In the short term, can fill funding void created by JfN ending</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Examine and realign all fund types to ensure all 'needs' are met across available funding</li> <li>• Consistent investment can result in being able to determine return on investment</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Doesn't necessarily ensure investment into the right place for the right project</li> <li>• Reduces ability for a collaborative approach between Council and communities</li> <li>• Internal capacity within current resourcing to effectively manage and administer</li> <li>• Limited opportunity for co-funding or relationship with other funders</li> <li>• Investment decisions made before Biodiversity Strategy completion</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Perpetuates the cycle of highly competitive funding</li> <li>• May discourage collaboration between providers</li> <li>• May inadvertently fuel the culture of funding 'new' projects rather than maintaining existing</li> <li>• Doesn't clearly foster or support long-term org. sustainability</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Risk investing in the providers best placed, or with the resources to write the best funding applications</li> <li>• Investment may not be targeted to the highest priorities or the best environmental outcomes</li> <li>• Will need to decide number of rounds and length of investment (i.e. \$2M annually, or \$6M allocated for three years)</li> <li>• Contestable funds are expensive to administer</li> <li>• If this is a short-term measure, the length of investment needs to be long enough for benefit to the provider and community</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small> <small>Council Meeting - 9 April 2025</small>	<ul style="list-style-type: none"> <li>• Contestable funds are incredibly resource intensive to effectively manage and monitor</li> <li>• Timing of the fund to either align with, or different timing to the current ECO Fund processes</li> <li>• How evaluation or review of performance may be undertaken</li> <li>• Doesn't easily allow for opportunities for sector wide, or Council wide collaboration</li> </ul>

*frequency*

Discussion Notes

*frequency*

2.

Direct Funding Model or EOI

Timescale

Short  
(1-2 years)

How this could work/look in practice:

- Set and agree criteria against definition
- Provide support & engagement with interested providers/delivery partners
- Determine procurement timelines in partnership to ensure best outcomes for all parties

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can direct funding to high priority issues and ecosystems</li> <li>• Can determine suitable (or preclude) providers early due to the procurement process</li> <li>• Can be less resource and time intensive than a competitive process</li> <li>• Can allow for more provider collaboration during the process</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Can drive innovation and collaboration</li> <li>• Can enable opportunities for Council and providers to work together on long term sustainable funding options</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Still requires significant capacity and capability internally during implementation</li> <li>• Can lose some transparency in the process if only certain providers approached</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• May limit the pool of suitable providers if base assessment too heavily on past performance alone</li> <li>• Criteria may be too narrow and excludes some groups or communities unknowingly</li> <li>• Could damage relationship with existing providers or communities who feel excluded</li> <li>• Provider capability may be stronger in one catchment or geographical area, leading to the perception that only one part of ORC area is receiving funding</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Risk investing in the providers best placed, or with the resources to write the best funding applications</li> <li>• This can be mitigated by a pre-procurement screening process, but this may result in investment into only one or two catchment areas</li> <li>• Investment may not be targeted to the highest priorities or the best environmental outcomes</li> <li>• Will need to decide number of rounds and length of investment (i.e. \$2M annually, or \$6M allocated for three years)</li> <li>• Contestable funds are expensive to administer (even if undertaken via direct procurement)</li> <li>• If this is a short-term measure, the length of investment needs to be long enough for benefit to the provider and community</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small>  Council Meeting - 9 April 2025	<ul style="list-style-type: none"> <li>• While the procurement process may be less intensive, the ongoing management and monitoring of contracts/programmes is resource intensive</li> <li>• The SWOT of this model will be largely reliant on the procurement parameters and criteria put in place</li> </ul>

*frequency*

Discussion Notes

## *frequency*

3.

Funding by  
catchment or  
biodiversity  
priority/plans

**Timescale**  
Medium  
(3-5 years)

How this could work/look in practice:

- Set and agree criteria against definition
- Align the planning process and implementation plans to investment
- Determine order and timing of delivery and sustainability of funding investment

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Allows for systematic funding approach that is grounded in evidence and priority</li> <li>• Pilot already completed and best practice approach evolving/developing</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Allows for stronger alignment from strategy and data to implementation and action</li> <li>• Develop closer on the ground relationships and collaborations with community groups to lead action</li> <li>• More science in action initiatives</li> <li>• May allow for greater partnership and collaboration between existing community groups/providers</li> <li>• Can work with the willing – quick wins to be had</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Investment may not go to area of highest biodiversity need but driven by level of community engagement</li> <li>• Likely to be only short-term investment as will dilute value and effectiveness as more plans are completed</li> <li>• Capable providers may miss out on opportunities if community action and engagement doesn't follow</li> <li>• Impact diluted over time as more Plans are completed</li> <li>• Significant internal resource required to drive the process</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• May not be a suitable provider in the catchment area to hold and administer the funds on behalf of Council</li> <li>• Community enthusiasm and engagement may wane over time</li> <li>• Sustainability of the work post-investment if the group has no mandate or activity past the implementation of the CAP</li> <li>• May struggle to leverage additional investment if a new group needs to be established (no history of delivery)</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Sustainability of the funding – probably can't fund all 10 catchments at once</li> <li>• May need a lot of support to transition groups to deliver past the life of the funding (implementation plan may be very aspirational and/or inter-generational)</li> <li>• Depending on who is funded, capability and capacity may be limited, or no formal entity to fund may exist</li> <li>• Prioritisation and timing of the funding will need to take place, but this may not align with community readiness</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small>  Council Meeting - 9 April 2025	<ul style="list-style-type: none"> <li>• The internal resource and capacity required will increase as more Plans are developed</li> <li>• Additional resources will be needed to support Plan implementation in addition to Plan development</li> <li>• Resources may become spread thin on the ground over time</li> </ul>

*frequency*

Discussion Notes

## *frequency*

4.

Administration of a  
Fund by a third party

**Timescale**

Short  
(1-2 years)

**Timescale**

Medium  
(3-5 years)

How this could work/look in  
practice:

- Contracting an existing Charitable Trust to manage and administer funds on behalf of council
- Contracting Port Otago to manage and administer funds on behalf of council (as ORC only existing CCO)
- Determine procurement criteria, application and accountability mechanisms directly with the third party
- ORC would need to pay an admin cost
- Role could be to administer and/or attract additional investment
- ORC staff would still need to support allocation process

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Reduces internal administration and capacity for ORC staff</li> <li>• Keeps the fund at arm's length from Council and can be seen as a community fund rather than Council</li> <li>• Third party may be more cost effective compared to Council overhead costs</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Removes Council from direct funding decisions, allowing for greater opportunities to attract co-investment or philanthropic investment , and lever charitable entity benefits</li> <li>• Enhance relationship and collaboration with external providers</li> <li>• Allows for pooling for funds from multiple local authorities to achieve greater efficiency and impact of investment</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Portion of the funds needed to cover admin of the Fund</li> <li>• Investment decisions are made by those removed from the day-to-day delivery on the ground</li> <li>• Currently unknown if there are any existing organisations with the capacity and capability to deliver this on behalf of ORC &amp; not currently within PO core business or strategy</li> <li>• Still requires significant ORC management to ensure delivery against contract and KPIs</li> <li>• The ability to lever additional funds or investment will likely take significant time</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Transparency of use of rate-payer funds is potentially reduced</li> <li>• Entity is too far removed from day-to-day work, particularly if environmental funding is not their core business and investment moves further away from strategy</li> <li>• Reputational risk if contracted entity does not effectively deliver</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Overall investment likely be diluted by circa 10% p/a to account for administration costs which may be able to be met by other internal ORC sources</li> <li>• Ability (and/or appetite) of a third-party to raise additional funds on behalf of Council may be limited</li> <li>• May not achieve value-for-money if the entity is not capable of delivering in the medium to long term</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small>  <small>Council Meeting - 9 April 2025</small>	<ul style="list-style-type: none"> <li>• Will take time to get in place, especially if no willing party comes forward or existing relationship is established</li> <li>• No existing organisation may have regional mandate or reach that matches ORC boundaries</li> <li>• Significant level of internal capacity and capability required to ensure that fund is effectively being administered and ensure alignment is maintained with strategy</li> <li>• Effective investment decisions may be at risk if administering this fund is outside of their core business</li> </ul>

*frequency*

Discussion Notes

## *frequency*

5.

Collaborative,  
Co-funded or  
Joint Venture  
model

**Timescale**  
Short  
(1-2 years)

**Timescale**  
Medium  
(3-5 years)

How this could work/look in practice:

- Pooled funding across local authorities to increase the overall value and ensure more collaborative investment
- Joint venture with philanthropic entity to allow greater, more efficient investment
- Will require a leader agency to oversee and administer
- Could be a scaled up over time from an MoU, Shared Service Agreement or long-term arrangement
- Relies on the desire to partner with Council

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can be built and eased into over time – from one partner to many, from pooling of funds to leverage additional funds and additional partners</li> <li>• Greater efficiency for providers in application process and potential streamlined accountability</li> <li>• Greater coordination of investment decisions</li> <li>• Can result in everyone ‘singing from the same song sheet’</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Potential to solidify a formal partnership with mana whenua and path to co-investment</li> <li>• Potential to solidify a path to formal partnership with a philanthropic entity and a path to co-investment</li> <li>• ORC to demonstrate true regional leadership with other local authorities and community</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Challenge to align the environmental and investment priorities of co-funders with Council processes (or alignment across Council’s)</li> <li>• May require additional time and resource for ORC to act as a ‘host’ or ‘lead’</li> <li>• Can mean that ORC is required to report to many ‘masters’ who may have differing expectations</li> <li>• Achieving alignment on funding priorities, across multiple mandated geographical boundaries can be difficult</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• ORC value proposition will need to be strong to attract potential partners</li> <li>• The partnership and collaborations need to be already working in practice before becoming formalized – forced partnerships are rarely effective</li> <li>• Inequity in contribution can disrupt the partnership and balance of power</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Level of investment others are able and willing to contribute</li> <li>• If funding available is to support collective action (such as Kotahitanga mō te Taiao) or if funding is available to support grant making/programme funding</li> <li>• Whether the administration costs outweigh the benefits by having a co-funding arrangement</li> <li>• The sustainability of the arrangement and investment (obtaining commitment past LTP cycles)</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• A long-term trusting partnership needs to be in place prior to collaborative investment coming</li> <li>• Timing for operational decisions may not align across entities (unless partnering with other local authorities)</li> <li>• Future proofing the arrangement if priorities change for the partner or co-funder</li> <li>• It may be difficult to find the right partner who matches priorities, aspirations and geographical reach</li> <li>• The internal capacity and capability required if ORC were to lead this (which logically they would)</li> </ul>

*frequency*

Discussion Notes

## *frequency*

6.

Establish stand alone  
Trust or CCO entity to  
administer and leverage  
additional funds



How this could work/look in  
practice:

- Suitable model to be determined and the 'why' clear
- Administratively heavily to set up and cost to administer
- May be able to leverage additional investment but likely take time
- ORC staff would need to retain involvement in decisions to ensure alignment with policy, strategy and evidence base

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can have a separate brand and identify from Council that is meaningful and engaging for communities and potential funders</li> <li>• Leverage charitable benefits and additional investment</li> <li>• Independent governance board</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Increase the overall pot of investment in environmental initiatives</li> <li>• Create innovative funding and partnership arrangements</li> <li>• Achieve regional spread and landscape scale environmental outcomes if scale of leveraged investment allows</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Time and resource intensive to establish and administer</li> <li>• Requires separate governance, management and reporting structures which all need to be funded</li> <li>• Additional workload and expectations on existing Councillors and/or ORC to ensure effective representation</li> <li>• Investment prioritized directly to community over alignment with Council/Govt</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Until such time as additional investment is leveraged, the model can be seen as costly, with little direct benefit to rate payers</li> <li>• ORC expertise and knowledge becomes removed from decision making processes</li> <li>• Investment can lose alignment with strategy</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Annual cost to manage and administer – own financial accounts, likely payment of Trustees/Board members</li> <li>• The charitable incentives from this model, may not out way the additional costs</li> <li>• Sustainability of the Trust in the long term, should funding decisions change with changes politically</li> <li>• May not provide value for money without committed co-investment or funding</li> <li>• May be financially better suited to a delivery partner rather than funding administration</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• Time, cost and resource to stand up and set up</li> <li>• Will require constitution, board/trustees and staff to manage if no internal ORC resource is allocated</li> <li>• Will need dedicated resource to attract and confirm co-funding or co-investment arrangements</li> <li>• Will need to meet LGA requirements of a CCO or Trust including separate financial accounts and auditing, as well as branding, marketing etc</li> </ul>

*frequency*

Discussion Notes

## *frequency*

## Other ‘sort of’ Models

**In our discussions, we found other models being implemented by Council’s which didn’t quite fit the parameters we were given. These included:**

- Auckland Regional Council – relationship with the NZ Nature Fund
- Taranaki Regional Council – separate Trust that Council supported the establishment of (not a CCO and no political representation) and provides funding for administration and delivery
- Hawkes Bay Regional Council – separate Trust and Incorporated Society
- Kotahitanga mō te Taiao (KMTT) – alliance between TA’s, iwi and NZ Nature Conservancy

What we struggled to find (but may still find)

- Partnership between Council’s and an iwi entity where they co-invest and both have funds to distribute
- Partnership between Council’s and a philanthropic entity where they both have funds to distribute
- A stand-alone Trust owned by a Council (or groups of Councils) who have a mandate and role to allocate funding – most Trust and CCO models are set up as delivery partners – such as Zealandia in Wellington or Wild for Taranaki
- Where collaborative or co-funding investment is of ‘large-scale’ – e.g. most investments cira \$50-\$100K

## *frequency*

### Activity 3

- Split into two different groups
- Review each of the six models and discuss in your group
- Place each model on the RVCE matrix based on your group assessment
- Remember each model must be clearly placed in a quadrant – not on a line!
- Report back your placement and discuss the rationale for your choices



## ***frequency***

### **Questions for Consideration...**

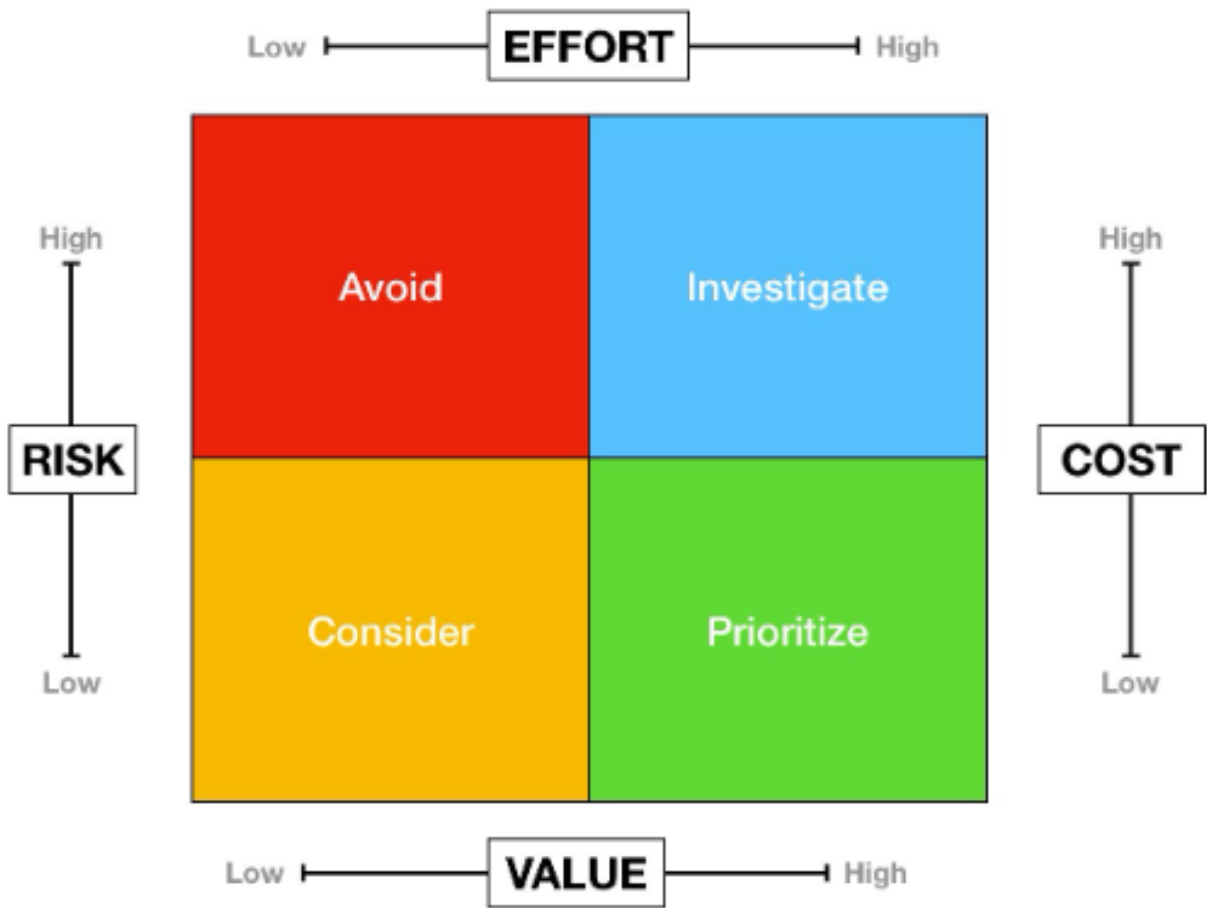
1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
4. Is there anything missing from the identified strengths, opportunities, weaknesses and risks identified?
5. Are there any surprises in this or the financial and operational considerations we've outlined?
6. What is the level of cost required to get this model up and running effectively (low vs high)?
7. What is the level of effort required to get this model up and running effectively (low vs high)?
8. What the level of risk that this model presents and is this appropriate within the context of what we're trying to achieve?
9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

Creating a thriving Aotearoa for future generations

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*frequency*

RVCE Matrix for Decision Making – Group Discussion and Feedback



*frequency*

Models in Order of Priority

*frequency*

## Agreed Actions

- Confirmed definition is...
- Preferred funding models requiring further analysis are...
- Other agreed actions or data sought in the final report and/or final recommendations are...

*frequency*

## Next Steps

- Continue stakeholder engagement – including individual rūnaka engagement
- Further investigation into the preferred funding models
- Development of a full draft report (due to ORC staff 31 March)
- Presentation of a final report and recommendations for Council approval (21 May)

*frequency*

**Thank you**  
Nga mihi nui



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## *frequency*

### Purpose of the Pre-Reading Pack

The purpose of this information is to give a detailed level of content prior to the workshop, including :

- Detailed feedback and commentary from the stakeholder engagement work to date, which includes discussions with
  - other local authorities in the ORC boundaries,
  - other Regional Councils, Unitary Councils and local authorities nationally,
  - central agencies and
  - environmental delivery organisations
- Detailed information on what the research and evidence says about ‘large-scale’ and the feedback we had from others on what ‘large-scale’ means to them
- Detailed information about the possible funding models, their features and SWOT for each
- Pose key questions for your thought and consideration prior to the workshop that will help inform our assessment of each model
- Allow you to form your own view and opinion (from the information provided), where each model ranks against a Risk, Value, Cost and Effort Matrix which will drive the further discussion – getting us to the point of resolution on the model/s for further investigation
- Note that both documents can be read together, although the notes are standalone (and therefore may be covered in both the reading and slide deck)

## ***frequency***

### **Instructions to Prepare for the Workshop**

To set us up for success, and to reach a point of agreement in the Workshop, we seek the following:

- Read and review the documentation and notes provided in this page
- After reading the information on ‘definition’s please create your own thoughts and bring these to share
- Under each of the funding models, review the questions and answer these against each model and bring your thoughts to share
- Rate each option against the Risk, Value, Cost and Effort Matrix, using the definitions and guidance provided – we will share these and reach an agreed position on each
- Allow you to form your own view and opinion (from the information provided), where each model ranks against a Risk, Value, Cost and Effort Matrix which will drive the further discussion – getting us to the point of resolution on the model/s for further investigation
- Note down any ‘burning questions’ you may still have that you would like the workshop to resolve

## *frequency*

## Intended Outcomes of the Council Workshop

By the end of the workshop, Councillors will:

- **Understand what evidence and best practice tells us** about how to invest to support and achieve environmental gain
- Have a greater understanding of how this **fund and funding mechanism could impact** local TA's, community stakeholders and other funders
- **Discuss a definition of 'large-scale'** and the high level criteria that will form this definition from the Otago context
- **Discuss on the ideal long-term aspiration** of the Council for the future model of funding – determine the 'end game'
- Understand the **implications and timing of the implementation** of the large-scale fund in relation to the ORC Biodiversity Strategy refresh
- Be more **familiar with the range of funding mechanisms available**, their strengths and risks, the potential long term impacts and considerations, and insight into how the model is currently working in practice
- Identify and **agree a short list of funding model options**, based on an assessment against risk, value, cost and effort, that require further investigation for the final report to be presented to Council in May 2025.

*frequency*

## Understanding what the evidence and best practice tell us

A summary of the key themes from our review of  
the research

## ***frequency***

### **Effectiveness of Contestable Funding**

- Can foster a level playing field, allowing smaller, newly established groups to compete for funding opportunities in a transparent process
- Inherently competitive and can stifle collaboration among organisations
- Incredibly time and resource-intensive on both the funder and the providers
- Negatively impact staff retention and contribute to organisational sustainability given short-term nature, and if salary costs are not covered
- Can drive providers to alter their delivery to funding criteria over delivery against need
- Usually very project based, with 'new' initiatives given priority over maintenance of BAU activities
- Limited communication and support can be given between provider and funder to protect process transparency

## ***frequency***

### **Effectiveness of Direct Funding**

- Greater ability for collaborative strategic long-term plans and goals to be developed in partnership between funder and provider
- Reduced administrative time and effort compared to contestable processes
- Funders can engage directly with groups or providers to address priority environmental objectives, and encourage/guide collaboration
- Smaller, newer groups, or less well-known groups may be disadvantaged
- Potential loss of transparency in the process if decisions are based on known providers, or due to individual relationships
- Can contribute to reputational risk if some groups are directly approached and others are missed out completely

## ***frequency***

### **Effectiveness of Investing to support partnerships, capability and collaboration (enhancing the system)**

- Aligning investment with larger groups or umbrella type organisations has a number of benefits – such as greater efficiencies across entity and leveraging additional investment
- Groups can help share ideas and information, promote projects, and strengthen group identity
- There is advantage and opportunity to invest in funds to support provider sustainability and to facilitate collaboration opportunities (not necessarily through this fund)
- Collectives are still relatively new and untested, which introduces additional risk
- Collectives and groups are often geographically restricted and may not align with the ORC region.

## ***frequency***

### **Effectiveness of Devolution (fund management by another entity)**

- Can remove the administrative burden from the Council to an entity more experienced in this role but
- The admin costs of a third party can be significantly higher, depending on systems and processes
- Makes Council a step removed from the funding and decision making processes but , those knowing what is happening on the ground are then also removed
- Ability to access other funding and donation levers such as growing endowments
- Requires significant management by the funder to ensure transparency of use, and alignment to values and goals
- Usually requires additional governance structures to support management and administration

## *frequency*

### Effectiveness of Establishment of Trust or CCO Model

- Cost to establish, administer, govern and report can be inefficient depending on the level of investment
- Provides opportunities to off-set costs and gain additional philanthropic revenue
- Can remove investment decisions closer the community and future proofed in election cycles
- Provides formal structures for co-funding and co-investment
- Allows for a brand and identity away from Council, but can also create a disconnect from the strategy to the implementation (ORC to on-the-ground delivery)
- Without significant collaboration and partnership, can lead to duplication of effort and investment

*frequency*

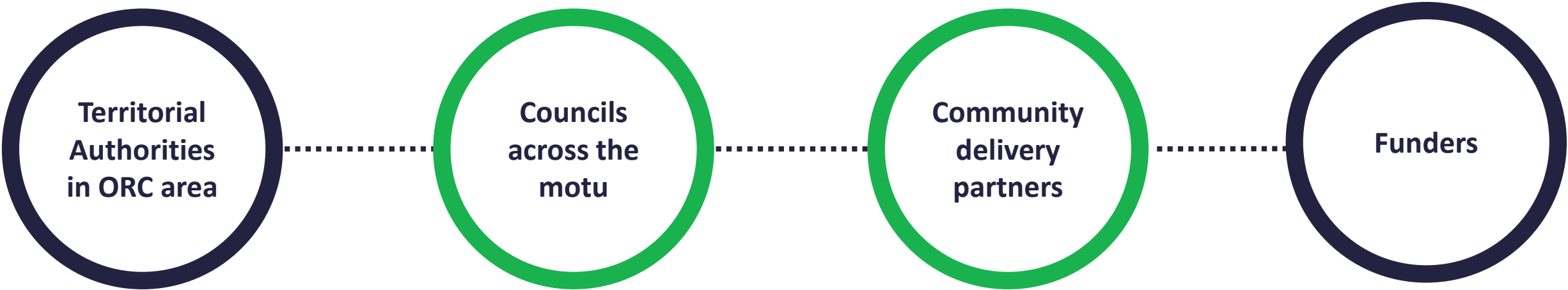
## Key Themes from Stakeholder Consultation

What we have been told so far

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*frequency*

Stakeholder Engagement



## *frequency*

### Territorial Authorities in ORC Region

- All Councils consulted with (except Clutha DC) with representation from many staff and teams. Very engaged and supportive of this project
- It is not clear what large-scale means in the Otago context
- The contestable funding process places a significant administrative burden on council staff, especially when funding is over-subscribed and grant size is small
- Councils are often not well informed about initiatives happening in other districts and there is likely duplication and gaps in what is being funded
- There is a lack of research and monitoring data to support if the gains made are sustainable
- Other funders are investing in the same providers and projects that Council's are investing in, and there is a need for a more strategic approach
- Providers are really struggling in the current financial environment & concern that this could be perpetuated depending on the funding model

#### Key Themes:

- Region-wide funding strategy needed
- Data and evidence still evolving
- Investment decisions would ideally come following Strategy
- Investment focused on outcomes and intergenerational gain important
- Investing in the wider 'system' is equally important as investing in activities
- The environmental issues across each TA are vastly different, as is provider capability

## *frequency*

### Other Council's across the Motu

- Range of discussions across City, District, Regional and Unitary Councils
- Many have been on a journey to evolve their funding and grant processes and models for some time, with many models being tested
- Impact has been amplified where Council's have been able to prioritise collaboration or fund collaborative activities or umbrella entities
- There is a move away from short term, contestable funding processes due to their sustainability, over-subscription, limited connection to outcomes, and high admin burden
- There is a lack of research and monitoring data to support investment prioritisation and to know if the gains made are sustainable
- There's no one-size fits all funding model – is the all dependent on the risk appetite of Council, the availability of providers and funders in the region and dependent on the capability and capacity of providers
- Implementing collaborative and connected funding processes is easily for unitary councils where roles and responsibilities are expanded and reduced complexity

#### Key Themes:

- Strategy & evidence before implementation
- Strength of partnership and collaboration is key
- Know the opportunities and constraints in your region and act from there
- It is a long process to evolve – some of the current models and initiatives have been in place 10+ years

## *frequency*

### Community Providers and Delivery Partners

- Range of discussions with community providers across the region
- Short-term competitive funding cycles are the biggest constraint to achieving impact and outcomes and retaining staff
- Having clear definitions and criteria are key to knowing what is priority to ORC and what will be delivered
- On the ground delivery is enhanced by strong relationships at funder level (Councils and other funders) and through collaboration on the ground
- Collaboration is more challenging in a competitive funding environment
- Variances in funding timing, requirements, criteria and accountability requirements is confusing and draining valuable resources
- Activating volunteers effectively is impossible without paid staff to support delivery
- Most receive funding from multiple sources – often from multiple Councils
- Obtaining funding to maintain existing delivery, support education and PR, and to evaluate effectiveness very hard to secure

#### Key Themes:

- Providers will need time to scale up and consolidate for new investment
- There needs to be clarity of what ORC wishes to purchase
- Regardless of the funding model, providers need leadership and ongoing support to be effective
- Competitive funding models are largely ineffective and not foster collaboration
- There are a large number of organisations trying to achieve the same thing creating both duplication and gaps within the system

## *frequency*

### Current and Future Funders of Environmental Initiatives

- Their investment decisions are usually driven by donor requests and the parameters of a bequest
- Their constitution or strategic plan directs where and who they will invest in – and environmental investment may not be a high priority
- There is an inherent risk for these entities to partner with Councils
- Partnering with another entity or co-funding still attracts an administration cost that needs to be covered
- Their level of maturity and standing in the community is linked with their ability to leverage additional funding
- Many are moving away from funding level projects to investing in ‘system level’ capability building and support for organisations

#### Key Themes:

- Stand alone entities have their own strategies and priorities and able to invest in areas of their choosing
- The willingness and ability to partner is very dependent on the entity, their level of maturity and mandate
- Aligning geographical coverage is challenging
- Significant deliberate push to better align funding decisions across Councils and community funders in many areas (within and outside the environment sector)

## *frequency*

### Alignment and Timing in relation to the ORC Biodiversity Strategy

- Intent of the Strategy is to align collective biodiversity outcomes for Otago with the ways we're going to achieve them, in alignment with the NPSIB (2023)



*frequency*

## Defining Large-Scale

Definitions from the evidence and proposed definition for ORC

## *frequency*

### What is large-scale?

- Basic definitions – broad, involving many people, extensive, wide-ranging, global
- No clear definition of ‘large-scale’ exists – from an environmental perspective or more generally
- The interpretation of large-scale is highly contextual
- There are many variables that can inform the definition of large-scale
  - Spatial scale – from regions to global scale
  - Time scale – from years to decades to inter-generational
  - Biological scale – level of biodiversity complexity such as entire ecosystems
  - Evidence scale – the level to which a project or initiative is deemed a biodiversity priority backed up by data and evidence
  - Implementation scale – the size of the group or organisation leading the change
  - Collaboration scale – the level of community activation and collaboration across groups and volunteers, including involvement of mana whenua
  - Financial scale – not only level of investment, but co-investment and partnership investment

## *frequency*

### By comparison, what is landscape scale?

- Again, no clear agreed definition of what constitutes landscape scale
- Premise that spatial configuration of landscape has profound effect on ecology and biodiversity found within
- Landscape scale is complex and occasionally contradictory
- Consistent wording in definitions usually relate to
  - Interconnected landscapes with many land uses and ecosystems present
  - Large geographical areas
  - Multiple benefits including environmental, social and economic
  - Multiple stakeholder interests
- The 'right scale' depends on the features of the landscape, the people and groups of people involved, recognition of cultural features and ownership of the land (such as protected land vs private land)

***frequency***

## What others told us 'large-scale' meant to them



## Creating a thriving Aotearoa for future generations

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## ***frequency***

### **Some concrete examples – ‘large-scale’ definitions and criteria already in place**

#### **Auckland Council**

- Channel direct funding streams into their ‘large-scale’ initiatives
- For a project or programme to be seen as large-scale, the following conditions need to be met
  - multiple land tenure,
  - community led,
  - mana whenua connected,
  - Funding and incentivizing organisations that serve an umbrella function
- Their definition of large-scale is starting to move towards those groups who can start to take on delivery roles and responsibilities that Council would have traditionally tried to deliver on, but where they’re better placed to provide.
- AC supports these groups to by investing in their capability and capacity to ensure they are able to deliver great work in line with Council policy.

## ***frequency***

### **Some concrete examples**

#### **Waikato Regional Council**

- Large-scale definition has six components including:
  - Landscape scale
  - Community led and collaborative
  - Involvement and support of mana whenua
  - Long-term and inter-generational benefits
  - Co-funding
  - Landowner support and permission
- Each component has a range of elements that make up that part of the definition
- Initiatives/programmes/providers must meet at least one element of each component, except 'community led' where all elements must be demonstrated

## ***frequency***

### **Proposed Definition for ORC of ‘large-scale’**

- No one single definition is likely to be effective at encompassing all important elements
- A high-level definition is proposed (for governance purposes) with
- More detailed criteria explaining the application of the definition at a management/operational level
- The recommended criteria will be included in the final report

## *frequency*

### An Example of a Detailed Criteria Against Definition

This will need to fall under the definition, and some elements could include:

- Contribution to ORC priorities as outlined in the Biodiversity Strategy, and environmental priorities of the TA partners in the region
- Alignment with intergenerational aspirations of mana whenua, and level of support received by rūnaka
- If the programme is existing, and evidence of its effectiveness and impact
- Allowing for increased scale and/or impact, with providers demonstrating they have the capacity and capability to deliver at increased scale (such as financial and governance stability)
- Community-led with a high degree of collaboration at all levels
- Investment will be made to a legal entity
- Investment will be a minimum of three-years
- Investment is contingent on co-funding, or being on a path to co-funding
- The value of investment is contingent on how effectively providers achieve against the criteria

## ***frequency***

### **Some options we created – what are your thoughts?**

#### **Option 1**

*“Initiatives or programmes that address environmental challenges across a significant geographical area or ecosystem (as defined in our Biodiversity Strategy), and that have the goal and outcome of achieving landscape-scale or ecosystem-wide improvement. We will align our investment to work that has a high degree of coordination and collaboration at a community level, is backed by evidence, and can be sustainable, past the term of ORC investment”*

#### **Option 2**

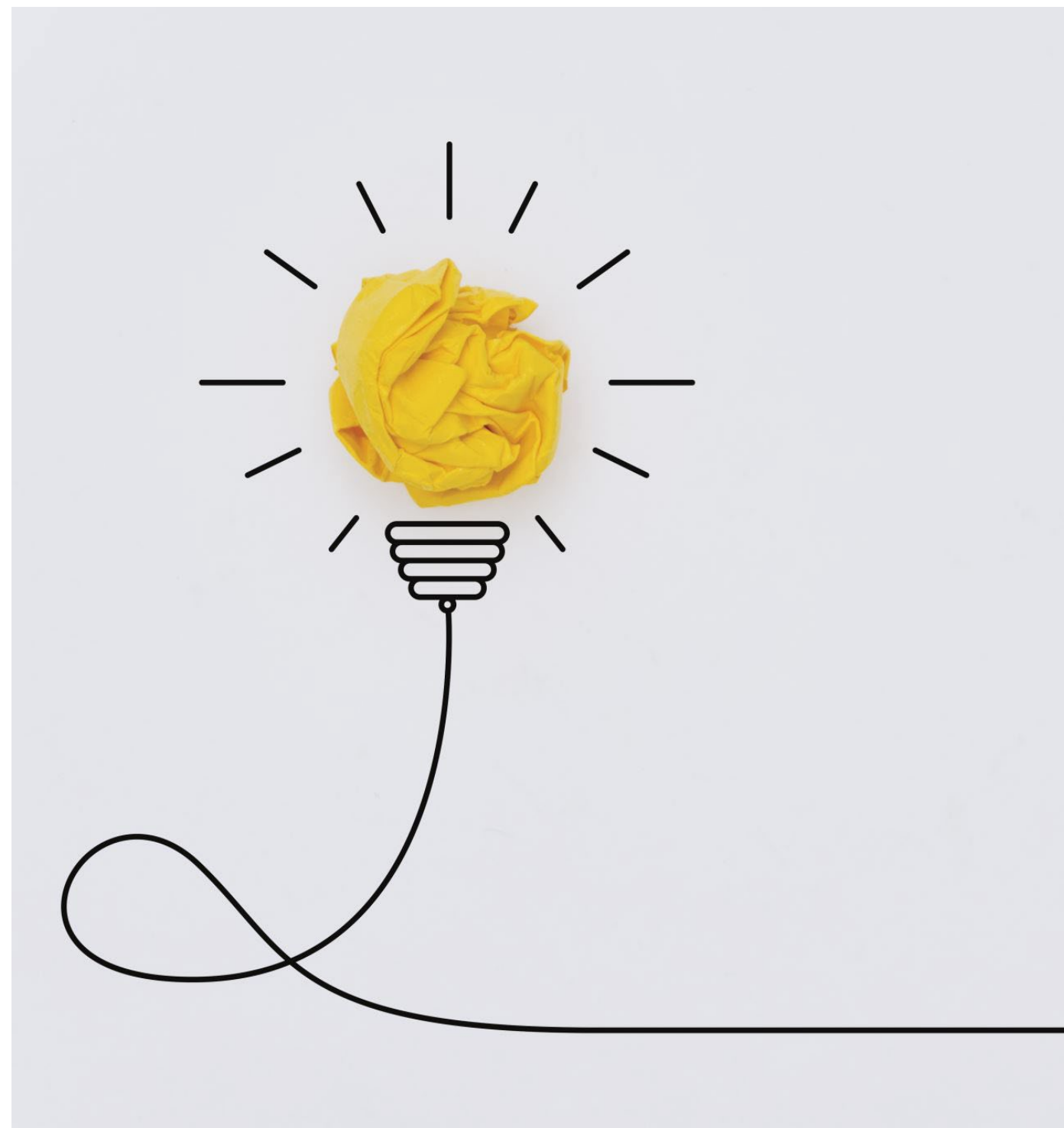
*“Initiatives or programmes that will contribute to intergenerational enhancements in our environment, having positive outcomes at an ecosystem level in the areas of biodiversity, water quality, ecosystem restoration and climate change mitigation. We will align our investment to our strategic priorities and the priorities of our mana whenua partners”*

#### **Option 3**

*“initiatives or programmes that can achieve intergenerational outcomes at ecosystem or multi-ecosystem scale, that are community-driven, backed by evidence and science, supported by mana whenua and that enhance engagement and activation at a community and funder level.”*

***frequency***

**What does your definition look like?**



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*frequency*

## Funding Model Discussion

Discussion of six possible options and agreement on preferred models for further investigation

28

## *frequency*

### Instructions for Assessing the Funding Models

- This section outlines six models for discussion. It also contains information on the ‘other’ models we found, which are slight variations on the core 6 models.
- Each model is outlined by it’s overall features, the timescale to implementation and an analysis of the strengths, opportunities, weaknesses and risks.
- Please review the content, and then note your thoughts on the questions we pose as part of each model.
- Then we ask, using your own judgement, to plot where you think each model ranks on the Risk, Value, Cost and Effort (RVCE Matrix) at the end of the reading pack.
- The notes contain guidance on how to use this matrix, and our group discussion will focus on getting alignment/consensus on the where the 6 models fit.
- We will provide A3 print outs of the questions and the consolidated SWOTs for the workshop.

*frequency*

## Funding Models for Discussion

1.

Contestable Funding Model  
(i.e. upscaling the ECO Fund)

2.

Direct Funding Model or  
EOI

3.

Funding by Catchment or  
Biodiversity priority/plans

4.

Administration of a Fund by  
a third party  
(i.e. existing Trust or CCO)

5.

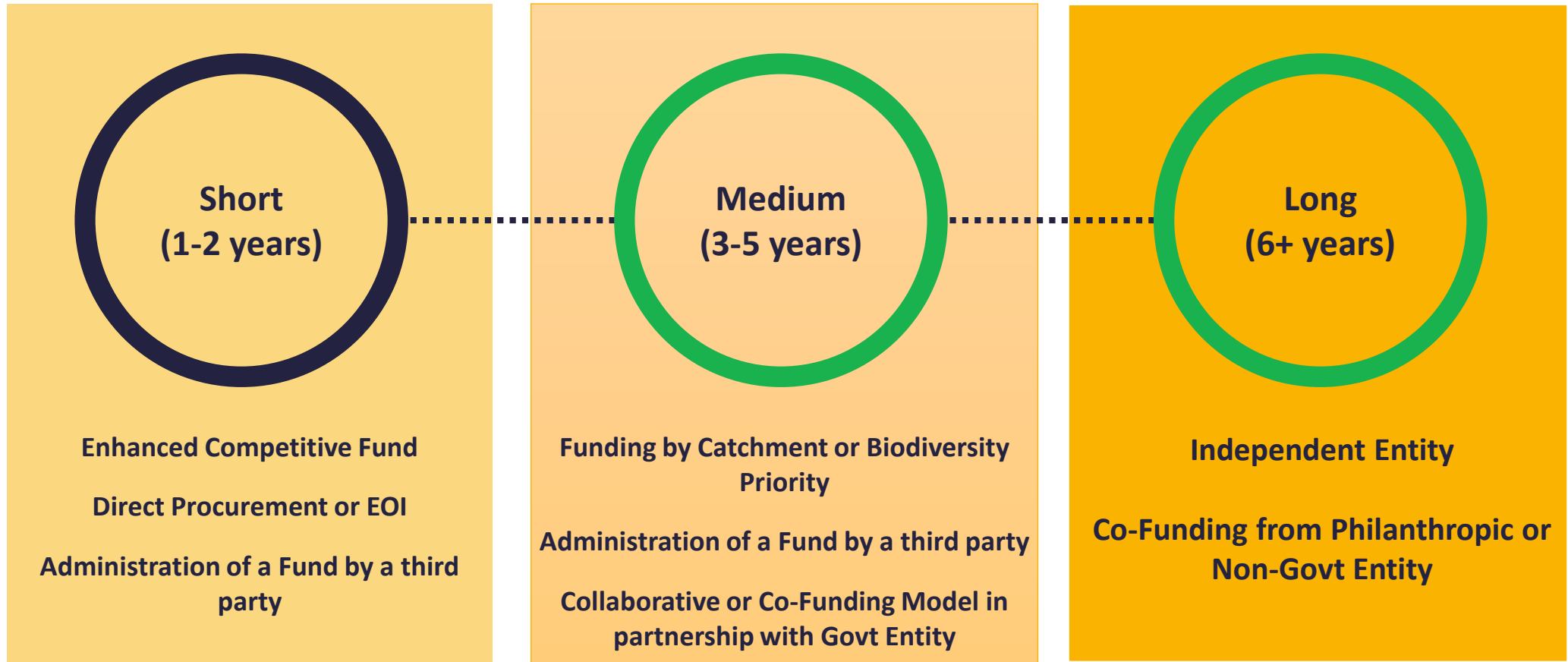
Collaborative or Co-  
funding model in  
partnership with  
established organisations  
(i.e. philanthropic or other TA's)

6.

Establish stand alone Trust  
or CCO entity to leverage  
and administer funds

*frequency*

Likely Timescale per Option



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## ***frequency***

### **Funding Model 1: Contestable Funding Model**

#### **Key Features of Governance and Management (in the large-scale context)**

- Management of the Fund would be undertaken by ORC internally
- Detailed criteria would need to be developed by mgmt. in line with agreed definition and fund parameters
- Allocation of project size and value dependent on detailed criteria and agreed funding cycle
- Timing of the fund allocation to be determined against internal and provider capacity
- Governance and allocation decisions could be undertaken via a panel like ECO Fund
- Delivery against agreed outputs and outcomes contractually managed between provider/s and ORC staff
- Will need to determine length of contracting and number of rounds (i.e. \$6M allocated every 3 years)

#### ***Example of the Model in Practice: Waikato Regional Council's Natural Heritage Fund***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can be administered internally as systems already in place</li> <li>• Implemented effectively in the short term</li> <li>• In the short term, can fill funding void created by JfN ending</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Examine and realign all fund types to ensure all 'needs' are met across available funding</li> <li>• Consistent investment can result in being able to determine return on investment</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Doesn't necessarily ensure investment into the right place for the right project</li> <li>• Reduces ability for a collaborative approach between Council and communities</li> <li>• Internal capacity within current resourcing to effectively manage and administer</li> <li>• Limited opportunity for co-funding or relationship with other funders</li> <li>• Investment decisions made before Biodiversity Strategy completion</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Perpetuates the cycle of highly competitive funding</li> <li>• May discourage collaboration between providers</li> <li>• May inadvertently fuel the culture of funding 'new' projects rather</li> <li>• Doesn't clearly foster or support long-term org. sustainability</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Risk investing in the providers best placed, or with the resources to write the best funding applications</li> <li>• Investment may not be targeted to the highest priorities or the best environmental outcomes</li> <li>• Will need to decide number of rounds and length of investment (i.e. \$2M annually, or \$6M allocated for three years)</li> <li>• Contestable funds are expensive to administer</li> <li>• If this is a short-term measure, the length of investment needs to be long enough for benefit to the provider and community</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• Contestable funds are incredibly resource intensive to effectively manage and monitor</li> <li>• Timing of the fund to either align with, or different timing to the current ECO Fund processes</li> <li>• How evaluation or review of performance may be undertaken</li> <li>• Doesn't easily allow for opportunities for sector wide, or Council wide collaboration</li> </ul>

## *frequency*

### Questions for Consideration...

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
4. Is there anything missing from the identified strengths, opportunities, weaknesses and risks identified?
5. Are there any surprises in this or the financial and operational considerations we've outlined?
6. What is the level of cost required to get this model up and running effectively (low vs high)?
7. What is the level of effort required to get this model up and running effectively (low vs high)?
8. What the level of risk that this model presents and is this appropriate within the context of what we're trying to achieve?
9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## ***frequency***

### **Funding Model 2: Direct Funding or EOI**

#### **Key Features of Governance and Management (in the large-scale context)**

- Management of the Fund would be undertaken by ORC internally
- Detailed criteria would need to be developed by mgmt. in line with agreed definition and fund parameters
- Allocation of project size and value dependent on detailed criteria and funding cycle
- Decisions around the type and location of initiatives funded could be Council driven and determined (as opposed to community driven and determined under a contestable model, or could be community driven)
- Providers/suppliers could be required to complete a self-assessment tool against the criteria to determine suitability to apply (pre-procurement process to get to the start line)
- Timing of the fund allocation to be determined against internal and provider capacity
- Governance and allocation decisions could be undertaken via a panel like ECO Fund
- Delivery against agreed outputs and outcomes contractually managed between provider/s and ORC staff
- Will need to determine length of contracting and number of rounds (i.e. \$6M allocated every 3 years)

#### ***Example of the Model in Practice: Auckland Council's Direct funding by Biodiversity Focus Areas***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can direct funding to high priority issues and ecosystems</li> <li>• Can determine suitable (or preclude) providers early due to the procurement process</li> <li>• Can be less resource and time intensive than a competitive process</li> <li>• Can allow for more provider collaboration during the process</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Can drive innovation and collaboration</li> <li>• Can enable opportunities for Council and providers to work together on long term sustainable funding options</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Still requires significant capacity and capability internally during implementation</li> <li>• Can lose some transparency in the process if only certain providers approached</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• May limit the pool of suitable providers if base assessment too heavily on past performance alone</li> <li>• Criteria may be too narrow and excludes some groups or communities unknowingly</li> <li>• Could damage relationship with existing providers or communities who feel excluded</li> <li>• Provider capability may be stronger in one catchment or geographical area, leading to the perception that only one part of ORC area is receiving funding</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Risk investing in the providers best placed, or with the resources to write the best funding applications</li> <li>• This can be mitigated by a pre-procurement screening process, but this may result into investment into only one or two catchment areas</li> <li>• Investment may not be targeted to the highest priorities or the best environmental outcomes</li> <li>• Will need to decide number of rounds and length of investment (i.e. \$2M annually, or \$6M allocated for three years)</li> <li>• Contestable funds are expensive to administer</li> <li>• If this is a short-term measure, the length of investment needs to be long enough for benefit to the provider and community</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• While the procurement process may be less intensive, the ongoing management and monitoring of contracts/programmes is resource intensive</li> <li>• The SWOT of this model will be largely reliant on the procurement parameters and criteria put in place</li> </ul>

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## *frequency*

### Questions for Consideration...

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
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9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## ***frequency***

### **Funding Model 3: Funding by Catchment or Biodiversity Priority**

#### **Key Features of Governance and Management (in the large-scale context)**

- Development of the plans would occur under the current structure and partnership
- Plans would be developed as communities became activated and engaged in the process
- Implementation Plans and budgets would follow Plan sign off
- Agreed investment would be given to a community group/entity (which may be new or newly established) or to an existing community provider or umbrella entity
- Investment would need to be for a set amount and time
- Contractual arrangements and monitoring of delivery would be undertaken internally
- A timeline and plan for investment would need to be developed and managed to ensure investment would start and stop at certain times (ensuring the fund doesn't become diluted)

#### ***Example of the Model in Practice: Catlins Catchment Action Plan (Pilot)***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Allows for systematic funding approach that is grounded in evidence and priority</li> <li>• Pilot already completed and best practice approach evolving/developing</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Allows for stronger alignment from strategy and data to implementation and action</li> <li>• Develop closer on the ground relationships and collaborations with community groups to lead action</li> <li>• More science in action initiatives</li> <li>• May allow for greater partnership and collaboration between existing community groups/providers</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Investment may not go to area of highest biodiversity need but driven by level of community engagement</li> <li>• Likely to be only short-term investment as will dilute value and effectiveness as more plans are completed</li> <li>• Capable providers may miss out on opportunities if community action and engagement doesn't follow</li> <li>• Impact diluted over time as more Plans are completed</li> <li>• Significant internal resource required to drive the process</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• May not be a suitable provider in the catchment area to hold and administer the funds on behalf of Council</li> <li>• Community enthusiasm and engagement may wean over time</li> <li>• Sustainability of the work post-investment if the group has no mandate or activity past the implementation of the CAP</li> <li>• May struggle to leverage additional investment if a new group needs to be established (no history of delivery)</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Sustainability of the funding – can't fund all 10 catchments at once</li> <li>• May need a lot of support to transition groups to deliver past the life of the funding (implementation plan may be very aspirational and/or inter-generational)</li> <li>• Depending on who is funded, capability and capacity may be limited, or no formal entity to fund may exist</li> <li>• Prioritisation and timing of the funding will need take place, but this may not align with community readiness</li> </ul>
<b>Operational Implications</b> <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• The internal resource and capacity required will increase as more Plans are developed</li> <li>• Additional resource will be needed to support Plan implementation in addition to Plan development</li> <li>• Resources may become spread thin on the ground over time</li> </ul>

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## ***frequency***

### **Questions for Consideration...**

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
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9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## ***frequency***

### **Funding Model 4: Administration of a Fund by a Third Party**

#### **Key Features of Governance and Management**

- ORC would enter into a service agreement or contract with an existing entity or organisation to administer the funds on behalf of ORC – could be a Charitable Entity or Community Funder or an existing CCO (Port Otago)
- The third-party entity would be responsible for the full administration costs of the fund such as the promotion of the fund, gathering applications, convening review panels, contracting with providers for delivery
- ORC staff could/would be involved in the allocation process and decision making
- The entity would be accountable under contract for all components of the fund
- In addition, it could be a requirement for the entity to leverage or raise additional funds on top of the ORC investment, but this may be long term
- Likely in the short term, the purpose would be to develop and administer on behalf of ORC

***Example of the Model in Practice: Environment Canterbury and the Christchurch Foundation (Green Philanthropy) or Destination Queenstown and the Wakatipu Community Foundation (I LOVE Wānaka and I LOVE Queenstown initiatives)***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Reduces internal administration and capacity for ORC staff</li> <li>• Keeps the fund at arms length from Council and can be seen as a community fund rather than Council</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Removes Council from direct funding decisions, allowing for greater opportunities to attract co-investment or philanthropic investment , and lever charitable entity benefits</li> <li>• Enhance relationship and collaboration with external providers</li> <li>• Allows for pooling for funds from multiple local authorities to achieve greater efficacy and impact of investment</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Portion of the funds needed to cover admin of the Fund</li> <li>• Investment decisions are made by those removed from the day-to-day delivery on the ground</li> <li>• Currently unknown if there are any existing organisations with the capacity and capability to deliver this on behalf of ORC &amp; not currently within PO core business or strategy</li> <li>• Still requires significant ORC management to ensure delivering against contract and KPIs</li> <li>• The ability to lever additional funds or investment could take significant time</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Transparency of use of rate-payer funds is potentially reduced</li> <li>• Entity is too far removed from day-to-day work, particularly if environmental funding is not their core business and investment moves further away from strategy</li> <li>• Reputational risk if contracted entity does not effectively deliver</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Overall investment likely be diluted by circa 10% p/a to account for administration costs which may be able to be met by other internal ORC sources</li> <li>• Ability (and/or appetite) of a third-party entity to raise additional funds on behalf of Council may be limited</li> <li>• May not achieve value-for-money if entity is not capable of delivering in the medium to long term</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• Will take time to get in place, especially if no willing party comes forward or existing relationship established</li> <li>• No existing organisation may have regional mandate or reach that makes ORC</li> <li>• Significant level of internal capacity and capability required to ensure that fund is effectively being administered as well as ensuring alignment is maintained with strategy</li> <li>• Effective investment decisions may be at risk if administering this fund is outline of their core business</li> </ul>

## *frequency*

### Questions for Consideration...

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
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8. What the level of risk that this model presents and is this appropriate within the context of what we're trying to achieve?
9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## ***frequency***

### **Funding Model 5: Collaborative or Co-Funding Model in Partnership**

#### **Key Features of Governance and Management:**

- ORC would enter into a formal agreement with another party or parties under an SLA, MoU, Shared Services Agreement or other agreement. Likely partners would be other TA's, an iwi-owned entity, or a philanthropic partner
- Funding is held by a 'host' entity – which could be ORC or another partner
- This arrangement is often used for the purposes of pooling funds to achieve collaborative outcomes – to fund a coordinator or a programme manager or to contribute to achieving shared outcomes (e.g. Regional Software Holdings Ltd – which is also a CCO)
- The next phase of this model could be the pooling of funds that are to be collectively administered for grant making purposes
- An allocation panel, representing the partners would allocate funding under their terms of reference
- The 'host' or 'lead' entity may take an administrative fee to oversee and manage the process
- All entities would collectively be responsible for the investment decisions and accountability of deliverables

#### ***Example of the Model in Practice: Biodiversity Hawkes Bay Environmental Enhancement Contestable Fund (HBRC & ECCT)***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can be built and eased into over time – from one partner to many, from pooling of funds to leverage additional funds and additional partners</li> <li>• Greater efficiency for providers in application process and potential streamlined accountability</li> <li>• Greater coordination of investment decisions</li> <li>• ‘singing from the same song sheet’</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• To solidify a formal partnership with mana whenua and path to co-investment</li> <li>• Potential to solidify a path to formal partnership with a philanthropic entity and a path to co-investment</li> <li>• ORC to demonstrate true regional leadership</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Challenge to align the environmental and investment priorities of co-funders with Council processes (or alignment across Council’s)</li> <li>• May require additional time and resource for ORC to act as a ‘host’ or ‘lead’</li> <li>• Can be required to report to many masters who may have differing expectations</li> <li>• Achieving alignment on funding priorities, mandated geographical boundaries can be difficult</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• ORC value proposition will need to be strong to attract potential partners</li> <li>• The partnership and collaborations need to be working in practice already before becoming formalized – forced partnerships are rarely effective</li> <li>• Inequity in contribution can disrupt the partnership and balance of power</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Level of investment others are able and willing to contribute</li> <li>• If funding available is to support collective action (such as Kotahitanga mō te Taiao) or if funding is available to support grant making/programme funding</li> <li>• Whether the administration costs outweigh the benefits by having a co-funding arrangement</li> <li>• The sustainability of the arrangement and investment</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• A solid trusting partnership needs to be established long before money will likely flow</li> <li>• Timing for operational decisions may not align across entities (unless partnering with Council)</li> <li>• Future proofing the arrangement if priorities change for the partner or co-funder</li> <li>• It may be difficult to find the right partner who matches priorities, aspirations and geographical reach</li> <li>• The internal capacity and capability required if ORC were to lead this (which logically they would)</li> </ul>

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## *frequency*

### Questions for Consideration...

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
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8. What the level of risk that this model presents and is this appropriate within the context of what we're trying to achieve?
9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## ***frequency***

### **Funding Model 6: Establishment of New Entity (Trust or CCO)**

#### **Key Features of Governance and Management (in the large-scale context)**

- Council would establish a new entity as allowed for under the LGA
- Consideration needs to be considered of the rules and requirements, their timing and cost (e.g. developing a constitution, appointing governance and trustees, appointing staff and clarifying roles and responsibilities)
- It would likely require a number of appointed independent directors, including a Chair
- This would need to be completed prior to the distribution of funding
- Management of the Fund would be undertaken by the new entity, including development of criteria and fund parameters
- Governance and allocation decisions could be undertaken by the entity, which could have ORC Councillor and staff representation
- Delivery against agreed outputs and outcomes contractually managed between provider/s and the Trust
- Until additional funds could be raised, it is likely that funds would just be transferred in and out of the entity (but with additional overhead and operational requirements)

***Example of the Model in Practice: none identified as yet***

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Can have a separate brand and identify from Council that is meaningful and engaging for communities and potential funders</li> <li>• Leverage charitable benefits and additional investment</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Increase the overall pot of investment in environmental initiatives</li> <li>• Create innovative funding and partnership arrangements</li> <li>• Achieve regional spread and landscape scale environmental outcomes if scale of leveraged investment allows</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Time and resource intensive to establish and administer</li> <li>• Requires separate governance, management and reporting structures which all need to be funded</li> <li>• Additional workload and expectations on existing Councillors and/or ORC to ensure effective representation</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Until such time as additional investment is leveraged, the model can be seen as costly, with little direct benefit to rate payers</li> <li>• ORC expertise and knowledge becomes removed from decision making processes</li> <li>• Investment loses alignment with strategy</li> </ul>
<b>Financial Implications</b>	<ul style="list-style-type: none"> <li>• Annual cost to manage and administer – own financial accounts, likely payment of Trustees/Board members</li> <li>• The charitable incentives from this model, may not out way the additional costs</li> <li>• Sustainability of the Trust in the long term, should funding decisions change with changes politically</li> <li>• May not provide value for money without committed co-investment or funding</li> <li>• May be financially better suited to a delivery partner rather than funding administration</li> </ul>
<b>Operational Implications</b>  <small>Creating a thriving Aotearoa for future generations</small>	<ul style="list-style-type: none"> <li>• Time, cost and resource to stand up and set up</li> <li>• Will require constitution, board/trustees and staff to manage if no internal ORC resource is allocated</li> <li>• Will need dedicated resource to attract and confirm co-funding or co-investment arrangements</li> <li>• Will need to meet LGA requirements of a CCO or Trust including separate financial accounts and auditing, as well as branding, marketing etc</li> </ul>

## *frequency*

### Questions for Consideration...

1. How does this model align with our game plan? (that is what we want to achieve and the impact we want to have?)
2. Does this 'model in action' align with your definition of 'large-scale'?
3. If we use this model, how will we know if we're 'winning' or working towards achieving our impact/outcomes?
4. Is there anything missing from the identified strengths, opportunities, weaknesses and risks identified?
5. Are there any surprises in this or the financial and operational considerations we've outlined?
6. What is the level of cost required to get this model up and running effectively (low vs high)?
7. What is the level of effort required to get this model up and running effectively (low vs high)?
8. What the level of risk that this model presents and is this appropriate within the context of what we're trying to achieve?
9. Does the level of effort required (from us internally and from our providers/community/partners) warrant its further consideration (low vs high)?

## *frequency*

## Other ‘sort of’ Models

**In our discussions, we found other models being implemented by Council’s which didn’t quite fit the parameters we were given. These included:**

- Auckland Regional Council – relationship with the NZ Nature Fund
- Taranaki Regional Council – Wild for Taranaki
- Hawkes Bay Regional Council – An Incorporated Society and a Trust in place
- Kotahitanga mō te Taiao (KMTT) – alliance between TA’s, iwi and NZ Nature Conservancy

What we struggled to find (but may still find)

- Partnership between Council’s and an iwi entity where they co-invest and both have funds to distribute
- Partnership between Council’s and a philanthropic entity where they both have funds to distribute
- A stand-alone Trust owned by a Council (or groups of Councils) who have a mandate and role to allocate funding – most Trust and CCO models are set up as delivery partners – such as Zealandia in Wellington. Hawkes Bay is a partial fit
- Where collaborative or co-funding investment is of ‘large-scale’ – e.g. some models see investment circa \$50K

*frequency*

Assessing each model  
against a Risk, Value, Cost  
and Effort Matrix



51

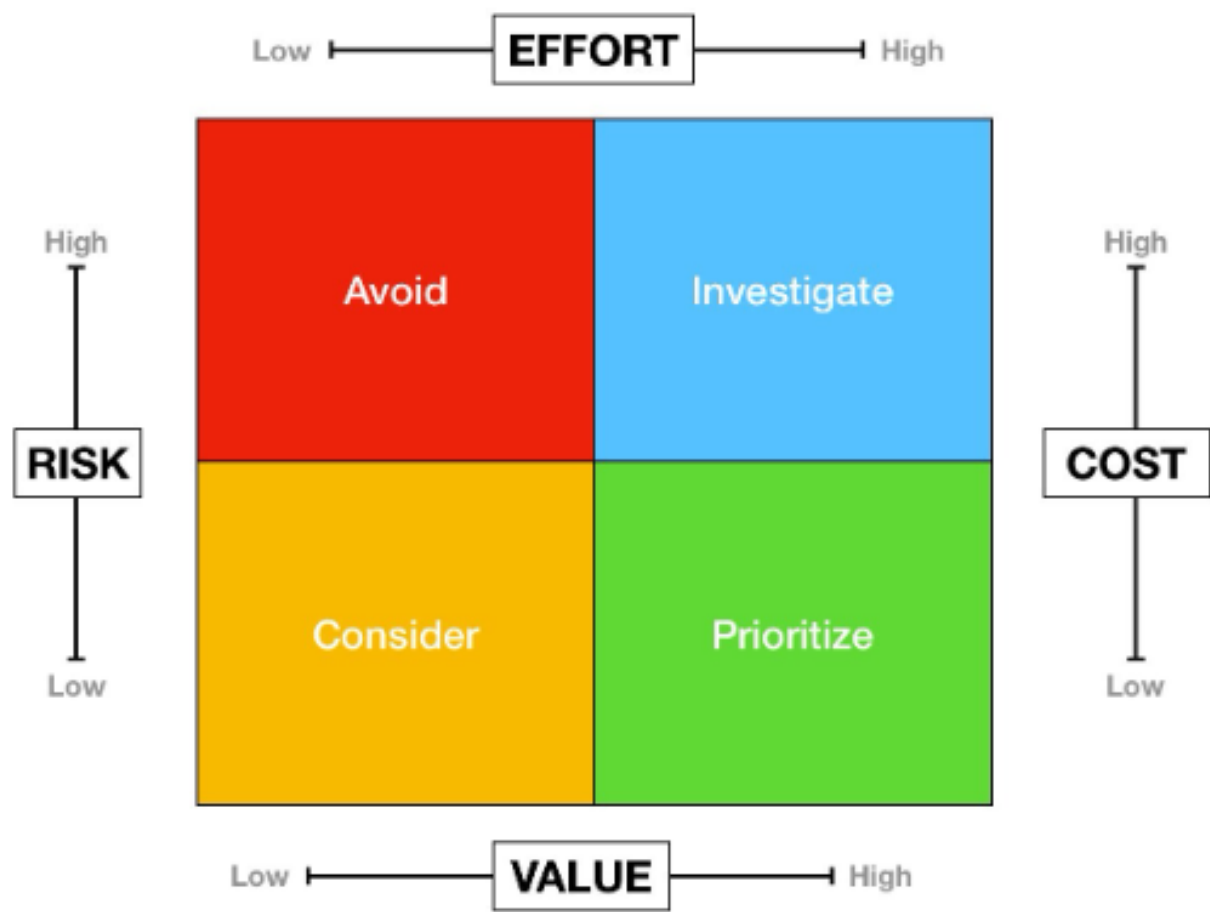
## *frequency*

### The RVCE Matrix

- Now that you have read the detail on each model and have considered the questions please use a Risk-Value-Cost-Effort Matrix to assess each model
- This matrix provides a framework to help prioritise decisions using a criteria (and definition of each criteria) in a structured and efficient way
- The final prioritisation is best determined as a group to discuss viewpoints and promote transparency
- The matrix will allow us to assess whether each model requires a low or high level of risk, value, cost and effort
- Each model must be clearly placed in a quadrant – not on a line

*frequency*

RVCE Matrix for Decision Making



## *frequency*

### Category Definitions

- **Risk** – the level of risk to Council by using this model, which may include relationship risk, loss of money, risk to achieving your intended goals and outcomes with the funding. It can also relate to the risk of overall effective delivery, and can extend to the risk that may extend into communities/catchments
- **Value** – this relates to the alignment to what you want the fund to achieve, the economic value the investment can bring, as well as value to communities and the environment
- **Cost** – this relates to both the investment to stand up and continue to operate and administer the model, as well as the ongoing cost implications – such as the level of investment you can make in initiatives, or how thin you spread the investment
- **Effort** – this is the level of effort required to make the model operational and functional in the long-term and should take into account quality and quantity of resources needed, management time, level of in-kind support needed internally and to the sector/partners/communities

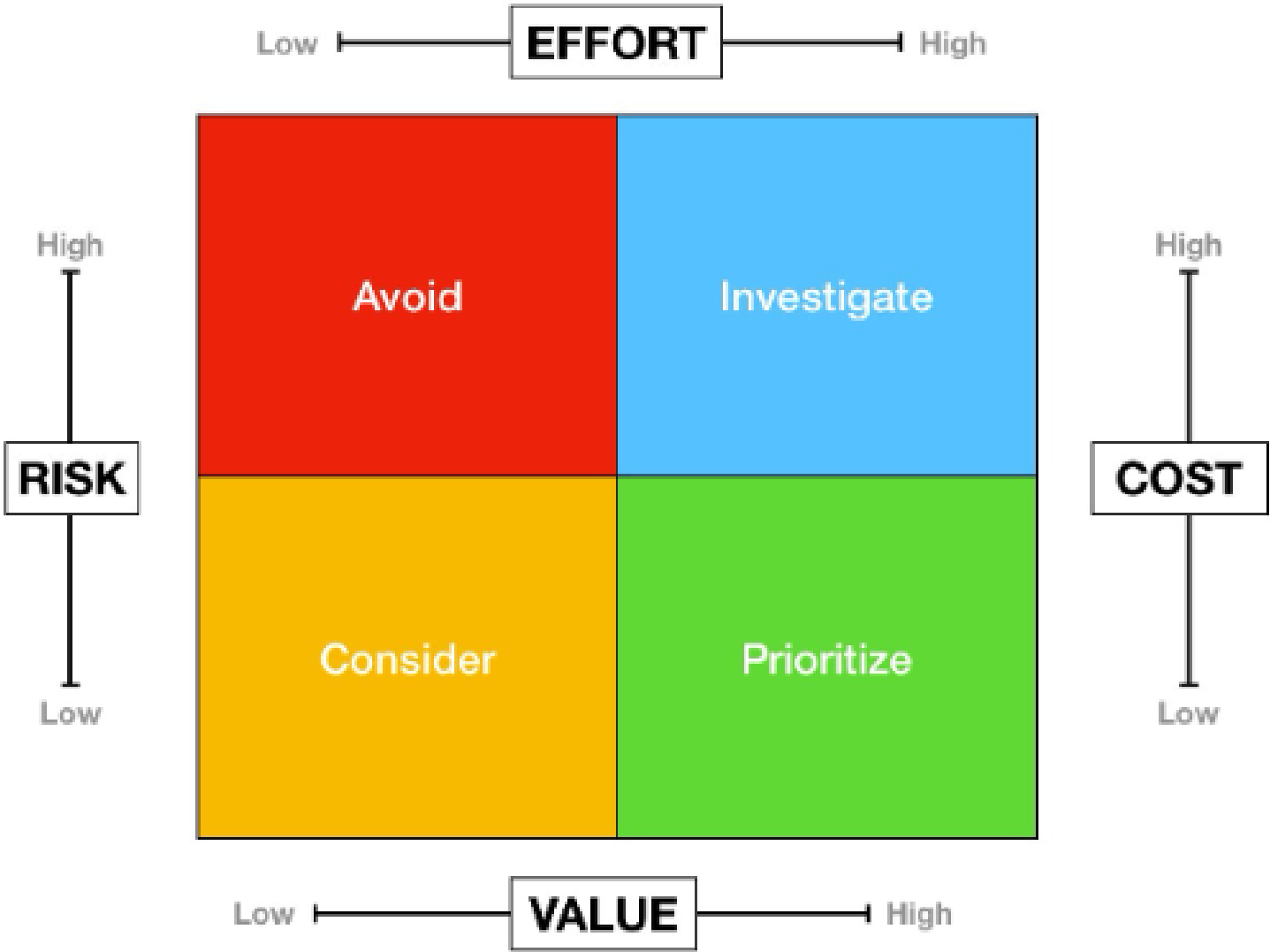
## *frequency*

### Quadrants Explained

- **Quad 1: Avoid** – these models should be avoided as they are assessed as high cost, high risk and low/lower value.
- **Quad 2: Considered** – these models could still be considered as opportunities as they require low effort, cost and risk to ORC. Their value may still be low or unknown.
- **Quad 3: Prioritised** – these models should be investigated further as we believe they create high value, and although require high effort, are low risk and cost effective
- **Quad 4: Investigated** – these models rank highly across all four assessment areas and they should be investigated further as the payback in time and effort put in may achieve substantial value

*frequency*

Plot each model on the matrix – make any notes for your reasons why



*frequency*

**Thank you**  
We look forward to the discussion!



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## 7.2. Waitaki Update

**Prepared for:** Council

**Report No.** GOV2544

**Activity:** Governance Report

**Author:** Anita Dawe, General Manager Regional Planning and Transport

**Endorsed by:** Richard Saunders, Chief Executive

**Date:** 9 April 2025

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### PURPOSE

- [1] To update Council on progress on the investigation into managing the Waitaki catchment as a single integrated catchment, and request approval to collaborate with Environment Canterbury (ECan), to undertake a Section 35 assessment.

### EXECUTIVE SUMMARY

- [2] Work commenced on an investigation into managing the Waitaki River catchment as a single integrated catchment in March last year.
- [3] Early engagement has been undertaken and the working group now wishes to progress to the next step of the investigation and understand what the challenges are with the existing arrangements, in order to determine whether the investigation should progress to a funded and resourced project.

### RECOMMENDATION

*That the Council:*

1. **Notes** this report.
2. **Notes** that preliminary stakeholder engagement has been undertaken.
3. **Endorses** the proposal to undertake a Section 35 Resource Management Act 1991 review of the existing planning frameworks for the Waitaki Catchment, to be jointly undertaken by staff from Environment Canterbury and the Otago Regional Council.
4. **Notes** that staff will report back on the outcomes from the Section 35 review.
5. **Notes** that the working group will invite an official from the Ministry for the Environment to join the working group.

### BACKGROUND

- [4] In March 2024, following a request from Te Rūnaka o Moeraki, Te Rūnaka o Arowhenua and Te Rūnaka o Waihao, both Environment Canterbury (ECan), and the Otago Regional Council (ORC), agreed to commence work to understand how the Waitaki catchment could be managed as a whole.

- [5] A working group, comprising Councillor Kevin Malcolm, staff from ECan and ORC, and representatives the iwi groups has been meeting regularly to progress the work. Councillor Peter Scott from ECan has recently joined.
- [6] An update in August 2024 noted that some early engagement with a range of stakeholders would be undertaken, and a report back to both Councils would occur following that engagement.
- [7] A similar paper was considered by ECan on 26 March and the Section 35 review was endorsed by that Council.

## DISCUSSION

- [8] The working group identified a range of stakeholder, including Government Ministers, irrigators, and territorial authorities to have early discussions with.
- [9] Key messages were developed, and contact was made with all stakeholders, offering information and the opportunity for a meeting (in person, or online).
- [10] Several stakeholders took up the opportunity for in-person meetings, and a range of feedback was received. Overall, the feedback ranged from neutral, to in principle, supportive however many parties requested more information or wanted to understand the rationale for the investigative work. There have also been some concerns expressed that this work may undermine existing lawful activities, especially with respect to water quantity, which is not the intention of the work.
- [11] While the early feedback did not oppose the investigation, staff consider that more work is required to progress to more detailed engagement. The working group is currently working from a principled position that managing a river catchment as a whole and integrated catchment is good practice, however, there is not great clarity on what the current challenges resulting from the cross-boundary management actually are.
- [12] The working group consider that to get a good understanding of the complexities, challenges and benefits from the current management framework, a section 35 effectiveness review (Resource Management Act 1991) should be undertaken. This would enable the working group to understand the existing regime, the practical challenges facing landowners and the wider Waitaki community across the catchment, and any administrative duplication or complexities. It will be important as part of the Section 35 work, to understand concerns of resource users to inform the review.
- [13] It is proposed that the Section 35 review for the Waitaki catchment be jointly undertaken by policy staff from ECan and ORC and accommodated within existing budgets.
- [14] The working group consider that the findings of the Section 35 review should be used to inform decision making on whether the investigation should progress to the next stage.
- [15] In addition to the Section 35 review, the working group consider there is value in having a representative from the Ministry for the Environment join the group. The rationale for this is that, while the resource management reform process is ongoing, understanding

the objective of the investigation will be beneficial, especially if following the Section 35 review, it is considered that legislative change may be part of a solution.

## OPTIONS

- [16] The options in relation to progressing the investigation are:
  - a. To endorse the proposal for a Section 35 review, to enable the working group to understand the challenges with the existing planning framework; or,
  - b. To request that work stops on the investigation.
- [17] Staff recommend that the proposal to complete a Section 35 review is endorsed, to enable understanding of how the existing planning framework contributes to increased complexity, and/or cost and/or lengthier processes.
- [18] Alternatively, Councillors could elect to end the investigation at this stage.

## CONSIDERATIONS

### Strategic Framework and Policy Considerations

- [19] The proposal is consistent with *Environment – Otago has a healthy environment ki uta ki tai, including thriving ecosystems and communities and flourishing biodiversity; Partnership – Otago Regional Council has effective and meaningful partnerships with mana whenua, creating better outcomes for our region; and Communities – Otago has cohesive and engaged communities that are connected to the environment and each other.*

### Financial Considerations

- [20] This work is currently being managed within existing budgets. As noted in earlier reports, if this work should progress beyond the investigative phase, specific budget would be required.

### Significance and Engagement

- [21] As noted in previous reports, if this work progressed, then it would trigger *He Mahi Rau Rika* however depending on process, it is likely a full public participatory process would be involved, either through the Local Government Act or the Resource Management Act.

### Legislative and Risk Considerations

- [22] There are a number of pieces of legislation and other higher order documents that currently manage the Waitaki River, including the RMA, the RM (Waitaki Amendment) Act, the Canterbury RPS, the Otago RPS, the Otago proposed RPS, and the relevant Regional and District plans. In addition, the NPSFM 2020 is also relevant.
- [23] In addition, with the Resource Management Act reform, and changes to the National Policy Statement for Freshwater Management (NPSFM) foreshadowed, these could impact the investigation.

### **Climate Change Considerations**

[24] This is not directly relevant.

### **Communications Considerations**

[25] Communications and engagement considerations will be factored into each step of the process. There are communications and engagement staff on the working group, providing advice as the investigation progresses.

### **NEXT STEPS**

[26] If ORC endorse the Section 35 review, then the next step will be to commence the Section 35 review in partnership with ECan.

### **ATTACHMENTS**

Nil

### 7.3. ORC Membership Representation Review - Determination Outcome

**Prepared for:** Council  
**Report No.** GOV2552  
**Activity:** Governance Report  
**Author:** Amanda Vercoe, General Manager Strategy and Customer  
**Endorsed by:** Richard Saunders, Chief Executive  
**Date:** 9 April 2025

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#### PURPOSE

- [1] To formally receive the determination from the Local Government Commission on the Otago Regional Council's 2025 Membership Representation Review.

#### EXECUTIVE SUMMARY

- [2] Under the Local Electoral Act 2001, Council is required to undertake a Membership Representation Review (the review) every six years. The last review was undertaken in 2018, and no changes were made.
- [3] A final proposal was adopted by Council on 23 October 2024 that:
- retained the current electoral boundaries for the region based on existing communities of interest;
  - retained the current total number of councillors; and
  - reduced the number of councillors in the Dunedin constituency from six (6) to five (5) and increased the number of councillors in the Dunstan constituency from three (3) to four (4).
- [4] The final proposal was appealed by Dunedin City Council and Queenstown Lakes District Council. The Local Government Commission (the Commission) received those appeals and undertook a hearing on 4 March 2025 (livestream recording available [here](#)).
- [5] The Commission released its determination on Wednesday 2 April, that upheld the final proposal adopted by the ORC. The final proposal will now form the basis for the 2025 local body election for Otago Regional Council.

#### RECOMMENDATION

*That the Council:*

1. **Notes** this report.
  2. **Notes** the determination from the Local Government Commission which upheld the final proposal adopted by the ORC (attached to this paper).
  3. **Notes** the Local Government Commission has recommended Council looks at the population data in 2027 to see whether an out of cycle representation review may be justified.
  4. **Notes** that the staff will bring a paper in 2027 to Council to provide advice on this issue.
-

## BACKGROUND

- [6] The scope of the review was the representation arrangements for Otago Regional Council, including:
- Number of electoral subdivisions (constituencies)
  - Boundaries and names of constituencies, and
  - Number of elected members.
- [7] The following steps were taken:
- **23 August 2023** – council resolved to change electoral system to Single Transferable Vote (STV) for the 2025 and 2028 elections.
  - **Late 2023** – no decision was taken to consider the introduction of a Māori Ward.
  - **21 November 2023** – workshop to outline the Membership Representation Review process and considerations
  - **6 December 2023** – council paper to agree approach to the review
  - **February 2024** – early engagement through letters to territorial authorities, Rūnaka and an online community survey
  - **21 March 2024** – workshop to consider early engagement feedback, data, communities of interest and potential options
  - **22 May 2024** – council paper to consider potential options for the initial proposal
  - **26 June 2024** – council paper adopting an initial proposal
  - **10 July – 8 September 2024** – consultation on initial proposal
  - **3 October 2024** – hearings and deliberations took place.
  - **23 October 2024** - final proposal adopted
  - **30 October – 3 December 2024** – appeals period notified via public notice. Two appeals received and sent to Local Government Commission
  - **3 March 2025** – Local Government Commission Hearing
  - **2 April 2025** – Local Government Commission determination issued upholding ORC final proposal.

- [8] The key issue the ORC was dealing with in the 2024 review was significant population growth in the Dunstan Constituency since the last representation review – this was affirmed through early engagement, where challenges with access to elected members came through as a theme. A secondary issue related to where the Mosgiel community board area from the Dunedin City Territory best fitted, from a community of interest perspective.

## DISCUSSION

- [9] The appeals to Council's final proposal related to:
- retaining 6 councillors in the Dunedin constituency by shifting Mosgiel into the Dunedin constituency (Dunedin City Council), and
  - creating a fifth ward in the Upper Lakes to recognise the significant population growth over the last 6 years (Queenstown Lakes District Council).
- [10] The Commission upheld the ORC's final proposal, and did not make any changes. The determination from the Commission is attached, which sets out the Commission's views on the matters that were appealed.

- [11] The Commission did note that the region's population growth and its distribution is an issue the Council needs to actively monitor from a representation point of view. It recommended that the Council gives consideration in 2027, as to whether up-to-date population statistics available at that time justify a further representation review.
- [12] As part of that consideration, it suggested Council should:
- Engage with territorial authorities about what they consider the best representation arrangements to be, and
  - Consider the impact of the STV electoral system on the nature of representation provided through the 2025 local elections under the constituency arrangements applying at that election.
- [13] Staff will add this recommendation to the 2027 governance workplan and provide a report to Council at that time with advice.

## **OPTIONS**

- [14] There are no options as this is a noting report.

## **CONSIDERATIONS**

### **Strategic Framework and Policy Considerations**

- [15] This review is a statutory requirement.

### **Financial Considerations**

- [16] The final proposal has limited budgetary implications. There may be a small increase to mileage and accommodation costs with an additional councillor from the Dunstan constituency, but this can be accommodated within existing budgets.
- [17] The review itself was unbudgeted but has been absorbed within the governance budget over 2024 and 2025. An estimate of cost is around \$35,000, including consultant help plus advertising for early engagement and consultation and submissions process, and public notices. This excludes staff time, which has been drawn from the Governance Team, the Communications and Marketing Team and the GIS Team at various points in the process.

### **Significance and Engagement Considerations**

- [18] This process required formal consultation under the Local Electoral Act 2001.
- [19] Early engagement was undertaken with territorial authorities, mana whenua and the community through an online survey.

### **Legislative and Risk Considerations**

- [20] The review is required under legislation. Determinations of the Commission may be:
- appealed on a point of law, in accordance with Schedule 5, Local Government Act 2002
  - subject to judicial review under the Judicial Review Procedure Act 2016

### **Climate Change Considerations**

[21] Nil.

### **Communications Considerations**

[22] A media release was sent out on 3 April 2025 noting the outcome of the determination. The final proposal changes impacting the number of councillors in the Dunstan and Dunedin constituencies will also be incorporated into the communications campaign being prepared for the 2025 local body elections. This will be alongside communicating the change to STV voting for ORC.

### **NEXT STEPS**

[23] To implement the final proposal as part of preparations for the 2025 local body elections.

### **ATTACHMENTS**

1. Otago Regional Council 2025 Determination [**7.3.1** - 19 pages]



# Local Government Commission

## Mana Kāwanatanga ā Rohe

Determination  
of representation arrangements to apply for the election  
of the Otago Regional Council  
to be held on 11 October 2025

### Introduction

1. All regional councils are required under sections 19I of the Local Electoral Act 2001 (the Act) to review their representation arrangements at least every six years. Under Section 19R of the Act, the Commission, in addition to consideration of the appeals and objections against a council’s final representation proposal, is required to determine all the matters set out in sections 19I which relate to the representation arrangements for regional councils.
2. Having completed its considerations, the Commission’s determination upholds the Otago Regional Council’s final representation proposal as set out below.

### Commission’s determination<sup>1</sup>

3. In accordance with section 19R of the Local Electoral Act 2001, the Local Government Commission determines that for at least the triennial general election of the Otago Regional Council to be held on 11 October 2025, the following representation arrangements will apply:

Otago Region, as delineated on Plan LG-14-2025-Con-1 will be divided into 4 constituencies and will be represented by a Council comprising 12 councillors elected as follows:

Constituency	Councillors	Plan delineating area
Dunstan Constituency	4	SO 24251
Moeraki Constituency	1	SO 24250
Dunedin Constituency	5	LG-14-2025-Con-2

<sup>1</sup>Plans referred to in this determination that are preceded by LGC are deposited with the Local Government Commission. Plans preceded by SO are deposited with Land Information New Zealand.

Molyneux Constituency	2	LG-14-2025-Con-1
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4. The ratio of population to elected members for each constituency will be as follows:

Constituency	Population*	Number of members	Population per member	Deviation from region average population per member	% deviation from region average population per member
Dunstan	78,800	4	19,700	-1,517	-7.15
Moeraki	22,300	1	22,300	1,083	5.11
Dunedin	115,200	5	23,040	1,823	8.59
Molyneux	38,300	2	19,150	-2,067	-9.74
<b>Total</b>	<b>254,600</b>	<b>12</b>	21,217		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

5. As required by section 19U of the Local Electoral Act 2001, the boundaries of the above constituencies coincide with the boundaries of current statistical meshblock areas determined by Statistics New Zealand and used for Parliamentary electoral purposes.

Background

6. Under section 19I of the Local Electoral Act 2001 regional council representation reviews are to determine the number of councillors to be elected, and the boundaries and names of constituencies. Representation arrangements are to be determined so as to provide fair and effective representation for individuals and communities.
7. The Council last reviewed its representation arrangements prior to the 2019 local authority elections. Accordingly, it was required to undertake a review prior to the next elections in October 2025.

Current representation arrangements

8. The Commission last made a determination in relation to the Otago Regional Council’s representation in 2012. There were no appeals in respect of that review but the Commission was required to consider the non-compliance of the Dunstan and Moeraki constituencies with the +/-10% rule. The Council’s most recent review was carried out in 2018. The sole change made during that review was the alignment of the boundary between the Dunedin and Molyneux constituencies with community board boundaries. The Council’s current representation arrangements arising out of the 2018 review are as follows:

Constituencies	Population*	Number of members	Population per member	Deviation from region average population per member	% deviation from region average population per member
Dunstan	78,800	3	26,267	5,050	23.80
Moeraki	22,300	1	22,300	1,083	5.11
Dunedin	115,200	6	19,200	-2,017	-9.51
Molyneux	38,300	2	19,150	-2,067	-9.74
<b>Total</b>	<b>254,600</b>	<b>12</b>	<b>21,217</b>		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

## Current review

### Preliminary consultation

9. The Council undertook preliminary engagement for its representation review in February 2024. It sought the views of the territorial authorities of the region and of rūnaka. It also carried out an online community survey through which it received 64 responses.
10. A key theme in the responses from the online survey was the population growth in the Whakatipu and Wanaka areas and the desire for additional representation for those areas.
11. The Council also held a series of workshops for councillors, the last of which considered the information gained from the engagement and several options for representation arrangements. Consideration was given to:
  - The current constituencies, but with the transfer of 1 member from the Dunedin Constituency to the Dunstan Constituency or alternatively increasing the total number of members to 13.
  - The creation of an "Upper Lakes" Constituency comprising Queenstown-Lakes District and the Cromwell Ward of Central Otago District.
  - The creation of a Whakatipu Constituency comprising the Queenstown-Whakatipu and Arrowtown-Kawarau wards of Queenstown-Lakes District.
  - The appropriate constituency for the Mosgiel-Taieri and Strath Taieri community board areas and for the Teviot Ward of Central Otago District.
12. Within these arrangements different total numbers of members were considered.

The Council’s initial proposal

13. On 26 June 2024 the Council resolved its initial representation proposal for a council comprising 12 members elected from 4 constituencies. The sole change to the current arrangements were a decrease by 1 in the number members elected from the Dunedin Constituency and an increase of 1 in the number of members elected from the Dunstan Constituency.
14. The initial proposed constituency arrangements were as follows:

Constituencies	Population*	Number of members	Population per member	Deviation from region average population per member	% deviation from region average population per member
Dunstan	78,800	4	19,700	-1,517	-7.15
Moeraki	22,300	1	22,300	1,083	5.11
Dunedin	115,200	5	23,040	1,823	8.59
Molyneux	38,300	2	19,150	-2,067	-9.74
Total	254,600	12	21,217		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

Submissions

15. The Council notified its initial representation proposal on 10 June 2025 and received 165 submissions by the deadline of 8 September 2025.
16. Key themes in the submissions were:
- a. Support for a fifth, Upper Lakes Constituency
  - b. Support for the Dunedin Constituency retaining 6 members, with Mosgiel-Taieri community board area being included in the Dunedin Constituency rather than the Molyneux Constituency.
  - c. Increasing the total number of members on the Council by 1 so that the Dunedin Constituency could retain 6 members and the Dunstan Constituency could gain an additional member.
17. At a meeting on 23 October 2024 the Council adopted its initial proposal as its final representation proposal.

The Council’s final proposal

18. The Council publicly notified its final proposal on 30 October 2024. Two appeals against the Council’s proposal were received, from the Dunedin City Council and the Queenstown-Lakes District Council.

## Appeals against the Council's final proposal

19. The Council referred the appeals to the Commission, in accordance with section 19Q of the Act.
20. The appeal from the Dunedin City Council seeks the following:
  - Retention of 6 members for the Dunedin Constituency.
  - The transfer of the Mosgiel-Taieri and Strath Taieri community board areas (both part of Dunedin City) from the Molyneux Constituency to the Dunedin Constituency.
  - An increase in the total number of members on the Council from 12 to 13.
21. The Queenstown-Lakes District Council's appeal seeks a division of the Dunstan Constituency into two constituencies as follows:
  - An "Upper Lakes" Constituency comprising Queenstown-Lakes District and the Cromwell Ward of Central Otago District.
  - A constituency comprising the remainder of Central Otago District – the Alexandra, Teviot Valley and Maniototo wards.

## Hearing

22. For the purpose of making a determination, the Commission may make such enquiries as it considers appropriate and may hold meetings with the interested parties. The Commission is not limited to holding a hearing purely in response to appeals or objections. Rather, the need for a hearing is determined by the information provided by the relevant parties and as a result of any further inquiries the Commission may wish to make.
23. In the case of Otago Regional Council's final proposal, the Commission considered it appropriate to further explore the matters to be determined. Accordingly, the Commission decided that a hearing was required.
24. The Commission met with the Council and both appellants at a hearing held online on 4 March 2025. The Council was represented at the hearing by Council Chair, Gretchen Robertson, Chief Executive, Richard Saunders and General Manager Strategy and Customer, Amanda Vercoe. Stephn Hill from electionz.com was also present to assist the Council.
25. The following appellants appeared at the hearing:
  - a. Dunedin City Council represented by Deputy Mayor, Cherry Lucas.
  - b. Queenstown-Lakes District Council represented by Mayor, Glyn Lewers.

*Matters raised at the hearing*

26. Chair Gretchen Robertson explained the process the Council had followed in carrying out its representation review and reaching its final proposal. She emphasised the following points:

- Prior to the representation review the Council had resolved to adopt the STV electoral system.
- A key consideration in the review was the large population growth in the Dunstan Constituency, and this population growth has created some challenging issues.
- Many of the issues dealt with by the Council are rurally based, but urban population and representation dominates; it is critical for the regional council for there to be adequate rural representation.
- Retention of the Dunstan Constituency as it retains alignment with territorial authority boundaries.
- Population growth in the Dunstan Constituency has been acknowledged by the allocation of an additional member to that constituency.
- Mosgiel-Taieri includes rural interests which aligns Mosgiel and Balclutha as rural support centres.
- Otago Regional Council-run flood and drainage assets create a community of interest between Mosgiel and Taieri, and there are similar water management issues over the lower Clutha River and the lower Taieri River.
- Two councillors for the Molyneux Constituency enables rural communities of interest to be represented fairly and effectively; conversely one councillor could impact the ability for communities to be represented fairly and effectively.
- The regional council has been working hard to strengthen relationships with territorial authorities and communities. In this regard:
  - It has held meetings with the community on the Taieri Plans, including with Councillor Lucas, and had established a community liaison group with members elected from the community.
  - It had joint working groups with Dunedin City Council and Queenstown-Lakes District Council on public transport issues.
- A fifth, Upper Lakes Constituency did not comply with the +/-10% rule.
- By the time of the next representation review, population statistics will likely support a fifth constituency.

- The change in the Local Government Act allowing remote attendance of meetings to count for the quorum and voting, and the STV electoral system should increase the number of people interested in standing for election and therefore improve representation for the Upper Lakes area.
- The Council considered that given the relatively compact size and form of the Dunedin Constituency its representation needs can be effectively supported by 5 elected members.

27. The appellants appearing at the hearing raised the following points in opposition to the Council's proposal:

Deputy Mayor, Cherry Lucas on behalf of the Dunedin City Council made the following points:

- The reduction in members representing the Dunedin Constituency would lead to a loss in advocacy for the constituency, particularly in relation to public transport issues.
- The high population growth in the region should be addressed now, and the allocation of an additional member to the Dunstan Constituency was supported, but an additional member on the Council is justified.
- Inclusion of Mosgiel-Taieri in the Molyneux Constituency is an historical anomaly.
- Inclusion of Mosgiel-Taieri in the Dunedin Constituency would better meet the requirements of section 19U of the Act.
- Residents of Mosgiel-Taieri and Strath Taieri vote for the Dunedin City Council and have 2 community boards supported by the Dunedin City Council.
- Mosgiel-Taieri and Strath Taieri's employment, educational links and public transport links are with Dunedin City; no such links exist with centres in Clutha District.
- Although the area is predominantly rural, the population is predominantly urban.
- Exclusion of Mosgiel-Taieri and Strath Taieri from the Molyneux Constituency would reduce the area of that constituency and make it easier to represent.

Mayor, Glyn Lewers on behalf of Queenstown-Lakes District Council stated that:

- Otago Region's constituencies have not changed since 1998 but in that time there has been significant change, e.g. high population growth in some areas and the nature of issues being dealt with.

- The current Dunstan Constituency comprises very diverse communities of interest, ranging from rapidly growing urban populations to isolated rural communities.
- The issues facing those diverse communities differ widely.
- There are strong similarities between Queenstown-Lakes District and Cromwell as evidenced by high growth, shared issues (such as public transport and freshwater management) and similar demographic characteristics (mean household income and average age were cited).
- Those issues distinguished Cromwell from the rest of Central Otago District which has different characteristics.
- An Upper Lakes Constituency would be compliant with the +/-10% rule.
- A non-compliant Dunstan Constituency would meet the rules for an exception to the +/-10% rule as it includes isolated communities.
- A residual Dunstan Constituency with a smaller population would be easier for an elected member to service and give focus to.

## Matters for determination by the Commission

28. Section 19R of the Act makes it clear that the Commission, in addition to consideration of the appeals and objections, is required to determine all the matters set out in section 19I of the Act, which relates to the representation arrangements for regional authorities. This interpretation was reinforced by a 2004 High Court decision which found that the Commission's role is not merely supervisory of a local authority's representation arrangements decision. The Commission is required to form its own view on all the matters which are in scope of the review.

29. The matters in the scope of the review are:

- a. The number, boundaries and names of the proposed constituencies.
- b. The proposed number of councillors for each constituency.
- c. Whether constituencies may be defined and membership distributed between them in a way that does not comply with the +/-10% rule.

30. Appeals to the Council's final proposal raise the following overarching issues for the Commission to resolve:

- a. Does effective representation of the Dunedin Constituency require 6 rather than 5 members?

- b. Section 19U(b) of the Act provides that “so far as is practicable, constituency boundaries coincide with the boundaries of 1 or more territorial authority districts or the boundaries of wards”. Should this be applied to the Mosgiel-Taieri and Strath Taieri areas to bring them within the Dunedin Constituency?
- c. Does effective representation of the Upper Lakes area require a separate constituency?
- d. How would the establishment of such a constituency affect effective representation of the remainder of the Dunstan Constituency?
- e. As the solutions sought in appeals do not comply with the +/-10% rule, is there a case for applying section 19V(3)(b), which permits non-compliance if required for the effective representation of communities of interest?

### Key considerations

31. Based on the legislative requirements, the Commission's *Guidelines for local authorities undertaking representation reviews* (the Guidelines) identify the following three key factors when considering representation proposals:

- Communities of interest.
- Effective representation of communities of interest.
- Fair representation for electors.

### Communities of interest

32. The Guidelines identify three dimensions for recognising communities of interest:

- a. *Perceptual*: a sense of identity and belonging to a defined area or locality as a result of factors such as distinctive geographical features, local history, demographics, economic and social activities.
- b. *Functional*: ability of the area to meet the needs of communities for services such as local schools, shopping areas, community and recreational facilities, employment, transport and communication links.
- c. *Political*: ability to represent the interests of local communities which includes non-council structures such as for local iwi and hapū, residents and ratepayer associations and the range of special interest groups.

33. All three dimensions are important and often interlinked. We note however, that there is often a focus on the perceptual dimension. That is, what councils, communities or individuals intuitively feel are communities of interest. It is not enough to simply state that a community of interest exists because it is felt that it exists; councils must provide evidence of how a sense of identity is reinforced, or how a community is distinct from neighbouring communities. Such evidence may be found by considering, for example:

- How communities rely on different services and facilities to function as part of the wider district, city or region.
  - Demographic characteristics of an area (for example age, ethnicity or deprivation profiles) and how these differ from other areas.
  - How particular communities organise themselves and interact with others as part of the wider district, city or region.
34. The Otago Region has had the same four constituencies since 1998. The only significant changes in that time have been the transfer, in 2007, of the former Waikouaiti Coast Ward of Dunedin City from the Moeraki Constituency to the Dunedin Constituency, and the realignment, in 2019, of the boundary between the Dunedin and Molyneux constituencies with the boundary between the Mosgiel-Taieri and Saddle Hill communities. Prior to 1998, the area of the current Dunedin Constituency had been divided into two constituencies.
35. Being largely based on the boundaries of territorial authority districts the constituency boundaries reflect the communities of interest that make up those districts. The appeals question whether, in two cases, the current constituencies best reflect communities of interest and whether they will provide the most effective representation of communities of interest.

### Fair and effective representation

36. Section 19V of the Act sets out the requirement for the Commission to ensure that electors receive fair representation. Section 19V(2) establishes fair representation as a population per member ratio per constituency that does not differ by more than 10% across the region. This is also referred to as 'the +/- 10% rule'.
37. The Council's proposal for a council comprising 12 councillors elected from 4 constituencies, complies with the rule.
38. If the Commission upholds the appeals, either separately or in combination with each other, it will be required to consider the non-compliance of some constituencies.
39. Section 19U of the Act requires the Commission to ensure that:
- a. The number and boundaries of constituencies will provide effective representation of communities of interest within the region.
  - b. Constituency boundaries coincide with the boundaries of the current statistical meshblock areas determined by Statistics New Zealand and used for parliamentary electoral purposes.
  - c. So far as practicable, constituency boundaries coincide with the boundaries of one or more territorial authority districts or boundaries of wards.

40. 'Effective representation' is not defined in the Act. The Guidelines note that what constitutes effective representation will be specific to each local authority but that the following factors should be considered:
- a. Avoiding arrangements that may create barriers to participation, such as at elections by not recognising residents' familiarity and identity with an area.
  - b. Not splitting recognised communities of interest between electoral subdivisions.
  - c. Not grouping together two or more communities of interest that share few commonalities of interest.
  - d. Accessibility, size and configuration of an area including access to elected members and vice versa.
41. The Guidelines suggest that local authorities consider the total number of members, or a range in the number of members, necessary to provide effective representation for the region as a whole. In other words, the total number of members should not be arrived at solely as the product of the number of members per constituency.
42. Section 19D of the Act provides that regional councils shall consist of between six and 14 members. The Council has comprised 12 councillors since 2013 and 11 in the years immediately prior to that.

### The Dunedin City Council's appeal

43. The appeal from the Dunedin City Council seeks:
- Retention of 6 members for the Dunedin Constituency.
  - The transfer of the Mosgiel-Taieri and Strath Taieri community board areas (both part of Dunedin City) from the Molyneux Constituency to the Dunedin Constituency (leaving the Molyneux Constituency solely comprising Clutha District).
  - An increase in the total number of members on the Council from 12 to 13.
44. This would result in the following:

Ward	Population	Number of councillors	Population per councillor	Deviation from region average population per councillor	% deviation from region average population per councillor
Dunstan	78,800	4	19,700	117	0.60
Moeraki	22,300	1	22,300	2,717	13.87
Dunedin	134,600	6	22,433	2,850	14.55

Molyneux	18,880	2	9,440	-10,143	-51.80
<b>Total</b>	<b>254,580</b>	<b>13</b>	19,583		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

45. In seeking the retention of 6 councillors for the Dunedin Constituency, the Dunedin City Council does not oppose the allocation of an additional member for the Dunstan Constituency. Instead, it argues that this should not come at the expense of the Dunedin constituency, hence the request for an increase in the total number of councillors from 12 to 13.
46. The City Council's appeal goes into some detail about why the Mosgiel-Taieri and Strath Taieri areas should be included in the Dunedin Constituency. Arguments made in the appeal include:
- While part of the Mosgiel-Taieri areas is rural, it has a predominantly large and increasingly urban population and has had the biggest residential growth in Dunedin in recent years.
  - That Mosgiel-Taieri in particular, and Strath Taieri to a lesser extent, have a clear sense of belonging to Dunedin City, with strong employment and educational links.
  - Mosgiel and Middelmarsh are fully serviced from Dunedin City, with water infrastructure, roading and recreational facilities, along with a new pool in Mosgiel and public transport linkages.
  - That Mosgiel-Taieri does not have a strong community of interest with Balclutha, the other main centre in the Molyneux Constituency (and located in Clutha District), there being no shared services between the two. While both areas have flood and drainage schemes provided by the Otago Regional Council there are no shared schemes between the two areas. It is not accepted that flood and drainage assets create a community of interest between Mosgiel and Taieri as these will be common issues across the whole region.
47. The Otago Regional Council's reasonings for its decisions on the appropriate constituency for these areas are as follows.
48. In relation to leaving the total number of members of the council at 12 and the number of councillors elected from the Dunedin Constituency at 5, the Council said during deliberation on submissions that:
- Council considered that given the relatively compact size and form of the Dunedin City area, the representation needs of the community can be effectively supported by five elected members, so the total number of members does not need to shift.*
49. In relation to which constituency Mosgiel-Taieri and Strath Taieri should be located in, it said:

- *While there are communities of interest in common with Dunedin for Mosgiel-Taieri, Mosgiel-Taieri also includes rural interests, with sheep and beef farming and dairy farming, along with other rural activities which aligns Mosgiel and Balclutha as rural support centres.*
- *The regional council operated flood and drainage assets create a community of interest between Mosgiel and Balclutha. While the schemes aren't physically connected there are common issues to manage and respond to, for example in the recent floods one of the comments that has been made was that the response communications were too focussed on Dunedin, rather than the Taieri and Clutha areas.*
- *As above, it is critical for a regional council to have adequate rural representation, as rural communities of interest need to be fairly and effectively represented. Otago's population distribution doesn't easily allow for this. Moving the Mosgiel-Taieri area into Dunedin would leave only one councillor to represent the Molyneux area, which is a large geographic footprint to cover and could impact the ability of those communities of interest to be represented fairly and effectively.*
- *To remain within the legislated +/- 10% rule, the Strath-Taieri community board would need to remain in the Molyneux constituency, which means the concern about moving back to the Dunedin City Council boundary for the Dunedin constituency would be impacted.*

50. In its submission on the initial proposal the Clutha District Council stated, in support of the current arrangements, that:

- *The Molyneux Constituency includes both rural areas and associated townships with sheep, beef and dairy farming along with other rural activities and rural support centres like Balclutha and Mosgiel with common social or economic interests that should be included within a single constituency for purposes of fair and effective representation.*
- *The Molyneux Constituency is spread over a large geographic area and retaining two representatives provides fair and effective representation.*
- *The Molyneux Constituency includes activities for ORC related to flood and drainage assets, the management of which is critical to wellbeing of the people of the Molyneux Constituency.*

51. As can be seen in the table in paragraph 44, retaining 2 members for a smaller Molyneux Constituency (without Mosgiel-Taieri and Strath Taieri) as proposed by the Dunedin City Council appeal, results in non-compliance for 3 constituencies, in particular the Molyneux Constituency at -51.80%. Reducing to 1 the number of councillors to be elected from a smaller Molyneux Constituency results in an almost compliant arrangement, although the Molyneux Constituency itself would be slightly non-compliant.

Ward	Population estimate*	Number of councillors	Population per councillor	Deviation from region average population per councillor	% deviation from region average population per councillor
Dunstan	78,800	4	19,700	-1,515	-7.14
Moeraki	22,300	1	22,300	1,085	5.11
Dunedin	134,600	6	22,433	1,218	5.74
Molyneux	18,880	1	18,880	-2,335	-11.01
<b>Total</b>	<b>254,580</b>	<b>12</b>	<b>19,583</b>		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

52. As noted in the hearing, the Mosgiel-Taieri and Strath Taieri areas have been in the Molyneux Constituency since 1989. It has been suggested that this was done to “make up the numbers” and is an historical anomaly. At this point in time we are not able to exactly determine the actual origins of this situation. The Commission’s draft reorganisation scheme for the Otago Region issued in 1988 does, however, refer to general policies held by the then Commission that membership be allocated according to the proportion of regional population in a constituency, and also that no constituency have more than 4 members.
53. In the current review, the arguments seem to us to be:
- On the one hand, Mosgiel-Taieri and Strath Taieri have a community of interest with the remainder of Dunedin City, and a lack of community of interest with Clutha District.
  - On the other hand, that the rural nature of much of Mosgiel-Taieri and Strath Taieri, and that the regional council’s flood protection activities in the Taieri Plains, creates a commonality of interest with the lower Clutha Valley.
54. Additional arguments made by the regional council were that a 1 member Molyneux Constituency would not receive effective representation, and that more generally it is important for the regional council that there be an effective rural voice. Conversely, the Dunedin City Council argued that a geographically smaller Molyneux Constituency would be easier to represent (although the geographic area would not be halved in line with the number of members representing the constituency).
55. The regional council’s arguments were supported by the Clutha District Council’s submission on the regional council’s initial proposal.
56. As far as the two arguments set out above are concerned, we can see merit in both points of view.

57. Although we acknowledge the Dunedin City Council's arguments, we do not detect a groundswell seeking the change sought. In the regional council's preliminary engagement, the Mosgiel-Taieri and Strath Taieri issue was raised in 3 responses. In submissions on the initial proposal, it was raised in one submission in addition to the Dunedin City Council's. We do not wish to diminish the arguments raised, however we are reluctant to make a change with significant flow-on affects for the overall representation arrangements without a wider set of views.
58. It is suggested by the Dunedin City Council that the loss of a member for the Dunedin Constituency would detract from the level of advocacy that could be provided for Dunedin City. Public transport was cited as a particular issue where advocacy might become less effective. We are not convinced by this argument. Five members out of a total of 12 members is still a sizeable proportion of the Council, and five members should be able to advocate and put forward a point of view to the Council.
59. In addition, elected members when taking office, make a declaration that they will perform their duties in the best interests of the region and we are sure that the members of the regional council endeavour to do so when carrying out their duties. Each member will make decisions according to their judgement based on the information they have before them, and on their experience. This does not supplant the need for representation of separate communities, but it does, when working well, help ensure that wider perspectives are taken into account.
60. Accordingly, we uphold the regional council's proposal in relation to the Dunedin Constituency.

### **The Queenstown-Lakes District Council's appeal**

61. The Queenstown-Lakes District Council seeks a division of the Dunstan Constituency into two constituencies as follows:
  - An "Upper Lakes" Constituency comprising Queenstown-Lakes District and the Cromwell Ward of Central Otago District.
  - A constituency comprising the remainder of Central Otago District – the Alexandra, Teviot Valley and Maniototo wards.
62. The appeal does not propose a specific number of councillors to represent an Upper Lakes Constituency. Rather it requests the constituency elects a number of councillors to "fairly, effectively and proportionately represent the growing population of the area". However, Queenstown-Lakes District Council's submission on the initial proposal, and the Mayor at the hearing, both suggested the allocation of 3 councillors to an Upper Lakes Constituency. This results in compliance for that constituency, however this leaves the residual Dunstan Constituency, with 1 member, non-compliant at -26.80%. The overall arrangements would be as set out below:

Ward	Population estimate*	Number of councillors	Population per councillor	Deviation from region average population per councillor	% deviation from region average population per councillor
Upper Lakes	63,400	3	21,133	-95	-0.45
Dunstan	15,540	1	15,540	-5,688	-26.80
Moeraki	22,300	1	22,300	1,072	5.05
Dunedin	115,200	5	23,040	1,812	8.53
Molyneux	38,300	2	19,150	-2,078	-9.79
<b>Total</b>	<b>254,740</b>	<b>12</b>	21,228		

\*Based on Stats NZ Tatauranga Aotearoa 2023 population estimates (2018 census base)

63. The Queenstown-Lakes District Council's key arguments for its proposal are set out in its submission on the Otago Regional Council's initial representation proposal. The broad set of arguments in that submission supporting an Upper Lakes Constituency are that Queenstown-Lakes District has high population growth and a significant number of development issues, representation arrangements need to reflect that growth, and more specifically that the geographic scale of the existing Dunstan Constituency creates too many divergent needs to consider the whole population as one community of interest.

64. The appeal tackles two specific issues:

- Otago Regional Council's claim that a new "Upper Lakes" constituency does not work statistically without Cromwell and working outside of territorial authority boundaries is challenging.
- Otago Regional Council's claim that it is critical that it can maintain rural representation and that a large geographic footprint of a remaining split Dunstan would impact the ability to represent communities of interest.

65. The Queenstown-Lakes District Council counters these. Briefly the arguments included in the appeal are that:

- Cromwell Ward has a number of shared issues and linkages with Queenstown-Lakes District, compared to the remainder of Central Otago District.
- It is open to the Commission to permit the inclusion of the Cromwell Ward in an Upper Lakes Constituency as is permitted by section 19U(c) of the Act which permits constituency boundaries based on ward boundaries.
- Non-compliance for the residual Dunstan Constituency is permitted through the exception in the Act relating to effective representation.

- The challenge of rural access to elected members (which is lessened through modern technology and improved internet connectivity) should not outweigh the importance of recognising communities of interest with genuine commonalities.

66. The Otago Regional Council said during deliberation on submissions, that:

- *Council felt that by the time of the next representation review, the population data will likely support a 5th Upper Lakes constituency.*
- *Based on current population data, the case for a fifth constituency does not meet the legislative guidelines (Section 19U(c) of the Local Electoral Act), as Cromwell would need to be included, which means breaking up the existing Central Otago District Council and Queenstown Lakes District Council boundaries. Retaining alignment with the territorial boundaries of Queenstown Lakes District and Central Otago District maintains the integrity of perceptual, functional and political dimensions.*
- *It is also critical for a regional council to have adequate rural representation, as rural communities of interest need to be fairly and effectively represented. Otago's population distribution doesn't easily allow for this. The creation of an Upper Lakes constituency would leave only one councillor to represent the remaining Dunstan area, which is a large geographic footprint to cover which could impact the ability of those communities of interest to be represented fairly and effectively.*
- *Council felt that the addition of 1 councillor, to increase representation to 4 councillors for the Dunstan constituency as proposed in the initial proposal, along with the legislative change to the Local Government Act which allows remote attendees to meetings to count for quorum and voting, and the ORC's shift to Single Transferable Vote together should increase the number of people interested in standing for the next election, and therefore representation for the Upper Lakes areas.*

67. In its submission on the initial proposal the Central Otago District Council stated that:

- *The Central Otago District Council also endorses the decision to leave the constituency boundaries unchanged at this time as we believe they have correctly reflected the communities of interest for a very long time now.*
- *In terms of the environment, being the primary focus of the Regional Council, there is little difference across the current ward. We also contain the catchments for many interlinked rivers and lakes, any proposal to obtain claimed better electoral outcomes ignores this environmental reality and would amount, in our view, to gerrymandering.*
- *Regional Councillors take an oath to serve the entire region; making the size of their [constituency] an irrelevancy in our view.*

68. Under the Queenstown-Lakes District Council's proposal the residual Dunstan Constituency would be non-compliant at -26.80%. The Act permits non-compliance where it is necessary to ensure effective representation of communities of interest. The Queenstown-Lakes District Council argues that non-compliance is justified in this case.
69. The population growth in the Dunstan Constituency, and specifically in Queenstown-Lakes District is acknowledged. This is the reason the regional council proposes to allocate an additional member to the Dunstan Constituency.
70. We also acknowledge Mayor Lewers' arguments about the linkages and communities shared by Queenstown-Lakes and Cromwell. Based on the information he provided to us, we agree they are real.
71. We have some qualms however, about creating a non-complaint constituency (the residual Dunstan Constituency) to provide the remainder of the constituency with separate representation. We also have qualms about whether the residual Dunstan Constituency would receive more effective representation through electing 1 member compared to the current 4 members.
72. We then look at the opportunity for the currently configured Dunstan Constituency to provide effective representation for communities of interest.
73. In the hearing we heard views put forward about better advocacy for particular issues that would result from the changes proposed by the Queenstown-Lakes District Council. However, we did not receive information that the current constituency arrangements do not result in adequate advocacy.
74. We understand that the current members representing the Dunstan Constituency live in Queenstown, Cromwell and rural Alexandra. To us that seems a reasonable distribution. There is of course no guarantee that this situation would be replicated after another election, however, that is the current situation.
75. Additionally, the STV electoral system, which will be used by the Otago Regional Council for the first time at the 2025 local elections, provides an opportunity for sizeable sectors of a constituency (such as electors of the Queenstown-Lakes District) to achieve representation. A 4-member constituency enhances the chance of that happening (compared to a constituency electing a lesser number of members).
76. Accordingly, we uphold the regional council's proposal in relation to the Dunstan Constituency.
77. In conjunction with this decision, to ensure the benefits of STV can be maximised and well understood by potential candidates, the Commission recommends that the Council considers providing STV education in the lead up to the Council elections, including to candidates. In this regard, see the Electoral Reform Society's "Single Transferrable Vote" page at [Single Transferable Vote – Electoral Reform Society – ERS](#) and the publication "[Campaigning under the Single Transferrable Vote](#)".

78. We also have a residual observation which we wish to make. The projected population growth in Queenstown-Lakes District means there is a risk an Upper Lakes Constituency will have to be a temporary arrangement and that eventually a constituency comprising solely Queenstown-Lakes District will be statistically viable. If that occurs it is likely that a residual Dunstan Constituency (including the Cromwell Ward) will either be compliant or, at least, less non-compliant than would currently be the case. Although representation arrangements must be reviewed at least 6-yearly we consider that frequent change detracts from public understanding of the representation system, and how electors relate to it.

## Commission recommendations

79. Notwithstanding the decisions above, we consider that the region's population growth and its distribution is an issue the Council needs to actively monitor from a representation point of view.

80. The Commission therefore recommends that the regional council:

- Gives consideration in 2027, as to whether up-to-date population statistics available at that time justify a further representation review.
- As part of that consideration:
  - Engage with territorial authorities about what they consider the best representation arrangements to be.
  - Consider the impact of the STV electoral system on the nature of representation provided through the 2025 local elections under the constituency arrangements applying at that election.

## Conclusion

81. We have made this determination pursuant to section 19R of the Local Electoral Act 2001 having considered the information before the Commission and the requirements of section 19U and 19V of the Act.

### Local Government Commission<sup>2</sup>

Commissioner Brendan Duffy (Chair)

Commissioner Bonita Bigham

Temporary Commissioner Gwen Bull

31 March 2025

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<sup>2</sup> Commissioner Sue Bidrose declared an interest and did not participate in the Commission's determination

**7.4. Six-Monthly report to the Minister under Section 27 of the Resource Management Act**

**Prepared for:** Council

**Report No.** GOV2539

**Activity:** Governance Report

**Author:** Fleur Matthews, Manager Policy and Planning

**Endorsed by:** Anita Dawe, General Manager Regional Planning and Transport

**Date:** 9 April 2025

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**PURPOSE**

- [1] To present for approval by Council, the eleventh progress report to the Minister for the Environment, in accordance with section 27 of the Resource Management Act 1991 in relation to the recommendations made under Section 24A of the Resource Management Act.

**EXECUTIVE SUMMARY**

- [2] The Minister for the Environment wrote to the Otago Regional Council (ORC) in November 2019, setting out several recommendations regarding the development of a fit for purpose planning framework for Otago. One of the requirements outlined in the letter was a formal report, every six months, on progress against three measures. The reports have been provided every six months since that time, with the most recent in September 2024.
- [3] The report, as attached, updates the Minister on both capacity and capability, and work programmes, in accordance with the requirements set out in the initial 2019 correspondence.

**RECOMMENDATION**

*That the Council:*

1. **Notes** this report.
2. **Approves** the eleventh report to the Minister for the Environment, that reports on progress against the recommendations made in the Minister's letter of November 2019.

**BACKGROUND**

- [4] In December 2019, ORC agreed to the work programme as set out by the Minister, in response to the investigation led by Professor Skelton under Section 24A of the Resource Management Act 1991. Part of that work programme requires six-monthly progress reports until the end of 2025.
- [5] The progress reports have been provided in April and October 2020, in March and September 2021, in March and August 2022, in March and September 2023, and in March and September 2024. The reports address the recommendations of the Minister, which are to:

- *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits;*
- *Develop and adopt a programme of work to achieve the following:*
  - *By November 2020, a complete review of the current Regional Policy Statement (RPS) that is publicly notified, with the intention that it is made operative before the review of its Land Water Regional Plan (LWRP) is notified;*
  - *By 31 December 2023, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units (FMUs), covering all catchments within the region.*
  - *Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the requirements in the National Policy Statement for Freshwater Management (NPS-FM).*

[6] In addition, the following matters were to be included as part of the six-monthly updates:

- *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity;*
- *Progress in achieving the [above] recommendations 1, 2 and 3; and*
- *A summary of freshwater resource consenting activity for the reporting period.*

[7] The eleventh report is now due. Unless updated directions are provided, the next and final report to the Minister is due in September 2025.

## DISCUSSION

[8] Since December 2019, staff have continued to work to implement the agreed work programme.

[9] A full report is appended in Attachment 1, but in summary, against the formal request above, the following has been undertaken:

- Progress has been made across the organisation to develop and improve organisational capacity and capability across planning, science, environmental monitoring, consents and compliance monitoring.
- ECOFund and incentive contestable funding opened in March, with over \$1 million available to support community groups to deliver environmental projects across the region.
- Mediation of the appeals on both the Freshwater and Non-Freshwater parts of the proposed Regional Policy Statement (pRPS) has been progressing well.
- Work on the draft Land and Water Regional Plan has been paused until a replacement National Policy Statement for Freshwater Management is issued.
- The Consents Team has processed all the Deemed Permit replacements. A summary of freshwater consenting has been prepared and is included in the attached report.

## OPTIONS

- [10] The options for Council are to accept the report, and update the Minister, in accordance with the previous Minister's recommendations. The report simply outlines the progress on work programmes, and improvements in capacity and capability.
- [11] Councillors could choose not to update the Minister and be in breach of their direction under Section 27 of the Resource Management Act 1991.

## CONSIDERATIONS

### Strategic Framework and Policy Considerations

- [12] The outcome of the Minister's review was to ensure ORC developed a fit for purpose framework for managing Otago's land and freshwater. This most closely aligns with Environment and Communities parts of the new Strategic Directions.
- [13] There are no particular policy considerations as a result of this paper. The policy considerations relate to the planning work programme and will be considered on a case-by-case basis, as the work programme is implemented.

### Financial Considerations

- [14] There are no particular financial considerations in relation to this paper. The report to the Minister can be accommodated within existing budgets and/or approved budget variations.

### Significance and Engagement

- [15] This paper does not trigger any requirements of He Mahi Rau Rika: Significance, Engagement and Māori Participation Policy 2021.

### Legislative and Risk Considerations

- [16] The Minister has requested a formal response under section 27 of the Resource Management Act. Section 27 *Minister May Require Local Authorities to Provide Certain Information* outlines the circumstances under which the Minister may request information and the criteria for local authorities to provide it.

### Climate Change Considerations

- [17] There are no climate change considerations from this paper or the report to the Minister.

### Communications Considerations

- [18] There are no specific communications considerations as a result of the report.

## NEXT STEPS

- [19] The next steps are to submit the report to the Minister.

**ATTACHMENTS**

- 1. April 2025 6 Monthly Report to the Minister [**7.4.1** - 9 pages]



X April 2025

Minister for the Environment  
Private Bag 18041  
Parliament Buildings  
**Wellington 6160**

via EMAIL: [P.Simmonds@ministers.govt.nz](mailto:P.Simmonds@ministers.govt.nz)

Dear Minister Simmonds,

#### **Report under section 27 of the Resource Management Act 1991**

In accordance with Minister Parker's letter of 18 November 2019, the following comprises the Otago Regional Council's report, in accordance with section 27 of the Resource Management Act 1991 (the Act) and the recommendations pursuant to section 24 of the Act. This report addresses:

- *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity; and*
- *Progress in achieving the [above] recommendations 1, 2 and 3 (copied below for ease of reference):*
  1. *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits;*
  2. *Develop and adopt a programme of work to achieve the following:*
    - i. *by November 2020<sup>1</sup>, a complete review of the current RPS that is publicly notified, with the intention that it be made operative before the review of its LWRP is notified*
    - ii. *by 31 December 2023<sup>2</sup>, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units, covering all the catchments within the region.*
  3. *Prepare a plan change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the*

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<sup>1</sup> Please note an extension of this date to 30 June 2021 as per a letter to ORC of 11 September 2020.

<sup>2</sup> Please note an extension of this date to 31 December 2027 as per a letter to ORC of 15 March 2024.

- requirements in the National Policy Statement for Freshwater Management; and*
- *A summary of freshwater resource consenting activity for the reporting period.*

**Progress Made in Developing Science, Planning, Consenting, Monitoring and Enforcement, and Land Management Organisational Capability and Capacity**

The following table outlines the particular improvements in each of the areas specifically identified in Professor Skelton's report.

<b>Area</b>	<b>What we advised in September 2024</b>	<b>Latest Update</b>
Science	<p>Science staff have completed the science supporting documents for the LWRP, and have provided support and review for the s32 report.</p> <p>A new Science Manager is being recruited due to a vacancy left by an internal promotion. Beyond this, the Science team has enjoyed a period of relative stability, with a new hydrologist due to start in October. The Principal Scientist role is being scoped, and the position is on track to be advertised in the coming months.</p> <p>All new roles created in the EM restructure have been filled. A preferred candidate selection process has just been completed to back fill a role left vacant as a result of an internal promotion within the team.</p>	<p>A Science Manager was appointed in September. The new Principal Scientist role was advertised in late 2024 and filled in February. Both of these appointments came via internal promotions. One of these has since been backfilled, with the appointment of a Team Leader in February.</p> <p>A Freshwater Ecologist role was vacated with these internal movements. The technical requirements of this position are currently being re-scoped given emerging needs across the science team.</p>
Planning	<p>The Policy team is at full capacity for the first time in a number of years, with two new Senior Policy Analysts being appointed. A third senior Analyst is currently performing the Project Manager role on a part-time basis.</p> <p>The Policy team continues to rely on planning consultants to ensure continuity during drafting and provide senior level capability and advice.</p> <p>Updates on the proposed RPS and Land and Water Regional Plan are provided further down in the report.</p>	<p>Staffing levels in the Policy team remain generally in line with those indicated in the previous report.</p> <p>Following the introduction of the Resource Management (Freshwater and Other Matters) Amendment Act 2024 in October 2024, work on the development of the draft Land and Water Regional Plan (LWRP) has been paused. Staff have been re-allocated to other projects (including reviews of the Regional Plan: Coast, Regional Plan: Air and Regional Pest Management Plan). The pause on the development of the draft LWRP has significantly reduced the reliance of the policy team on planning consultant support.</p> <p>Updates on the proposed RPS and Land and Water Regional</p>

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		Plan are provided further down in the report.
Consenting	<p>Staffing levels remain generally in line with those indicated in the previous report. Support is continuing to be provided by contractors for over-flow processing. However, the bulk of the workload is handled by internal staff with less than 10% of workload processed externally.</p> <p>Stakeholders and consultants have been kept regularly up to date on processing and resources available. This is through regular email updates and meetings.</p> <p>An update on consent processing is provided further down in the report. The number of applications remaining in the system relating to deemed permits processing has reduced greatly, with the team making excellent progress.</p>	<p>Staffing levels remain generally in line with those indicated in the previous report. Support is continuing to be provided by contractors for over-flow processing. However, the bulk of the workload is handled by internal staff with less than 10% of workload processed externally.</p> <p>Stakeholders and consultants have been kept regularly up to date on processing and resources available. This is through regular email updates and meetings.</p> <p>An update on consent processing is provided further down in the report. All deemed permits have been processed, with the last application granted in October 2024.</p>
Monitoring & Enforcement	<p>The compliance monitoring and investigations teams are fully staffed except for a vacancy for manager due to an internal promotion. A new Compliance Manager is joining the Council on 30 September. Business process, training and system improvements documented in previous reports are reflected in increased desktop compliance reviews, and on-site compliance audits and inspections.</p> <p>Appropriate formal enforcement action is being taken, as well as an increase in compliance monitoring and engagement/education activities, animal effluent, forestry, septic and wastewater discharges, residential earthworks, and other discharges to water.</p> <p>From 1 July 2023 to 31 July 2024, the most common RMA breaches that led to formal enforcement action related to discharges of contaminants into water (13% enforcement</p>	<p>The compliance monitoring and investigations teams are currently fully staffed except for one vacancy. We are beginning a round of recruitment shortly.</p> <p>The compliance monitoring and investigations teams are meeting or exceeding targets in relation to compliance reviews, audits and incident responses. In the period 1 July 2024 to 31 February 2025, ORC compliance staff completed 921 on-site consent audits, 210 dairy inspections and 36 forestry inspections.</p> <p>Appropriate formal enforcement action continues to be undertaken in all areas mentioned in the previous update along with education and engagement activities. In the period 1 July 2024 to 31 February 2025, the most common RMA breaches related to breaches of abatement notices (21% enforcement</p>

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	<p>actions), discharges to air or land (13% enforcement actions), and breaches of abatement notices (27% enforcement actions).</p> <p>In the 2023/24 year, ORC compliance staff completed 950 on-site consent audits, 408 dairy inspections and 53 forestry inspections.</p>	<p>actions).</p>
Land Management	<p>The land management function within the Environmental Implementation team is currently fully staffed. This includes the Catchment Advisor team, Integrated Catchment Management Team and Project Delivery Team.</p> <p>Within the Biosecurity team there are two roles which have been created to support work in this area. These roles will support delivery of the nationally funded wilding conifer and wallaby projects and a technical specialist has also been advertised to further support the strategic use of resources and the review of the Regional Pest Management Plan. The technical biosecurity specialist and project delivery specialist roles are vacant as well as one Biosecurity officer. The Team Leader Biosecurity role has been filled as has the Biosecurity Specialist marine and freshwater.</p> <p>On the ground community facing work continues with catchment advisors and community coordinators working in the Biosecurity space making new networks and supporting landowners to implement best practice. In addition, the project delivery specialists are managing large scale projects involving the community and mana whenua partners.</p> <p>Our ECOFund and incentive contestable funding round for 2023/24 was finalised with \$854,000 provided to support community groups delivering environmental projects across the</p>	<p>The land management function within the Environmental Implementation team has two vacancies currently, one Catchment Advisor which is a new role and one Catchment Action Planner. This team includes the Catchment Advisors, Integrated Catchment Management, Biosecurity, Funding and Project Delivery.</p> <p>On the ground community facing work continues with catchment advisors and biosecurity community coordinators making new networks and supporting landowners to implement best practice. In addition, the project delivery specialists are managing large scale projects involving the community and mana whenua partners.</p> <p>Our ECOFund and incentive contestable funding round for 2024/25 opened for applications on 1 March and closes 31 March 2025. There is over \$1 million contestable funding available to support environmental enhancement work across the region.</p> <p>The Integrated Catchment Management framework has been developed further. The pilot area for the development of a catchment action plan (CAP) in the Catlins is complete and has been endorsed. Work is underway in the Upper Lakes rohe on the development of a CAP with the co-ordination of a community working group by ORC staff with approximately 25 people from</p>

<b>Area</b>	<b><i>What we advised in September 2024</i></b>	<b><i>Latest Update</i></b>
	<p>region.</p> <p>The Integrated Catchment Management framework has been developed further. The pilot area for the development of a catchment action plan (CAP) in the Catlins is nearing completion with the CAP due to be presented to Council in November 2024. Work has also commenced in the Upper Lakes rohe on the development of a CAP with the co-ordination of a community working group by ORC staff with approximately 25 people from the Upper Lakes community participating.</p> <p>Ongoing business process and system improvements continue to enable staff to better undertake their work to ensure that data is accurate and relevant.</p> <p>The work on Freshwater Farm Plans is currently on hold. The CCCV for the North Otago area remains live and a draft CCCV has been developed for the Lower Clutha rohe, which went live in August 2024 but this has not been progressed while we wait for information. Mana whenua partners and stakeholders are provided ongoing updates and communications in this space which they have appreciated and are supportive of.</p>	<p>the Upper Lakes community participating.</p> <p>Ongoing business process and system improvements continue to enable staff to better undertake their work to ensure that data is accurate and relevant.</p> <p>The work on Freshwater Farm Plans is currently on hold. The Catchment Context Challenges and Values (CCCV) for the North Otago area remains live and a draft CCCV has been developed for the Lower Clutha rohe, which went live in August 2024 but this has not been progressed while we wait for information. Mana whenua partners and stakeholders are provided ongoing updates and communications in this space which they have appreciated and are supportive of.</p>

**Progress in achieving the specified recommendations**

Updates against the particular recommendations as outlined in the original letter is detailed below:

<b>Action</b>	<b>What we advised in September 2024</b>	<b>Latest Update</b>
<i>By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it be made operative before the review of the LWRP is notified</i>	<p>Council made decisions on the freshwater and non-freshwater parts of the PORPS on 27 March 2024.</p> <p>Nineteen appeals were lodged with the Environment Court on the non-freshwater planning instrument parts, and the High Court received five appeals on the freshwater planning instrument parts. A number of submitters have joined the appeals as interested parties.</p> <p>The parties have agreed to mediation with the aim of resolving appeal points, which would avoid the need for a court hearing. The freshwater mediation, facilitated by a private mediator, occurred in the week beginning 19 August. The Environment Court-assisted non-freshwater mediation will begin in November 2024 and is programmed to finish in May 2025. Appeal points not resolved through mediation will be heard before the High Court (for freshwater appeals) and the Environment Court (for non-freshwater issues).</p>	<p>Mediation of the appeals on the freshwater parts of the proposed RPS was completed in 2024. The majority of appeal points were resolved through mediation, and there is only one outstanding appeal point to be heard before the High Court. This has been set down for a hearing later in 2025.</p> <p>The Environment Court-assisted non-freshwater mediation began in November 2024 and is on track to be completed by May 2025. Many of the appeal points have been resolved through mediation, and consent memoranda and draft consent orders will be lodged with the Environment Court in due course. Unresolved appeal points will be set down for hearing in the Environment Court.</p>
<i>By 31 December 2023, a new LWRP for Otago that includes objectives, strategic policies, region-wide activity policies, &amp; provisions for each of the FMU's, covering all catchments within the</i>	<p>The drafting team updated the draft Land and Water Regional Plan (LWRP) provisions to reflect feedback received during the first stage of pre-notification consultation (under clause 3 of Schedule 1, RMA). The second stage of pre-notification consultation (under clause 4A of Schedule 1, RMA) with iwi authorities, occurred from 15 July to 9 August. The section 32 report has continued to develop, with the following outputs being incorporated:</p> <ul style="list-style-type: none"> <li>- The science programme</li> <li>- The economics work programme</li> </ul>	<p>A draft Land and Water Regional Plan and section 32 report were prepared and ready for a council decision on whether to notify the plan in October 2024. Following changes to section 80A of the Resource Management Act in October 2024 that prevent regional councils from notifying freshwater planning instruments, the Land and Water plan work programme has been paused. Council staff are providing advice in response to the request from Ministry for the Environment officials on the development of the replacement National Policy Statement for Freshwater</p>

<b>Action</b>	<b>What we advised in September 2024</b>	<b>Latest Update</b>
<i>region</i>	<ul style="list-style-type: none"> <li>- Feedback received from communities during three public and stakeholder engagement processes (in 2020/21, 2022, and 2023)</li> <li>- Feedback received from pre-notification consultation processes</li> </ul> <p>Council workshops are planned, including one in late September and the other in early October to ensure that Councillors have the opportunity to become familiar with the provisions and the section 32 report before they make their decision about whether to notify the proposed LWRP, which is scheduled to occur in October 2024.</p>	<p>Management.</p> <p>Staff have identified the key unintended consequences of the legislative changes preventing the notification of freshwater planning instruments, and provided options for addressing these consequences. Council received the advice on 19 March 2025, and opted to request that you undertake a legislative amendment to address the unintended consequences.</p>
<i>Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning &amp; consenting framework to manage freshwater up until the time that new discharge &amp; allocation limits are set, in line with requirements in the NPSFM.</i>	<p>Plan Change 7 is fully operative and is part of the Regional Plan Water. This provides the interim consenting framework referred to in the 2019 recommendations.</p> <p>The Consents Team has processed the majority of the Deemed Permit replacements. There is one deemed permit application remaining and it is being processed in line with the agreed staging plan. Processing in line with the staging plan has allowed for the applications in similar areas to be processed at the same time and to ensure consistency. Most applicants used the controlled activity pathway provided by the rules, with some using the restricted discretionary pathway.</p>	<p>Plan Change 7 is fully operative and is part of the Regional Plan Water. This provides the interim consenting framework referred to in the 2019 recommendations.</p> <p>The Consents Team has now processed all Deemed Permit replacements.</p>

**Summary of Freshwater Resource Consenting Activity for 1 September 2024 – 28 February 2025**

The following is a summary of the freshwater resource consenting activity for the reporting period:

- Between 1/9/2024 and 28/2/2025, the Otago Regional Council received 86 applications for water take consents. These applications are being processed as 93 separate resource consents, with 50 for taking groundwater and 43 for taking surface water. Of the 86 applications, 0 relate to the replacement of a Deemed Permit.
- From the 86 applications lodged between 1/9/2024 and 28/2/2025, Council issued 63 resource consents, 34 for taking groundwater and 29 for taking surface water. Of the remaining 30 resource consents, 17 are currently being processed and 13 have been rejected, withdrawn or were not required.
- The Council also issued a further 52 resource consents relating to applications lodged before 1/9/2024. These include 13 resource consent for taking groundwater and 39 for taking surface water. Of the 52 resource consents issued, 17 related to the replacement of 19 Deemed Permits.
- In total, the Council is currently processing 27 applications for water take consents. These applications are being processed as 28 resource consents, with 14 for taking groundwater and 14 for taking surface water. Of the 27 applications, 0 relate to the replacement of Deemed Permits.
- Between 1/9/2024 and 28/2/2025, three applications relating to taking water were publicly notified, and five were limited notified.
- There are currently no active Deemed Permits in the Otago Region.
- No new appeals relating to decisions on an application for new water permits relating to deemed permit, have been lodged with the Environment Court.

**Conclusion**

ORC, along with our iwi partners, have made considerable progress on addressing the recommendations arising from Professor Skelton's review. However, work on the development of the draft Land and Water Regional Plan has been paused following the Resource Management (Freshwater and Other Matters) Amendment Act 2024 in October 2024. Unless otherwise advised, the final six-monthly report will be due to you in September 2025.

In the interim, if you have any questions or need further clarification, please do not hesitate to get in touch with Fleur Matthews ([fleur.matthews@orc.govt.nz](mailto:fleur.matthews@orc.govt.nz); or 027 257 0813).

Yours sincerely

Richard Saunders  
**Chief Executive**