

# Council Agenda 25 February 2026

Meeting will be held at Council Chamber, Phillip Laing House, Level 2, 144 Rattray Street, Dunedin, Otago, and live streamed at [ORC YouTube](#)



## Members:

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

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

25 February 2026 01:00 PM

## Agenda Topic

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#### 1. WELCOME

#### 2. APOLOGIES

No apologies received at the time of printing.

#### 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 Register of Member's Pecuniary Interests](#) can be found on the ORC Website.

#### 6. CONFIRMATION OF MINUTES

There are no minutes available for this agenda at the time of publishing.

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	This report enables Council to formalise a draft position on changes to the financial forecasts and work programmes contained in the Otago Regional Council Long-Term Plan 2024-34 (LTP) for year three, which is 2026-27.	
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9.4	<a href="#">Otago Local Authorities Triennial Agreement 2026-2029</a>	168
	This paper invites Council to ratify the Otago Local Authorities Triennial Agreement 2026-2029 (the Agreement).	
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	The purpose of this report is to seek Council feedback and approval for a strategic events programme for the triennium.	
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	This paper outlines Council position on eInvoicing and prompt payment practices following a request from the Minister for Local Government for Council's to adopt eInvoicing and prompt payment practices.	
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	This report provides an update on rates struck for the 2025/26 financial year including rates paid by 31 October 2025 and penalties charged on 1 November 2025.	
10.	<b>NOTICES OF MOTION</b>	
	No notices of motion had been submitted at the time of publishing.	
11.	<b>RESOLUTION TO EXCLUDE THE PUBLIC</b>	199
	Recommendation that the public be excluded from the following parts of the meeting: 2025.12.09 PE Council Minutes Draft TRN2601 Decision on Electric Charging Depot in Queenstown	
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12.	<b>CLOSURE</b>	

Meeting Date	Document	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
26-11-2025	Council Meeting - 26 November 2025	GOV2626 Process for developing the Annual Plan 2026-27 (LTP Year Three)	In Progress	CM25-235: Directs the Chief Executive to prepare a draft Annual Plan 2026-27 work programme and budget that has zero increase (0%) in total rates for Otago's ratepayers.	General Manager Strategy and Customer	29/01/2026 General Manager Strategy and Customer Workshop held on 3 December 2025 that presented a draft workplan with a zero total rates impact for 2026/2027. Next step is a workshop on 12 February, then consideration of draft at Council on 25 February.	31-03-2026

## 8.1. Chairperson's Report

**Prepared for:** Council  
**Author:** Chair Hilary Calvert  
**Date:** 25 February 2026

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### RECOMMENDATION

*That the Council:*

- 1) **Notes** this report.

### INTRODUCTION

- [1] 2026 has seen a busy start to the year with Council focused on responding to the three large-scale reform processes currently underway.
- [2] Councillors have also been focused on identifying key priorities ahead of the impending reforms, to ensure continuing value for our communities and to inform planning for the 2026/2027 Annual Plan.

### COUNCIL BUSINESS

- [3] The first “Values” Working Party meeting took place on 14 January 2026, with Cr Laws, Wilson, Malcom and Byars meeting to discuss strategic priorities for next two years.
  - [4] Council has been occupied with staff presentations and councillor discussions to support the formulation of submissions on the Local Government, Civil Defence and Emergency Management, and the Resource Management Act reform processes.
  - [5] The Deputy Chair attended a Local Government New Zealand (LGNZ) presentation on Simplifying Local Government. This provided the regional sector with an opportunity to discuss the proposed reform process and engage with DIA’s Executive Director – Simplifying Local Government, Hemi Smiler.
  - [6] The first Port Otago Liaison Group meeting for 2026 of the took place on 29 January, with discussions focused on the building of the relationship between the new Council and Port Otago, the upcoming letter of expectation process and future director appointment processes.
  - [7] On 2 February, the Chair, Deputy Chair and Chief Executive met with the Partnership Director from the Department of Internal Affairs Central and Local Government Partnerships Group for a further update on Simplifying Local Government.
  - [8] The Deputy Chair attended an LGNZ Regional Sector meeting on 3 February.
  - [9] The Chair met with the Mayor of Dunedin Sophie Barker to progress information sharing prior to arranging a further joint councillors meeting between the DCC and the ORC.
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## OTAGO MAYORAL FORUM

- [10] Melanie Tavendale, Mayor of Waitaki, was elected to the role of Otago Mayoral Forum Chair at the 5 December meeting.
- [11] The Forum reflected on the recent Government announcement on local government reform, and its implications for the role and work of the Otago Mayoral Forum in the coming years. Under the Government's proposal, the region's mayors would collectively take on significant new functions.
- [12] The Otago Local Authorities Triennial Agreement 2026-29 is the foundation document for Otago's cross-council framework. Members approved the proposed agreement for councils' ratification in 2026.
- [13] The proposed triennial agreement envisages that the Otago Mayoral Forum is responsible for confirming regional focus areas and a direction of travel for each. Forum members agreed to receive a 'long list' of possible regional focus areas at their next meeting in March 2026, with meeting papers provided earlier than usual so that input from Councillors can be sought.

## STAKEHOLDER AND COMMUNITY ENGAGEMENT AND EVENTS

- [14] The Chair, Deputy Chair or alternate attended the following events:
- Opening of the Tāhuna Queenstown Depot (Cr Neil Gillespie for the Chair)
  - Opening of the Wānaka Depot (Deputy Chair Cr Kevin Malcolm for the Chair)

## RECENT MEDIA ENGAGEMENT

- [15] Media monitoring tracking relating to the Chair included:

### January 2026

- Community survey underway for Otago Regional Council - *The Central App* - 27 January.
- ORC community survey underway - *Wānaka App* - 26 January.
- ORC Community Survey Is Underway - *Auckland Scoop* - 25 January.
- Aim for ORC to be best council it can be – *Otago Daily Times (print)* - 16 January.
- Local Government reform legislation won't be passed until mid-2027 - *The Central App* - 15 January.
- Councillors to discuss plan to get rid of councils - *Otago Daily Times (print)* - 13 January.
- ORC meeting to work out Local Government reform submission - *The Central App* - 13 January.

### February 2026

- Survey edited for higher uptake - *Otago Daily Times (online)* - 5 February.

- Issues raised around ownership and stewardship by the ORC of the assets of Port Otago - *Otago Daily Times (print)* – 10 February.

## KEY CORRESPONDENCE TO AND FROM THE CHAIR

### [16] Letters:

- 21 November 2025: Response from Hon Mark Patterson regarding mobile communications infrastructure across Otago and Southland
- 5 December 2025: Thank you letter to Jeff Grant and Clare Hadley, Manuherikia River Ltd
- 5 December 2025: Thank you letter to Mayor Barker, Dunedin City Council
- 15 December 2025: Meeting request to Ministers Bishop and Watts regarding ORC and Government reforms
- 15 and 18 December 2025: Email responses from Minister Watts
- 16 December 2025: Letter to Ministers for Education and Transport regarding education and transport issues
- 17 December 2025: Email response from Minister Bishop
- 18 December 2025: Response from Jeff Grant, Manuherikia River Ltd
- 13 January 2026: Congratulatory letter to Gail Thompson, Member of the New Zealand Order of Merit
- 19 January 2026: Congratulatory letter to Edward Ellison, Honorary Doctor of Laws.

## ATTACHMENTS

1. 2025-11-21 Letter to Hilary Calvert from Hon Mark Patterson [**8.1.1** - 1 page]
2. 2025-12-05 Thank you letter to Jeff Grant and Clare Hadley - Manuherikia visit [**8.1.2** - 1 page]
3. 2025-12-05 Thank you Letter to Mayor Barker (DCC) [**8.1.3** - 1 page]
4. 2025-12-15 ORC Letter to Ministers for Education and Transport [**8.1.4** - 24 pages]
5. 2025-12-15 Meeting Request to Min Bishop & Min Watts re ORC Government Reforms [**8.1.5** - 1 page]
6. 2025-12-15&18 Email response from Min Watts re OR C's request to meet [**8.1.6** - 1 page]
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9. 2026-01-19 Edward Ellison Honorary Doctor of Laws [**8.1.9** - 1 page]

# Hon Mark Patterson

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Minister for Rural Communities  
Associate Minister of Agriculture  
Associate Minister for Regional Development



21 NOV 2025

MIN25-0959

Hilary Calvery  
Chief Executive and Chairperson Otago Regional Council  
By email: Kim.Wainscott@orc.govt.nz

Dear Hilary,

Thank you for your letter of 6 November 2025 regarding mobile communications infrastructure across Otago and Southland. I also acknowledge Environment Canterbury for writing in support of your letter which reinforces the importance of improving connectivity for rural regions. I appreciate the Councils raising these issues, which are critical for rural communities, particularly in the wake of recent severe weather events.

I share your concerns about the resilience of mobile networks and emergency communications. Having been in the region during the recent storm response, I saw firsthand the challenges when connectivity was disrupted. These experiences have reinforced my commitment to advocating for stronger mobile network resilience in rural areas.

To that end,

- I have written to Hon Paul Goldsmith, Minister for Media and Communications, to advocate for improvements with rural cell towers and the vital role local radio stations play in an emergency.
- I have kept in regular contact with Hon Mark Mitchell, Minister for Emergency Management and Recovery, to ensure emergency management response take account of rural connectivity needs.
- I am also working closely with Jenny Marcroft MP, Parliamentary Under-Secretary to the Minister for Media and Communications, to maintain momentum on these issues.
- In addition, I recently met with One New Zealand (OneNZ) to discuss how providers can be more flexible during emergencies and improve alternative solutions.

Please be assured that I am actively advocating for rural communities to receive the attention and investment required to improve resilience across connectivity. I welcome ongoing engagement with Otago Regional Council to identify practical steps and solutions that will strengthen connectivity and emergency preparedness.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Patterson'.

Hon Mark Patterson  
**Minister for Rural Communities**

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand | +64 4 817 6828 | m.patterson@ministers.govt.nz



*From the Office of the Chairperson*

5 December 2025

Jeff Grant  
Chair, Manuherikia River Ltd  
[jeff.julia@xtra.co.nz](mailto:jeff.julia@xtra.co.nz)

Clare Hadley  
General Manager, Manuherikia Catchment Group  
[gm@mcg.org.nz](mailto:gm@mcg.org.nz)

Dear Jeff and Clare,

**Otago Regional Council Visit to Manuherikia**

I am writing to express our appreciation and gratitude to you both, your Board members, and Kate Scott, for hosting the Otago Regional Council in the Manuherikia catchment on Thursday 27 November 2025.

You took time out of your busy days to demonstrate the work of the Manuherikia River Ltd Board, and the Catchment Group, and to highlight the challenges for rural water users in the region. It was really helpful for our councillors to have an updated understanding on what the Board's aspirations are, the options for getting there, and the role Otago Regional Council has.

We also appreciated the tour of the region, including Falls Dam, which helped our new councillors in particular get a good appreciation of the catchment. It was also a good opportunity for more in-depth discussions with your board members and Roger about how Falls Dam operates and water is managed in the scheme.

We look forward to continuing to work with you this triennium,

Thank you

A handwritten signature in blue ink, appearing to read "Hilary Calvert".

Cr Hilary Calvert  
**Chairperson**  
**Otago Regional Council**



*From the Office of the Chairperson*

5 December 2025

Sophie Barker  
Mayor  
Dunedin City Council  
[mayor@dcc.govt.nz](mailto:mayor@dcc.govt.nz)

Dear Sophie,

**Re: Thank you**

I am writing to say thank you for the beautiful flowers you dropped off for Otago Regional Council on 28 November 2025.

We appreciate your thoughtful gesture and value the working relationship we have with our Territorial Authority colleagues across Otago.

The reforms proposed by Central Government will keep us working closely together over the coming years, no doubt.

Best regards,

A handwritten signature in blue ink, appearing to read "Hilary Calvert".

Cr Hilary Calvert  
**Chairperson**  
**Otago Regional Council**



15 December 2025

To: The Honourable Erica Stanford, Minister for Education  
[E.Stanford@ministers.govt.nz](mailto:E.Stanford@ministers.govt.nz)  
 The Honourable Chris Bishop, Minister for Transport  
[c.bishop@ministers.govt.nz](mailto:c.bishop@ministers.govt.nz)

CC: Joseph Mooney MP for Southland  
[joseph.mooneymp@parliament.govt.nz](mailto:joseph.mooneymp@parliament.govt.nz)  
 Mayor John Glover, Queenstown Lakes District  
[john.glover@qldc.govt.nz](mailto:john.glover@qldc.govt.nz)

Dear Ministers Stanford and Bishop

**Re: Education and Transport Issues**

Officials from the Ministry of Education have recently undertaken a review of the school bus services in the Wakatipu Basin, Queenstown, with services to and from five schools (four primary, one secondary) to be dramatically changed.

The schools have responded directly to Ministry staff, outlining specific flaws in the review's findings, including concerns about student safety and the unsuitability of the public transport network, both of which have not been adequately considered. Otago Regional Council staff have also communicated with the Ministry about the lack of capacity within, and routing of, the existing public transport services to meet the demand these changes would create.

These changes are simply wrong and will put additional pressure on an already strained commuter environment, create additional barriers to school attendance, and create an unacceptable health and safety risk for children.

All points already raised by the schools to your officials are valid, and we have attached some of those for you (from Wakatipu High School and Queenstown Primary School), so that you can understand the scale and impact these changes will have. We would like to emphasise that Ministry officials have failed entirely to understand the reality of the Queenstown transport network in the following ways.

1. **Reducing any bus services is wasting government money**

NZTA is currently spending hundreds of millions of dollars on roading upgrades at Frankton (SH6) and Ladies Mile to address traffic congestion caused by extensive housing and population growth.

These upgrades are primarily to assist peak-time traffic flows, including school-time travel. Any Ministry decision that increases private vehicle use undermines this



investment, making it harder for every person who travels through and around the Whakatipu Basin.

**2. The review claims to be built on efficiencies but has overlooked the inefficiencies it will create for multiple groups**

If implemented, the removal of school bus services will result in crowding on buses for students and the public, potentially deterring usage across the community, reducing the appeal of bus travel and pushing more families towards private vehicles. It will also create inefficiency through congestion, impacting productivity and increasing costs for parents required to transport their children.

**3. Duplicate services are not in place and safety will be compromised, especially for primary students**

Currently the movement of students between bus stops and the school doors is controlled and accounted for by teachers - with data shared with parents as to what bus each student is on. This system ensures students, including our 5-year-olds and upwards get on the right bus at the right time. While this takes a lot of time for schools, they understand its importance for wellbeing, safety and a good school experience.

As the public bus routes for primary schools do not duplicate the current school service, this means at best, teachers will be required to guide students to get them to the alternative bus stops. In the instance of Queenstown Primary School there are over 120 students, requiring 6-8 teachers, to walk them to the downtown bus stop, then waiting for 2-3 different bus services over 45- 60 minutes to ensure all students are safely onboard buses. This is a significant ask of teachers, who already have overlapping demands on them – and creates less availability for teachers to meet with students/parents, and to coach sports/cultural activities after school. The pressure on teachers will look like longer working days and less effectiveness and more stress for teachers.

In addition, schools locally provide a duty of care for school bus services that includes on-bus behaviour. This means poor behaviour on the school bus can result in school disciplinary action, and the monitoring also provides support and a level of control for bus drivers as well as other students, on the back of direct relationships between schools and transport providers.

**4. School bus warning signage**

There is inherent benefit associated with school buses when considering the ability for school pupils to safely disembark from buses and get into schools. Both local drivers and in particular tourists, benefit from the 20km/hour speed restriction signs for school buses. The removal of school services would result in the removal of the reduced speed limits and would greatly heighten risks to students accessing buses.



### 5. Travel times during winter daylight hours and weather

The review has also failed to consider the unique local context associated with the winter conditions experienced in Queenstown. Whilst the community here is reasonably hardy, the reality is that withdrawal of school services will ultimately mean an increased travel time for students. In winter, when sunrise is later and sunset is earlier than Wellingtonians are familiar with, this will mean that students would need to leave home in the dark. For those that need to transit at the Frankton bus hub, they're likely to also get home after dark.

So, whilst the earnest efforts of your officials to seek efficiencies and value for the Government may appear admirable to some, in this instance the recommendations have completely missed the mark.

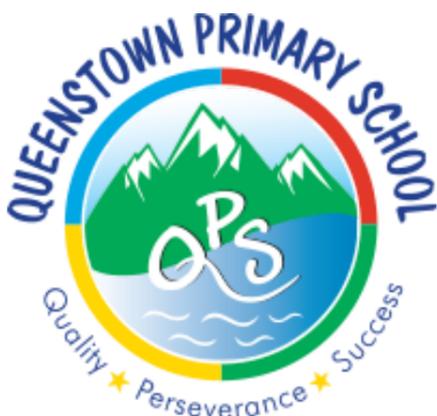
We realise that reviews are necessary on a regular basis, but this one is entirely ill-timed and ill-informed. Any departure from the current provision of MoE services should be delayed, at least until the conclusion of the government's major roading network upgrades which are programmed to end in 2029. After that, we urge you to ensure a future review involves a collaborative approach from the start - not at the end - with transparent discussions between MoE, schools and public transport providers.

We invite you to visit Queenstown early in 2026 to understand the impact on the ground of the review and meet with us and our public transport managers, local school principals and local councillors to wholly understand the scale and impact of the situation.

Regards

Four handwritten signatures in blue ink, corresponding to the names listed below.

Gary Kelliher, Matt Hollyer, Michael Laws and Neil Gillespie  
**Councillors of the Dunstan Ward, Otago Regional Council**



19 September 2025

**To:** School Transport Southern Team, Ministry of Education  
c/- ST.Southern@education.govt.nz

**Subject: Feedback – Proposed Withdrawal of Dedicated School Bus Services in Queenstown**

Dear Tracey and James,

I am writing to express serious concerns regarding the Ministry's proposal to withdraw dedicated school bus services to Queenstown Primary School on the basis that "suitable" public transport is available. Detailed analysis of the current public bus network shows this is not the case, as is detailed below. Removal of school buses at this time will have severe negative impacts on student attendance and educational outcomes, as well as student safety. There is no capacity on the public bus network to accommodate school students, a high potential for significant injury or harm for students travelling to and from the Stanley Street bus stop, and an inadequate provision of safe waiting spaces.

The majority of Queenstown Primary School students who use the school bus service are attending their closest primary school and meet the eligibility criteria for school travel assistance.

We have collected feedback from the school community and gathered information on existing public bus schedules, capacity, bus stops, and public infrastructure projects to inform our decision. Our submission on the proposal is as follows:

**1. Capacity & Reliability Issues**

- There are 220 students registered on the affected school buses (e.g. Arthurs Point, Fernhill, Lake Hayes Estate and the transfer bus). These buses are almost always full, are usually "packed three to a seat" with 60+ children daily on each bus, proving they are well used and essential. See Figure 1 and 2.
- The 'suitable' public buses (No. 4 from Arthurs Point, No. 1 Fernhill routes and No. 5 from Lake Hayes Estate) are already at, near or over capacity at peak times with adult commuters, often with standing room only. Figures 1, 2, and 3 below demonstrate the full bus stops, school bus and the #4 Arrowtown to Queenstown 8.19 am public bus. See Figure 3.



Figure 1: Friday 12<sup>th</sup> September 2025 primary school children boarding Arthurs Point school bus.



Figure 2: Friday 12<sup>th</sup> September 2025 full Arthurs Point school bus, three children to many seats.



Figure 3: 9<sup>th</sup> September No 4 8.19 am Public Bus

## 2. Suitability of Public Transport - Capacity vs Frequency

- Nine school buses are proposed to be withdrawn, and all are at or beyond capacity. The Queenstown public bus service has five routes, with buses scheduled every 30 minutes at school travel times on all routes except the No 1 bus which has 15 minute frequencies. High school and primary students on these routes will have only one bus option to catch to arrive at school on time. Under the MoE proposal, students who currently use the nine school buses are expected to transition to one of five public buses.
- The public buses are already at capacity at the times required for students to travel to and from school. Public bus frequency **needs to double at a minimum** to ensure **sufficient capacity** for the additional numbers of students who will be using the bus. **Capacity needs to increase** before the Public Transport provision can be considered suitable.

## 3. Suitability of Public Transport - Reliability & Safety

- Queenstown is a resort town with unique geographical characteristics that significantly impact its public transport network. Frankton Road (SH6 and SH6a) is the main road that services the affected schools. Three of the five public bus routes traverse Frankton Road (SH6). All five bus routes pass through the Frankton interchange. Frankton Road and the Interchange are heavily congested at morning and afternoon peak times. School buses regularly run late in the afternoon, with parents advised via digital communications. Removing the safety net of school communications puts our young people at risk.
- Waka Kotahi and QLDC are currently upgrading the Frankton Interchange, and are one-year into a four-year construction programme. These construction works cause significant disruption and congestion at a point where all five public bus routes travel through further increasing delays in travel.
- The Frankton Interchange upgrade has required several temporary bus stops and detours, with limited pedestrian access and reduced waiting space. This puts young children at risk in a heavily congested area.

- Collectively, these issues result in an unreliable provision of public transport. For example, the No 4 bus, which would replace the Arthurs Point regularly arrives over 15 minutes late, and sometimes does not turn up at all.
- Congestion on Frankton Road and at the Frankton Interchange will be compounded by the removal of school buses as there will be a significant increase in the number of cars on the road at peak times due to more parents driving children to school. Congestion and subsequent unreliability of the public buses will get worse.

**Note:** The current Frankton Interchange upgrade will deliver improved public transport from 2027 onwards. Otago Regional Council has a planned increase to 15 minute frequencies on all bus routes in 2027.

#### 4. Bus Stop & Street Design Issues - Safety

Many of the public bus stops have not been explicitly designed as waiting areas for large groups of people.

1. The closest public bus stop to Queenstown Primary School is located on Gorge Road and is a bus stop sign, on a narrow footpath (<1m width) with no dedicated waiting area. Figure 4 below shows two students waiting at this stop. This is not safe or suitable.



Figure 4: Closest bus stop to Queenstown Primary for Arthurs Point children travelling home.

2. The majority of students travelling to Fernhill/Sunshine Bay and Arthurs Point (n=150) will need to wait at the Stanley Street bus stop immediately outside Super Liquor. This bus stop has one bus shelter, with a <1m footpath width, shown in

Figures 5-8. Students will be waiting here for long periods of time and due to the high number of students will likely be required to wait on the vehicle forecourt of Super Liquor. This poses a significant risk to students and pedestrians.



*Fig. 5: The Arthurs Point and Fernhill Bus students waiting at the Stanley Street bus stop*



*Fig 6: 75 students blocking the narrow footpath, forcing pedestrians into the bus lay-by*



*Fig 7: Safety implications of narrow footpath near the bus stop*



*Fig 8: Alternative waiting space - the vehicle forecourt of a liquor store*

3. A Road Safety Audit (RSA) has been undertaken by a qualified transport engineer, John Lieswyn from Via Strada. The RSA has identified several issues with the surrounding roads that make it difficult for students to access public transport. These issues include incomplete footpaths, narrow footpaths and missing or

inadequate crossing points. The RSA document has been provided to QLDC to guide future low cost/low risk improvements needed to ensure students can safely travel to and from school. This document is attached (**Attachment 2**).

## **SUMMARY OF PARENT FEEDBACK**

(full parent feedback included as Attachment 1)

### **1. Safety Concerns for Children**

- Primary-aged children (5–10 years) cannot safely walk to and from the two nearest public bus stops ( Stanley St, Boundary St) to Queenstown Primary. These routes require crossings of busy intersections that do not have controlled crossings and cannot accommodate large numbers of pedestrians.
- The majority of the affected bus stops lack safe waiting areas that can accommodate large numbers of people and appropriate shelter for students waiting for extended periods of time.
- Parents value the current sign-off system on school buses and adult supervision which ensures children are safe and accounted for – this cannot be replicated on public services.
- Mixing young children with adult commuters raises genuine safeguarding concerns.

### **2. Capacity & Reliability Issues**

- The public bus will not stop if it is full. The waiting students may be stranded, late for school, and left in unsafe situations at the side of the road or at an over-capacity busy bus hub.
- This will directly impact attendance, an MoE requirement. This undermines the Ministry's focus on improving attendance and our Attendance Action Plan. This will affect up to 220 students every day, which is the equivalent 34% of our roll.
- Current facilities do not provide adequate shelter or space to accommodate large numbers of children, particularly at peak times. Morning buses operate during the commuter rush.

### **3. Traffic Congestion & Environmental Impact**

- Removing school buses will force parents to drive, adding hundreds of extra cars into already gridlocked school zones and central Queenstown at peak times.
- This undermines local and national goals to reduce emissions and car dependency.
- The changes directly contradict the government's push to improve school attendance, as transport becomes harder, not easier.

### **4. Economic & Equity Considerations**

- Families already under cost-of-living pressure will face new financial burdens with public bus fares, parking fees, and fuel costs.
- Parents will lose valuable work time transporting children, reducing productivity and putting stress on employers and households.
- Whānau wellbeing will be impacted by 105 children being forced to change schools to areas where real estate costs are not affordable.

### Recommendations

- Immediate review: Pause the withdrawal pending a thorough needs assessment of the steps needed to ensure a safe transition for students using the bus.
- Capacity analysis: Evaluate actual versus required capacity for each route during peak times.
- Interim measures: Continue dedicated services where public options are lacking (Arthurs Point, Arrowtown, Lake Hayes/Shotover and Fernhill).
- Work with the QLDC and ORC to align timing of removal to occur after required upgrades and planned increased capacity to ensure the public bus network is 'suitable'.
- Monitoring framework: Track attendance impacts and reconsider the withdrawal if outcomes worsen.

### Conclusion

Public transport and public transport street infrastructure in Queenstown is not currently "suitable" for supporting students at Queenstown Primary School. Many students have no alternative to a school bus and there are significant health and safety risks with the current provision of Public Transport. Therefore, withdrawing dedicated school buses would trigger an attendance crisis and undermine the Ministry's stated educational objectives. A more significant issue is the potential for serious injury of a student due to the lack of safe pedestrian access to the public bus and the dangerous environment at the Stanley Street bus stop.

We request an urgent review of the Ministry of Education's proposal to better align with the completion of the Frankton Interchange upgrade and ORC intended increase in bus frequency from 2027 and to allow QLDC time to make required safety upgrades at the public bus stops.

I welcome the opportunity to discuss this further and await your response.

Yours sincerely,

Fiona Cavanagh

Principal

### Attachment 1- specific feedback comments

The following response is direct feedback that has been provided to us from members of our school community.

Our children take the Arthur's Point to Queenstown Primary School bus, they are Y2 & Y4. QPS is our closest school. The bus has been a great asset to allow our children independence to go to & from school, plus less stress for us as parents with the congestion & traffic issues around school especially at 3pm. Although we have a public bus route the afternoon timetable isn't that compatible, the bus is often running very far behind schedule due to the towns traffic issues & then the stops aren't near school. In the morning the nearest stop at Stanley St requires multiple crossings on busy intersections & then the nearest afternoon stop on Boundary St has no shelter & limited space for children to wait for the 3.30pm bus that can be 20min+ late. Children this age don't have smartphones to check that the bus is running behind schedule, let alone the safety aspect of having unaccompanied young children on a bus. Arthur's Point is too far for a child to walk or bike who's the age of our children. So we are left with no other option than to drive them to & from school, adding to the towns congestion issues & not doing our bit for the environment either. I agree that it's not fair that the MoE pays for these buses, when the benefits are more to the community of reducing traffic. This is something that Waka Kotahi, ORC & QLDC benefits from & potentially should contribute financially. For a government who wants to increase school attendance, making it harder to get to school seems to go against this objective. One outcome of having a school bus is it helps to build better communities with the local parents & kids getting to know each other through the bus stop which you don't get in the same way driving the kids to & from school. It's disappointing & shortsighted to remove so many bus routes. A bus route like our Arthur's Point route must be a lot more affordable than many others with a short route, only a couple of stops and a bus that always fully packed, often beyond capacity.

Queenstown already has a chronic traffic problem especially around peak/ school times due to too many new subdivisions without more roading and 3x more tourists than residents. We also have a useless public bus service which runs supposedly every 30 minutes but is often 20+ minutes late with full buses at peak times and empty buses most of the other hours. Buses don't stop for school students if they're full, making students late to school! If school buses are removed for primary schoolers (secondary I understand) then children are not only at risk of predators on public buses but so many parents who fear this will drive and completely clog the local roading more than the daily near standstill we already have.

I hope you're well. As a resident of Queenstown and a parent, I'm reaching out to express my concerns about the planned discontinuation of school bus services in our area. The school bus system has been an integral part of our community, ensuring that children have safe and reliable transportation to and from school. Its removal will not only inconvenience families but also contribute to the already severe traffic congestion in Queenstown. Given the unique challenges our town faces, I believe it's essential to maintain these services or find suitable alternatives that won't burden families or the environment. Additionally, the school bus service saves me about an hour and a half each day. This time is crucial for me to focus on my business, which contributes to the local economy. I kindly ask for your support in advocating for the continuation of school bus services in Queenstown. Thank you for your time and consideration.

It is hugely disappointing that MoE is considering cancelling these well used services. My children are on the Arthurs Point bus which is packed 3 to a seat almost every day. The public bus stop on Stanley Street is too far from the school for junior/middle school students to safely walk to and from school. I would be much more comfortable putting my child on a public bus if there was a bus stop on Robins Road. Also, students are currently signed off in the bus line in the afternoon so parents know their child is safely accounted for between the end of school and arriving at their home bus stop. I'm not sure this would be practical with a public bus stop away from school grounds. Public buses can be held up along Frankton Road (particularly in winter with ski traffic) so young children could be left stranded at the bus stop on Stanley Street at the end of the day for long periods of time with no way of knowing when it will show up (too young for a cell phone). I believe there is also a lower legal limit on the number of people allowed on a public bus compared to a school bus. The current public bus from Arthurs Point already has 20+ adults on it in the morning, plus 60+ school kids means 2 buses will still be required, or children will be left at the bus stop if it is at capacity and will be late for school. Currently the public bus comes every half an hour during peak times which is not suitable if children (and the general public) can't fit on a full bus. The end result of parental concerns over the public bus system is that many more parents will drive their children to and from school, adding to already gridlocked streets and limited space in the pudo zone and further increasing pressure on parents juggling short school days compared to a standard working day. The increase in traffic across the district will also not just impact students and parents, every single user of the local road system will be negatively affected, particularly when taking into account all the terminated school bus routes across the district (not just QPS). Finally, many families are already struggling financially with the increased cost of living. Having to pay for bus fares (which are also increasing) just adds to this burden and will

make it a barrier for some children to attend school, I wouldn't have thought this was a good look at a time when there is a significant national effort to reduce truancy.

The public bus service that our children would need to catch to get to school on time is mostly full with the public at the 8.19 pick up, we have about 40 children who would need to get on, they simply wouldn't fit. The bus stop is a very long way from school with several busy roads to cross, not at all suitable for primary aged kids. Along with this our public bus services are heavily delayed in the afternoon, particularly around higher tourist seasons. How would a young child be able to manage a delayed bus - typically they have no phone to check. These factors mean parents will all drive their children to school, adding hugely to the already considerable congestion around school at pick up and drop off. It'll have a massive affect, not just only on school families, but also any road user in central Queenstown around those times

I do not support the cancelling of the Arthur's Point School bus. It is a well used service that provides a reliable, safe means of transport for circa 50 kids each day. While Arthur's Point is served by a public bus route, it does not have the capacity, frequency or suitable route and stops to be an effective replacement for the current school bus. The 8:19am departure from Arthur's Point is already a well used service and there isn't capacity for 50 children in a 45 seat bus. Due to the low frequency of service (30mins) if the bus is full there are no further busses that would get children to school on time. If the bus route is to be cancelled we would support changes to the No. 4 route to make it more suitable as a replacement. This could include diverting the morning and afternoon bus via Robins Rd (as the public bus did during recent road closures) to reduce walking distances and road crossings. Also, that the buses taking kids at these times display "school bus" signs to require passing car speed reductions. The main crossing in Arthur's Point at which many kids need to cross the road is not controlled via traffic lights or a pedestrian crossing. The current "school bus" and the requirement for vehicles to travel past it at 20/hr is a major, albeit sub-optimum, health and safety control.

I strongly disagree on the proposed bus service changes. My 5 and 8 year old are on the packed Arthur's Point bus to and from school. I work from home so the bus is perfect as it keeps my vehicle off the road and congestion. Drop Off and pick up zone is so congested with limited parking therefore the bus service works well to alleviate congestion. My 5 year is too young to go on the public bus and I am not comfortable with my 8 year old on public bus. So this means I will be driving them and add to the already bad traffic congestion. The public bus stop on Stanley Street is too far from the school for junior/middle school students to safely walk to and from school. Also, students are currently signed off in the bus line in the afternoon so parents know their child is safely accounted for between the end of school and arriving at their home bus stop. I'm not sure this would be practical with a public bus stop away from school grounds. Public busses can be held up along Frankton Road (particularly in winter with ski traffic) so young children could be left stranded at the bus stop on Stanley Street at the end of the day for long periods of time with no way of knowing when it will show up (too young for a cell phone). I believe there is also a lower legal limit on the number of people allowed on a public bus compared to a school bus. The current public bus from Arthurs Point already has 20+ adults on it in the morning, plus 60+ school kids means 2 busses will still be required, or children will be left at the bus stop if it is at capacity and will be late for school. Currently the public bus comes every half an hour during peak times which is not suitable if children (and the general public) can't fit on a full bus. The end result of parental concerns over the public bus system is that many more parents will drive their children to and from school, adding to already gridlocked streets and limited space in the pudo zone and further increasing pressure on parents juggling short school days compared to a standard working day. The increase in traffic across the district will also not just impact students and parents, every single user of the local road system will be negatively affected, particularly when taking into account all the terminated school bus routes across the district (not just QPS). Finally, many families are already struggling financially with the increased cost of living. Having to pay for bus fares (which are also increasing) just adds to this burden and will make it a barrier for some children to attend school, I wouldn't have thought this was a good look at a time when there is a significant national effort to reduce truancy.

I am writing to express my strong opposition to the proposed cancellation of school bus services in the Queenstown Lakes area. The current services are well-used, vital to families, and their removal will create significant safety, environmental, and economic issues. Key Concerns:

- Safety of Children- The proposed alternative (public buses) is unsafe and impractical for younger students. The Stanley Street stop is too far for junior/middle school children to walk safely. A Robins Road stop would be more suitable, but still raises concerns. School buses provide a sign-off system ensuring children are accounted for; public transport does not offer this safeguard.
  - Delays are common on Frankton Road, especially in winter. Young children could be stranded at bus stops, with no reliable way to communicate.
- Capacity Issues with Public Transport- Public buses already run near capacity (20+ adults plus 60+ students in the morning). Even with multiple buses, students risk being left behind if buses are full, causing lateness and stress. Unlike school buses, public buses have stricter limits on passenger numbers.
- Environmental / Traffic Impact- Cancelling school buses will increase car trips, directly undermining New Zealand's efforts to reduce emissions.
  - Congestion around schools is already problematic; more cars in the pick-up/drop-off zones (PUDO) will worsen traffic and safety concerns for all road users.
- Economic & Productivity Costs- Parents will need to finish work earlier or make alternative arrangements to transport their children.
  - This reduces workplace productivity and places additional stress on already stretched families.
  - Many households are struggling with the cost of living – paying for public bus fares will add another financial burden.
- Equity & Access to Education- Additional transport costs will deter some families, creating barriers to school attendance. At a time when truancy is a national concern, this move sends the wrong message.
- High Demand for Existing Services- The Arthurs Point school bus, for example, is "three to a seat" almost daily – clear evidence that these services are not redundant but essential.

In Summary: Removing dedicated school buses will negatively impact children's safety, family wellbeing, workplace productivity, road congestion, and New Zealand's climate goals. I strongly urge the Ministry to reconsider this proposal and to prioritise safe, reliable, and sustainable school transport solutions for our community.

First of all, I have to say that this kind of change is simply unreasonable. It is not sustainable, it takes no account of parents' work commitments, and it is obvious that it will only make the traffic congestion worse. Not every parent is able to cycle to school or work. By placing restrictions on school buses, the government should be asked how it intends to address the already severe traffic issues in Queenstown.

The school bus from Arthurs Point to Queenstown Primary School is an essential service that needs to remain. The bus regularly has up to 40 students all travelling to and from the school. The public bus service would not have space for this many children and it does not stop outside the school, making it unsafe for young primary school aged children.

I strongly oppose the removal of the school bus. Not only will there be not enough seating for public and school children on the Arthurs Point bus, but there is no bus stop on Robins Road near QPS. Are year 1 children expected to walk across Gorge Road to school, or get off at the Stanley Street exchange and walk across SH 6a towards the Memorial Hall? No. The ministries penny pinching does not consider child safety. Or are we all to drive our children to school when Queenstown is already under traffic chaos. Re-think this idea as it is complete and utter madness

The bus from Arthurs point each day takes 50-60 children to and from school. The current bus service the NO4 from arthurs point has no where near the capacity to fit this amount of children on board. There is no easy access to school for the children to make it safely to school if they get on the public bus from the current bus stops in town. All this going to do is encourage more cars on the road. There currently isnt a safe cycle path all the way from Arthurs point to town either. And is a big cycle for the smaller children

<p>It's crazy to think that the MOE are considering scrapping established school buses, not long after Children are going to have to start paying to use public buses – how broke is the country becoming if we have to resort to such measures! I appreciate scrapping school buses outside catchment areas could be a consideration if needed, however even within catchment areas it is not always practical for students to walk or ride to school as is suggested. We live in Fernhill which is too high a gradient to realistically expect a primary school child to ride back up. There is also not bike or walking paths the whole way, and a number of busy public roads would need to be crossed to get to school safely. I see a bus is still proposed for those from Bobs Cove etc – can this bus not continue to divert up Fernhill Road to pick up the students there? It is not much of a diversion and would save all those parents having to get their children to school on the already highly congested Queenstown roads. Even if we had to pay a small contribution towards a continued service would be more acceptable than scrapping it completely.</p>
<p>I am writing to express my strong concern regarding the proposal to terminate the Queenstown Primary School (QPS) school bus service from Arthurs Point. This decision will have significant and far-reaching impacts on children, families, and the wider community. Limited existing public transport options Arthurs Point already has very limited public bus services, with no current plans from Otago Regional Council to review or adjust timetables. Removing the dedicated QPS bus further reduces transport access for families in this area, leaving them with no practical or safe alternative. Financial strain on families In an already challenging economic climate, removing this service will add to the existing significant financial burden on parents, who would be forced to absorb additional transport, fuel, and parking costs. This decision will hit families particularly hard at a time when household budgets are already stretched. Student safety concerns The current QPS bus provides secure, safe, direct transport for around 60 children each day. Without this service, students lose a supervised, secure and reliable way to get to school. Instead, they will face risks associated with walking longer distances, unsafe drop-off zones, or attempting to rely on unsuitable public bus services. Exposure to unsafe environments on public buses Placing children on general public buses means they will be traveling alongside unknown adults, raising genuine safeguarding concerns. Dedicated school transport provides age-appropriate supervision and reduces the risk of exposure to unsafe or inappropriate situations. Young children are especially vulnerable in public spaces without any form of security or oversight. Impact on traffic congestion If families are forced to drive their children to school, the result will be increased congestion on already busy roads. This will create additional delays to all road users, contribute to higher emissions, and add pressure to an already constrained transport network. Loss of parental work time and productivity Parents will lose valuable work hours in order to drop off and collect children each day. This loss of productivity not only affects individual households but also has broader economic impacts on the community, and employers. Negative impact on the wider public Should children need to use general bus services, these will become overcrowded. The additional time required to safely load and unload large groups of schoolchildren will inevitably cause delays, meaning buses will run late and everyday commuters will also be disadvantaged. For these reasons, I strongly urge the Ministry of Education to reconsider the proposal to terminate the QPS school bus service from Arthurs Point. The service is not just a convenience - it is a vital part of ensuring safe, affordable, and efficient transport for children and families, while also protecting the interests of the wider public.</p>
<p>I have a 10 year old daughter and a 13 year old son who have used the school bus service for 13 years. This school bus from Fernhill to QPS and return is absolutely packed. I struggle to understand why a service that keeps cars off the road in the morning and evenings at peak times through town, that is not currently handling congestion, would not continue and encourage this. Apparently “Under no circumstances does the Ministry require children to walk in unsafe situations” yet my 10 year old daughter is now expected to wait at a public bus stop with other unknown adults, sit next to them by herself and managing the road crossings through town to school on a very congested road currently swamped with tourists of which some are struggling with the road rules and very attentive to their GPS and parking space. I would personally be unable to feel confident in my daughter using the public service. Being a ratepayer for many years now it is so disappointing to have the discontinuing of this service for our children.</p>
<p>I've nothing positive to say. The school bus is full every morning as it is, and without it now we will have to drive to school to pick up the kids every day as its not safe for them to walk (no pedestrian crossings) to ge the public bus, nor does it run on any facilitative schedule (min 45 minutes wait). this puts further pressure on my employment</p>
<p>Against the change. We rely on the arthurs point bus.</p>
<p>School buses are essential for safe travel of our tamariki to school and back. They also keep costs down for families and help to reduce the number of cars dropping children to school.</p>

<p>It is hugely disappointing and shortsighted that MoE is considering terminating these well used services. My children are on the Arthurs Point bus which is packed 3 to a seat almost every day, over 40 children get on at our stop along with 60+ along the entirety of the run. The public bus stop on Stanley Street is too far from the school for junior/middle school students to safely walk to and from school. They must cross busy roads which is unactable for a child of their age. I would be much more comfortable putting my child on a public bus if there was a bus stop on Robins Road adjacent to the school. Also, students are currently signed off in the bus line in the afternoon so parents know their child is safely accounted for between the end of school and arriving at their home bus stop. I'm not sure this would be practical with a public bus stop away from school grounds. Then there are the loss of safety precautions such as the 20 kph speed limit when passing stopped busses. Public busses can be held up along Frankton Road (particularly in winter with ski traffic) so young children could be left stranded at the bus stop on Stanley Street at the end of the day for long periods of time with no way of knowing when it will show up (too young for a cell phone). I believe there is also a lower legal limit on the number of people allowed on a public bus compared to a school bus. The current public bus from Arthurs Point already has 20+ adults on it in the morning, plus 60+ school kids means 2 busses will still be required, or children will be left at the bus stop if it is at capacity and will be late for school. Currently the public bus comes every half an hour during peak times which is not suitable if children (and the general public) can't fit on a full bus. The end result of parental concerns over the public bus system is that many more parents will drive their children to and from school, adding to already gridlocked streets and limited space in the pudo zone and further increasing pressure on parents juggling short school days compared to a standard working day. It is also disappointing to see that QPS is not going to extend pudo but rather introduce parking restrictions. The increase in traffic across the district will also not just impact students and parents, every single user of the local road system will be negatively affected, particularly when taking into account all the terminated school bus routes across the district (not just QPS). Finally, many families are already struggling financially with the increased cost of living. Having to pay for bus fares (which are also increasing) just adds to this burden and will make it a barrier for some children to attend school, I wouldn't have thought this was a good look at a time when there is a significant national effort to reduce truancy.</p>
<p>I see that the Arthur's point bus service is likely to be discontinued. We have 3 kids on this bus (Beatrix 12, Louis 10 and Vincent 6) and they are picked up at the Dalefield road Malaghans road intersection. There is currently no bus stop there nor for the public bus so they will no longer have a bus stop nor a bus to pick them up as the public bus won't stop there. We ask that the Arthurs point bus be retained and continue to pick up QPS kids from the Dalefield Malaghans intersection as no alternative exists currently. Many thanks</p>
<p>I would like to see the bus service maintained</p>
<p>Arthurs Point to QPS</p>
<p>Arthurs Point bus - this is a full bus every morning, there will not be enough room on the public bus for all the kids who take the school bus, and its not safe for small children. The kids will have to walk up from town to school without supervision. The amount of traffic will significantly increase because of parents dropping their kids to school. We would be more than happy to pay to use the school bus because its safe and convenient. Thanks</p>
<p>The proposed changes would be detrimental to the local area, endgaer children and significantly increase traffic on the roads. There are not suitable public bus services to replace the school buses. This might save money but would significantly redcue the quality of life and safety of children in the Whakatipu region. We storngly suggest that you reconsider the proposed changes</p>
<p>We need the school bus to continue. The public bus is not a replacement. There is not enough space on the morning bus, and the busy stops are not close enough to the school for very young kids to get on. Public bus could not be used by young kids. A school bus will be able to be used by many more students than the public bus (due to availability and suitability). This therefore reduces traffic congestion around the school and in town in general.</p>

<p>What consideration does the Ministry take regarding the access for small children to the bus inside and outside of school grounds when comparing against "Public transport" options. It appears to be none. What consideration has the Ministry taken in regards to the regularity of service for children who need the service. Again, it appears to be none. What consideration has the Ministry taken in regards to the capacity of the public service and the number of children who require the service. Again, it appears to be none. The Ministry of Education also has no responsibility for impact to the number of trips required with such a change. Shifting cost outside of their budget and onto individuals. For a government focused on productivity this clearly is lunacy wrapped up in bureaucracy. Again, selecting measures which suit a predetermined outcome rather than being considerate of the broader success of the country. No wonder there is such an exodus when such a short term view is constantly taken. This proposed change is nothing but cost cutting hidden behind some arbitrary measures which have been selected to create an outcome in their favour. It does not take into any real world practicality or safety considerations for small children. It does not take into consideration the total economic or environmental impact of the change. If it is not clear, I do not support the proposed changes. But I also do not expect the Ministry to listen "Because they have assessed within the measures and they know better". I guess they expect us to roll over passively like every time they erode public service.</p>
<p>My children use the very popular Fernhill school bus route. A whole bus is full, or more than full every morning and busy every afternoon. Similarly, the regular town and airport bus is generally full very quickly in the morning, especially as it also terminates at the high school. There would not be enough capacity to fit all the primary school students using the school bus service currently onto the Orbus bus safely and without ending up leaving commuter passengers stranded further along the route when the bus exceeds capacity. There will still need to be a school bus running in from Closeburn and Bob's Cove, so why not retain it for Fernhill and Sunshine Bay too in order to avoid the above crush? Also, the other, knock on effect is likely to be significantly more late arriving children and the subsequent impact on attendance figures for school....</p>
<p>There is no bus stop in front of Queenstown Primary School which means the kids need to walk longer distance includes crossing busy streets where tourists dangerously drive around. Besides not enough capacity to carry all the kids on public bus.</p>
<p>No, I don't support the change as I will not allow my 7 year old daughter to take public transport to school. I have no concerns with her catching the school bus on her own but there is absolutely no way I will let her get onto a public bus alone.</p>
<p>Very disappointing, we have 2 kids at QPS &amp; another to start next year. Living in Arthurs Point &amp; having the school bus is a practical &amp; safe way to get our kids to &amp; from school.</p>
<p>This service is a key part of living in Queenstown &amp; going to school. Madness to cancel this.</p>
<p>This doesn't take into account scenarios where families have moved areas but for the well-being of the children have continued their attendance in the school they were already at, at the time of moving house. My eldest was in year six when we moved and the others in year three. They're now in year 7 and 4. The criteria should be widened to allow for families who have children who have been in school for at least a couple of years. The disruption of moving kids school for example in years five and eight - which it would be for my kids next year, would be significant and impact their learning. The withdrawal of these bus routes for them would force us to move them to other schools. Can the ministry consider a long phase out rather than a sudden withdrawal. It's not a child/learner centric move at all.</p>
<p>I would be concerned about the younger age groups, eg: 5 - 10 year olds on a bus with the public. I don't deem this safe. There is also an issue with the walk from the public bus stop to the likes of Queenstown Primary School.</p>
<p>I think the extra cost on families is going to be a burden.</p>

I am a parent of year 8 students currently at Queenstown Lakes Primary and next year heading to Wakatipu High. We live in Arthurs Point where both the primary and secondary school services will be terminated. I have reservations about the proposal, in particular whether an adequate alternative service exists or will exist. Morning buses to Queenstown and Frankton are already close to full (frequently standing room only) as are the school buses. Extra services will be needed to be supplied by the Otago Regional Council, being either dedicated services or, in the case of primary school, redirected services to the school gate with appropriate supervision for boarding and alighting for very young children. The ORC have made it clear that they have no plans to provide any altered or additional services by the beginning of next year. I find that position concerning given the ORC's statutory responsibilities, however the effect is likely to be a lack of suitable services and the policy on school bus provision not being met. I request that the ministry provide a longer lead in time for the change, perhaps with school buses terminating after the second term of 2026, in order to provide more time for the ORC to accept the change and its responsibility to fill the gap in services and work with schools to ensure an appropriate service continues without interruption.

Concerns with the termination of the LHE to QPS bus route I have a 10 year old child attending QPS. He has attended this school since he was 5, is well settled and has 2 years left before moving to Wakatipu High School. During this time, he has utilised the school bus service 2 days per week to get to school and 5 days a week to return home. Both myself and my wife work full time and juggle our working hours to work around these school times, stretching the generosity of our employers already. Terminating this service will result in either my wife or I either reducing our working hours or having to change employment after working with the same employers for 20 years. I believe, this will have a negative impact on my employment, my work colleagues, my employer, the local economy, traffic congestion and the environment. Not to mention the additional economic strain placed on my household. In addition to the negative impacts mentioned above, my other major concern is about the safety of my child. There is no direct public bus service between LHE and QPS. Therefore, my child will have catch two buses, with an interchange at the Frankton Bus Hub, (currently under construction and not due for completion for another 2 years), followed by a walk through the busy Queenstown centre, crossing a number of busy roads. This will not only impact my child but many others currently using this school bus route, resulting in many numbers of young children having to make the same journey. As such this will create significant congestion and safety issues in public areas on footpaths, crossing roads and the Frankton Bus Hub with the number of unattended young children congregating as they make their journey to and from school. Imagine 100 young, unsupervised children congregating with another 400-500 high school students at the Frankton Bus Hub at the same time morning and afternoon. This is a perfect environment for Bullying, Harassment, Fighting, Drug & Alcohol exposure, poor language, social disorder, safety issues... the list goes on, resulting in the need for the attention of the local Police force, putting pressure on an already stretched force in terms of resources and funding. In an attempt to avoid these safety issues, I will be forced to drop off and pick up my child from school with my own transport, along with many other parents resulting in significantly increased congestion on the roads in an area already suffering badly with traffic congestion. The wider impact will be a negative experience for the many tourists in the region, resulting in a negative impact on the local economy and as such NZ as a whole. This will also have a negative impact on my child being able to participate in after school extra-curricular activities as he will not be able to make those sessions in time, resulting a less well educated individual coming out the national education system and thus reflecting badly on the MoE and country as a whole. I cannot see any good reason why this proposed change makes any sense whatsoever, it is purely negative whichever way you look at it. I, like others, believe this is a flawed, shortsighted, proposal not taking into account the wider impacts of safety, the local economy, the national economy, the environment, and the people this impacts most... our nations children.

Children need the school bus. Even if they use the public bus, they would have to cross several traffic lights to get to school from town, which is not safe. Queenstown also has traffic congestion issues. Removing the school bus will inevitably cause much bigger problems, and this should be clear.

No thank you. How will you keep the kids safe from public bus to school. Do you want more congestion on roads? No thanks

The removal of school buses poses significant risks to the safety and wellbeing of students and their families. Without a dedicated service, children will be required to cross busy intersections, particularly Shotover Street near the bus hub, which raises serious safety concerns. Interaction with the general public and the lack of supervision at public bus stops further increases safeguarding risks, and the requirement for all students to use the same stop will create overcrowding. Current facilities do not provide adequate shelter or space to accommodate large numbers of children, particularly at peak times. Morning buses operate during the commuter rush, creating uncertainty about whether students will even be able to board. If issues occur, many students would have no reliable way to contact their parents. In addition, the cost of \$3 per day will place a financial burden on families, particularly those with multiple children attending Queenstown Primary. The removal of buses will also force more parents to drive their children, putting further pressure on the already congested drop-off and pick-up areas at the school and increasing overall road congestion at peak times

I'm writing to strongly oppose the removal of the Arthurs Point school bus service. Over 50 children use this bus every morning. Asking young kids to take an already full public bus is not safe or suitable. This service is more than just transport – it's a daily connection point for families and a key part of our community. We don't want to lose it. Public transport is not a viable replacement, and this change would negatively impact many local families. Please keep the Arthurs Point school bus running.



18 September 2025

**To:** School Transport Team, Ministry of Education  
c/- ST.Southern@education.govt.nz

**Subject: Feedback – Withdrawal of Dedicated School Bus Services in Queenstown**

Dear Tracey and James,

I am writing to express serious concerns regarding the Ministry's decision to withdraw dedicated school bus services to Wakatipu High School on the basis that “suitable” public transport is available. Detailed analysis of current Orbus timetables shows this is not the case; such a move will have severe negative impacts on student attendance and educational outcomes, as well as student safety.

**Major Deficiencies in Public Transport Capacity**

A thorough review and analysis of the five primary public transport routes serving Queenstown schools, (with assumptions as per Attachment A in the footer), reveals that three routes fail to meet the Ministry’s own “suitability” standards:

- Route 1: Requires five buses for 201 students, and is already running at maximum capacity. It is the sole route from the Frankton Bus Hub to school, but cannot accept more students including transiting students.
- Routes 2 & 4 (Arrowtown): One bus with direct school access; students must navigate capacity-limited transfers and/or trip lengths exceeding 60 minutes (on Route 2, includes transfer and/or walk time).
- Route 5: The most concerning—290 students require seven buses, but only two morning services arrive by 8:50 AM, serving just 84 students (29% of demand).

As a result:

- Only 285 students (33%) can arrive at school by 8:50 AM via public transport, providing a departure from 7am.
- 458 students (67%) are left without timely public bus options.
- Even if all students walked from Frankton Bus Hub, 290 would still lack viable transport.

**Contradiction With Ministry Policy and Attendance Goals**

The Ministry defines “suitable” transport as having adequate capacity, schedule alignment, and reasonable journey times. None of these criteria are met:

- Capacity: Only a third of students have morning bus seats.
- Schedule Alignment: Routes, especially Route 5, lack sufficient morning services.
- Journey Complexity: Students face unpredictable transfers through a congested hub.

This undermines the Ministry’s focus on improving attendance:

- 458 students risk being late daily, equivalent to nearly a third of our roll.
- Chronic absenteeism and truancy will likely rise, especially among those without private transport.
- Socio-economically disadvantaged students will be disproportionately affected, widening equity gaps.

47 Red Oaks Drive, Frankton, Queenstown, 9300  
03 442 7370, office@wakatipu.school.nz, www.wakatipu.school.nz



### **Contradiction With Ministry Investment**

The withdrawal directly contradicts recent attendance initiatives—such as targets, monitoring, and engagement—by removing the infrastructure essential for students to benefit from them.

### **Impacts Beyond the School Gate**

The change would create:

- Increased traffic congestion as more families drive.
- Higher costs for schools managing lateness and absenteeism.
- Greater strain on families, particularly those with challenging work schedules.
- A potential rise in disengagement and associated social issues.

### **Recommendations**

- Immediate review: Pause the withdrawal pending a thorough needs assessment.
- Capacity analysis: Evaluate actual versus required capacity for each route during peak times.
- Service enhancement: Collaborate with Otago Regional Council to boost morning frequency—especially on Route 5.
- Interim measures: Continue dedicated services where public options are lacking (Arthurs Point, Arrowtown, Lake Hayes/Shotover).
- Monitoring framework: Track attendance impacts and reconsider the withdrawal if outcomes worsen.

### **Conclusion**

The scenario above is a best case scenario and yet the conclusion is clear. Public transport in Queenstown cannot currently be considered “suitable” for supporting our students. Withdrawing dedicated school buses would trigger an attendance crisis and undermine the Ministry’s stated educational objectives.

We request urgent review and interim support to ensure no student is disadvantaged by inadequate transport. I welcome the opportunity to discuss this further and await your response.

Yours sincerely,

Oded Nathan  
Principal/Tumuaki  
Wakatipu High School

### **Attachments**

- A: Detailed Bus Capacity Analysis Report (assumptions: 70% of WHS students >4.8km require transport, 15% bus capacity used by non-students, students to arrive by 8:50 AM)  
B: Parent and Staff Feedback on Proposal



## ATTACHMENT A

# Route Analysis Summary

### Assumptions:

- Only 70% of WHS students who meet the criteria for ineligibility for MOE bus services leverage the public bus service (note; excludes students from other schools who would be taking the same services)
- 15% of the bus capacity is used by non-students (note; this does not factor in considerable seasonal variation in use of the public buses by non-students where buses e.g. in Ski season are completely full of ski-ers and full buses regularly by-pass all remaining pick-up points)

### Routes and School Stop Access

#### Direct Routes to School Stops:

- **Route 1 (Q1):** Stops at Red Oaks Drive - DIRECT ACCESS
- **Route 2 (Q2):** Does NOT stop at school stops - REQUIRES TRANSIT via Frankton Hub
- **Route 3 (Q3):** Stops at Red Oaks Drive - DIRECT ACCESS
- **Route 4 (Q4):** Arrowtown route, has one bus with Direct Access for potentially 278 students - alternate buses REQUIRES TRANSIT via Frankton Hub
- **Route 5 (Q5):** Stops at Hawthorne Drive, Library - DIRECT ACCESS

### Scenario 1: Transit via Frankton Hub

#### Morning Services Analysis (7:00 AM - 8:50 AM arrival)

##### Route 1 (Direct to Red Oaks Drive):

- Services: 7:00, 7:15, 7:30, 7:45, 8:00, 8:15, 8:30 AM departures from origin
- Red Oaks Drive arrivals: 7:39, 7:54, 8:09, 8:24, 8:39 AM
- **Capacity Issue:** 201 students need 5 buses ( $201 \div 42 = 4.8$ )
- Only 5 services arrive by 8:50 AM - **SUFFICIENT CAPACITY**

##### Route 5 (Direct to Hawthorne Drive, Library):

- Services: 7:07, 7:34, 8:07 AM departures
- Library arrivals: 8:14, 8:44 AM (within 8:50 deadline)
- **Capacity Issue:** 290 students need 7 buses ( $290 \div 42 = 6.9$ )
- Only 2 services arrive by 8:50 AM - **INSUFFICIENT CAPACITY**
- **Students accommodated:** 84 ( $2 \times 42$ )
- **Students unable to reach school by 8:50 AM:** 206



**Transit Routes (via Frankton Hub):**

*Route 2:*

- Hub arrivals: 7:15, 7:45, 8:15 AM
- 144 students need 4 buses - **INSUFFICIENT CAPACITY**
- Students accommodated via hub: 126 (3 × 42)
- Students needing transit to Route 1: 126

*Route 4 from Arrowtown:*

- Hub arrivals: 7:50, 8:20 AM
- 206 students (51 + 155) need 5 buses - **INSUFFICIENT CAPACITY**
- Students accommodated by direct bus: 42
- Students accommodated via hub: 126 (3 × 42)
- Students needing transit to Route 1: 126
- Note: Students transiting via hub have journey time well in excess of 60 minutes (49 mins travel time to hub + 40 mins walk time OR 30 - 45 min wait time + 12 min travel time)

**Frankton Hub Transit Analysis**

**Total students transiting:** 252 (126 from Route 2 + 126 from Route 4) **Maximum concurrent at hub:** ~84 students (peak connection period)

**Route 1 capacity for transit students:**

- Available capacity after direct Route 1 students: Very limited
- Route 1 is already at capacity with its own 201 students
- **Additional students that can be accommodated: 0**

**Scenario 2: Walking from Frankton Hub (40-minute walk)**

**Departure Time Calculation**

- School arrival target: 8:55 AM
- Walk time: 40 minutes
- Must depart hub by: 8:15 AM
- Hub services ending by 8:15 AM accommodate transit students

**Students who can walk from hub:**

- Route 2: 84 students (2 services × 42 capacity)
- Route 4: 84 students (2 services × 42 capacity)
- **Total walking from hub: 168 students**



## Comparison Table

<b>Metric</b>	<b>Scenario 1: Transit via Hub</b>	<b>Scenario 2: Walk from Hub</b>
Route 1 Students Accommodated	201 (full capacity)	201 (full capacity)
Route 5 Students Accommodated	84	84
Route 2 Students Accommodated	0 (hub capacity issue)	84
Route 4 Students Accommodated	0 (hub capacity issue)	84
Students Transiting at Hub	252	168
Max Concurrent at Hub	~84	~56
Students Unable to Reach School by 8:50/8:55 AM	458	290
Total Students Accommodated	285	453
System Efficiency	33%	52%



15 December 2025

To: The Honourable Chris Bishop, Minister for RMA Reform  
[C.Bishop@ministers.govt.nz](mailto:C.Bishop@ministers.govt.nz)  
 The Honourable Simon Watts, Minister for Local Government  
[S.Watts@ministers.govt.nz](mailto:S.Watts@ministers.govt.nz)

Dear Ministers Bishop and Watts

**Re: Request for a meeting**

I am writing to request a meeting with you at your earliest convenience. I would welcome the opportunity to introduce myself as the new Chair of the Otago Regional Council and to discuss how we can work together to support the Government's goals and deliver the best outcomes for Otago communities.

We acknowledge that ambitious reforms are proposed for the regional sector. To ensure we focus our effort wisely and avoid unnecessary cost to our ratepayers, I would appreciate the opportunity to discuss a range of matters with you, including:

- Any guidance you can share on functions or activities that may no longer be required under the Government's direction of travel.
- Whether there are steps councils should be considering now to prepare for anticipated reform, including changes to consenting procedures.
- Your view on whether focusing on non-regulatory environmental outcomes, including support for community-led catchment groups and integrated management planning, aligns with the Government's expectations during this transition period.
- Any update on how reduced Crown contributions and a directive to manage rate increases fit with aspirations for improved public transport, including inter-town services, potential school-term fare options for children, and managing overspends in Total Mobility.

I would be happy to brief you on our current priorities and the opportunities and challenges ahead as we work to respond to the Government's reform packages.

I am available to meet at any time that suits your schedule and will accommodate any suggested dates.

Regards,

A handwritten signature in black ink, appearing to read "Hilary Calvert".

Hilary Calvert  
 Chair, Otago Regional Council

**From:** Simon Watts (MIN) <S.Watts@ministers.govt.nz>  
**Sent:** Thursday, 18 December 2025 10:46 am  
**To:** Andrea Howard <Andrea.Howard@orc.govt.nz>  
**Cc:** Cr Hilary Calvert (ORC) <Hilary.Calvert@orc.govt.nz>  
**Subject:** RE: 2534 Letter to Ministers Bishop and Watts from the Otago Regional Council

[Caution: External Email] This email originated from outside ORC. Do not click links or open attachments unless you trust the sender and know the content is safe. Use the Phish Alert Button to report this email if you think it is suspicious.

Good morning Andrea,

Thank you for your email and meeting request, and for your patience on the below.

The Minister's office has considered the request and we recommend that ORC meet with Local Government officials in the first instance. We can help you take this forward if you are open to this option.

Kind regards,



**Office of Hon Simon Watts**

Minister of Climate Change  
Minister for Energy  
Minister of Local Government  
Minister of Revenue

Email: [s.watts@ministers.govt.nz](mailto:s.watts@ministers.govt.nz) | Website: [www.beehive.govt.nz](http://www.beehive.govt.nz)  
Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

**From:** Simon Watts (MIN)  
**Sent:** Monday, 15 December 2025 9:23 AM  
**To:** 'Andrea Howard' <[Andrea.Howard@orc.govt.nz](mailto:Andrea.Howard@orc.govt.nz)>  
**Cc:** Cr Hilary Calvert (ORC) <[Hilary.Calvert@orc.govt.nz](mailto:Hilary.Calvert@orc.govt.nz)>  
**Subject:** RE: 2534 Letter to Ministers Bishop and Watts from the Otago Regional Council

Good morning Andrea,

On behalf of Hon Simon Watts, thank you for your email which has been received by this office. Your correspondence has been noted.

We will take this request to meet under consideration and will be in touch with a response as soon as we are able to.

Kind regards,

**From:** Christopher Bishop (MIN) <[C.Bishop@ministers.govt.nz](mailto:C.Bishop@ministers.govt.nz)>  
**Sent:** Wednesday, 17 December 2025 4:29 pm  
**To:** Andrea Howard <[Andrea.Howard@orc.govt.nz](mailto:Andrea.Howard@orc.govt.nz)>  
**Subject:** RE: INV26-CB009 Letter to Ministers Bishop and Watts from the Otago Regional Council

[Caution: External Email] This email originated from outside ORC. Do not click links or open attachments unless you trust the sender and know the content is safe. Use the Phish Alert Button to report this email if you think it is suspicious.

Dear Andrea

On behalf of Hon Christopher Bishop, Minister of Housing, Minister for Infrastructure, Minister for RMA Reform, Minister of Transport, Associate Minister for Sports and Recreation, Associate Minister of Finance, Leader of the House and MP for Hutt South thank you for your email and letter from Hilary Calvert, requesting some time with the Minister.

Unfortunately, due to pressure on the Ministers schedule he is unable to meet. He sends his apologies and best wishes.

Thanks again for taking the time to write.

Kind regards.



**Office of Hon Chris Bishop**

Minister of Housing | Infrastructure | RMA Reform | Transport | Associate Finance | Associate Sports & Recreation | Leader of the House | MP for Hutt /south

DDI: 04 817 6807

Email: [c.bishop@ministers.govt.nz](mailto:c.bishop@ministers.govt.nz) Website: [www.Beehive.govt.nz](http://www.Beehive.govt.nz)

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand



Manuherikia River Ltd  
NZBN 9429046256447  
c/o Checketts McKay  
21 Brandon Street  
**Alexandra**

18 December 2025

Cr Hilary Calvert  
Chair  
Otago Regional Council  
By email: [hilary.calvert@orc.govt.nz](mailto:hilary.calvert@orc.govt.nz)

Dear Hilary

Thank you for your letter of 5 December on behalf of your Council.

The Board met last week and in receiving your letter expressed their gratitude for councilors' time and curiosity. We felt there was a strong desire to understand the catchment, its challenges and opportunities. Importantly, we felt there was an appreciation of the predicament we all find ourselves in, as we seek to resolve the minimum flow.

We hope we can continue this dialogue early next year – it would be great if we could collectively find a pathway forward on this issue for this community.

Best wishes for a relaxing festive season to you, your colleagues and staff.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jeff Grant".

Jeff Grant  
Chairman  
MRL



## ***From the Office of the Chairperson***

19 January 2026

Edward Ellison  
Email: [edward@otakou.co.nz](mailto:edward@otakou.co.nz)

Tēnā koe Edward,

I write on behalf of Otago Regional Council to extend our warmest congratulations on your award of an Honorary Doctor of Laws from the University of Otago at the end of 2025. This honour is a fitting recognition of your decades of leadership and commitment to education, partnership, and the values that strengthen our communities.

Your vision and wisdom have been instrumental in shaping meaningful relationships and advancing understanding between rūnaka and a wide range of institutions, organisations, and communities both locally and nationally. It is inspiring to see your contributions acknowledged in this way.

Regards,

A handwritten signature in black ink, appearing to read "Hilary Calvert".

Hilary Calvert  
**Chairperson**

## 8.2. Chief Executive's Report

**Prepared for:** Council  
**Activity:** Governance  
**Endorsed by:** Richard Saunders (Chief Executive)  
**Date:** 25 February 2026

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### PURPOSE

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

### EXECUTIVE SUMMARY

- [2] The delivery of the annual plan remains on track. A public workshop was held on 12 February and a paper has been prepared for consideration by Council as part of this agenda.
- [3] ORC has successfully opened a new office space in Queenstown and a depot space in Wānaka. This was part of an approved capital improvement programme to ensure appropriate spaces are available for both staff and our community.
- [4] ORC has launched its latest community survey, seeking feedback from ratepayers to inform future service delivery, improve decision-making, and ensure accountability. The survey is open until late February and is also available online.

### RECOMMENDATION

*That the Council:*

- 1) **Notes this report.**

### ANNUAL PLAN 2025/26

- [5] Delivery of Year 2 objectives and projects as outlined in Year 2 of the 2025/2026 Annual Plan continues.
- [6] Planning is well underway for 2026/27 Annual Plan, which is year three of the LTP. A presentation to Councillors was held on 12 February which outlined the draft Annual Plan and proposed adjustments from the LTP. It confirmed a proposed average rates increase of 0%. A paper to formalise the draft position and confirm next steps is on today's agenda.

### CUSTOMER EXPERIENCE

- [7] The Customer Experience team handled 6,430 enquiries during December 2025, above the 12-month average of 5,644 customer contact points. Customer satisfaction
-

remained high at 94%. Customer enquiry themes included routine rates and transport enquiries and questions regarding rates penalties.

- [8] In January 2026, the Customer Experience team handled 4,178 enquiries, slightly lower than the rolling 12-month customer interaction volume average of 5,605 enquiries per month. Customer satisfaction for January was 93%.
- [9] Enquiring themes for January included rates and rates penalty enquiries: balance enquiries, direct debit enquiries, mailing address changes, email rates invoices and solicitor enquiries, alongside routine transport enquiries: lost property, driver behaviour and timeliness.

### **GENERAL COUNCIL BUSINESS**

- [10] ORC has opened its relocated Queenstown office, strengthening its presence and accessibility in the Queenstown Lakes district. The new space provides a more visible, welcoming base for public engagement and supports more effective ways of working for staff. The relocation reflects ORC's commitment to being accessible, community focused, and connected to the region.
- [11] A small extension of ORC's Wānaka Depot was completed in February 2026 and will provide appropriate space for an increased (predominately public facing) field staff presence in the Upper Lakes area and enable better community/staff interactions.
- [12] Dunedin staff will move into the new Dunedin office on 28 April 2026 and will host the first Council meeting in the new building on 29 April.
- [13] ORC has begun the latest community survey, inviting more than 14,000 randomly selected ratepayers to provide feedback on the council's work and services. The survey is designed to help shape future service delivery and understand community views on key issues such as environmental management and communication. Responses will inform council decision making, improve services and support accountability to the public. Participation is open until late February and the survey is also accessible online.

### **OPTIONS**

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

### **ATTACHMENTS**

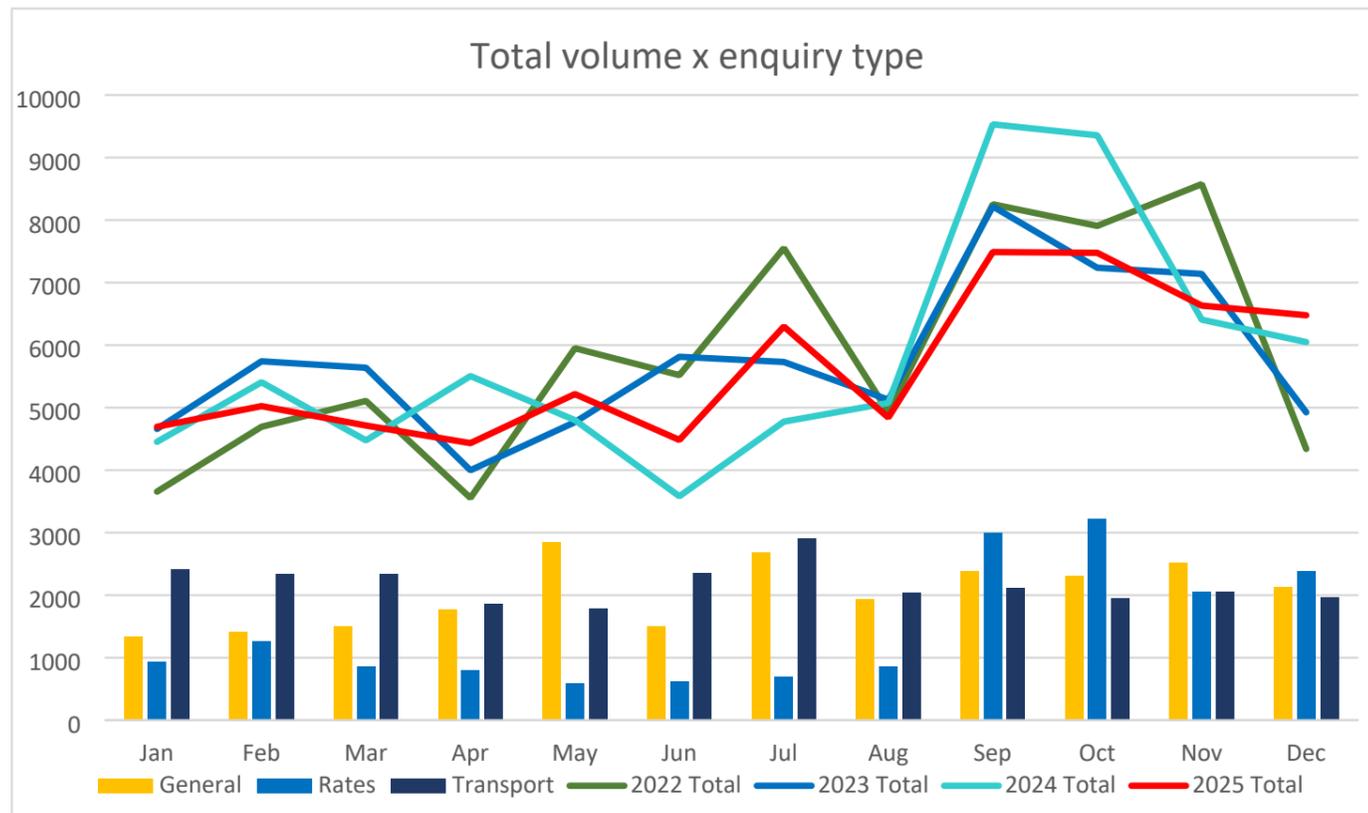
1. 2025 December Customer Report [8.2.1 - 2 pages]
2. 2026 January Customer Report [8.2.2 - 2 pages]

## December 2025 Customer Report

Rolling 12-month customer interaction volume average is 5644 per month

December customer volume total: **6430**

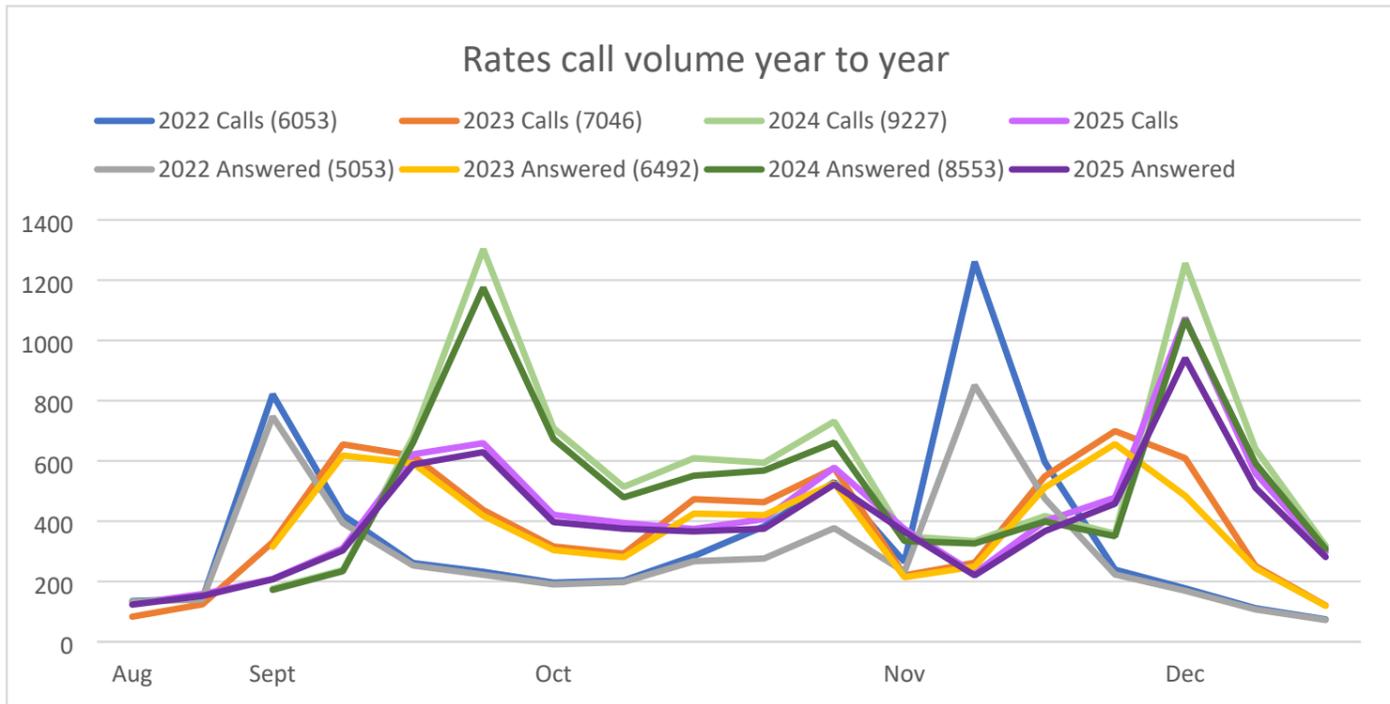
(reception = 378, phone = 2933, email = 2065, online form = 44, social 527, afterhours = 507)



- Total customer interactions at same volume.
- Customer sentiment tracking was low-neutral.
- Total service level for all calls decreased to 74%, (rates calls longer to resolve = longer wait times)
- Total customer satisfaction December rating at 94%

### Enquiry themes:

- Rates routine enquiries: balance enquiry, direct debit enquiry, mailing address change, email rates invoice, solicitor enquiry.
- Rates Penalty enquiries
- Transport – routine enquiries: Lost Property, Driver behaviour, timeliness.

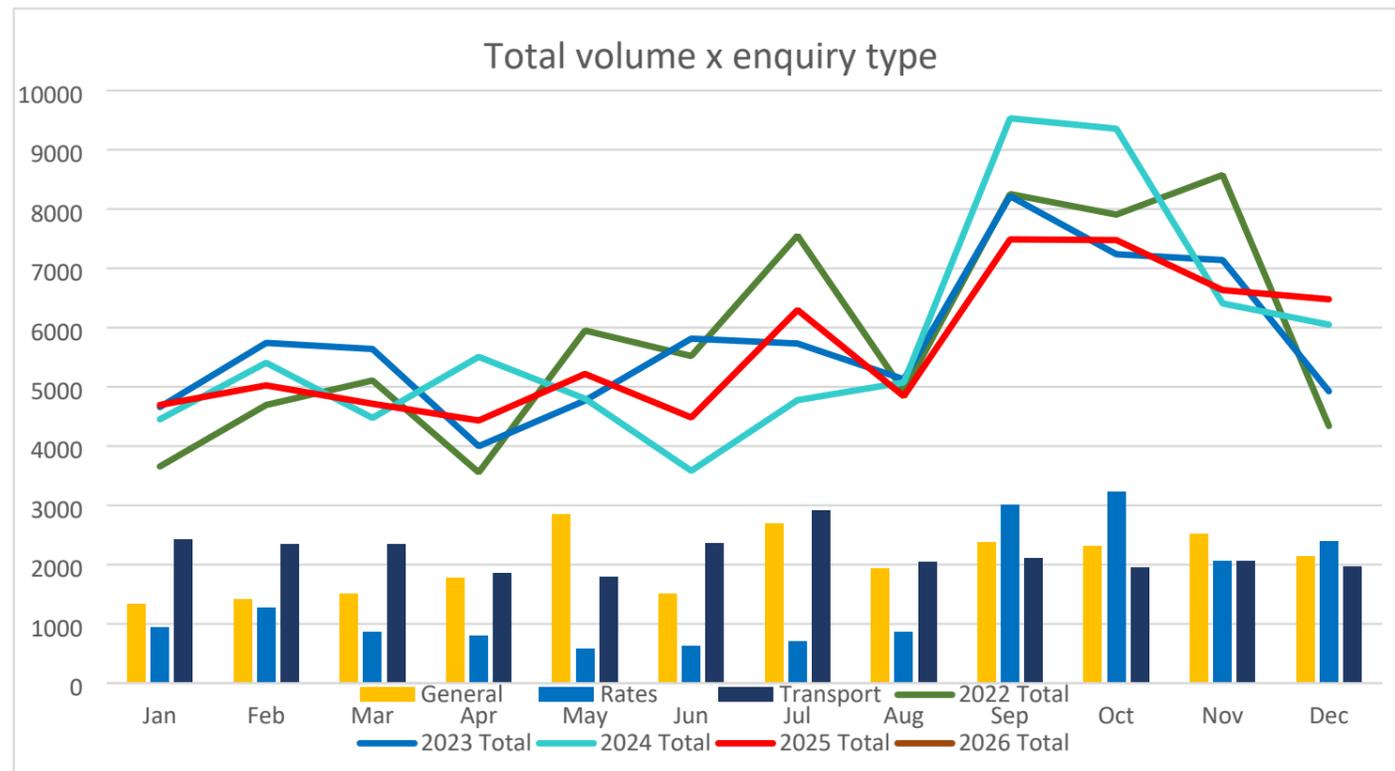


## January 2026 Customer Report

Rolling 12-month customer interaction volume average is 5605 per month

January customer volume total: **4178**

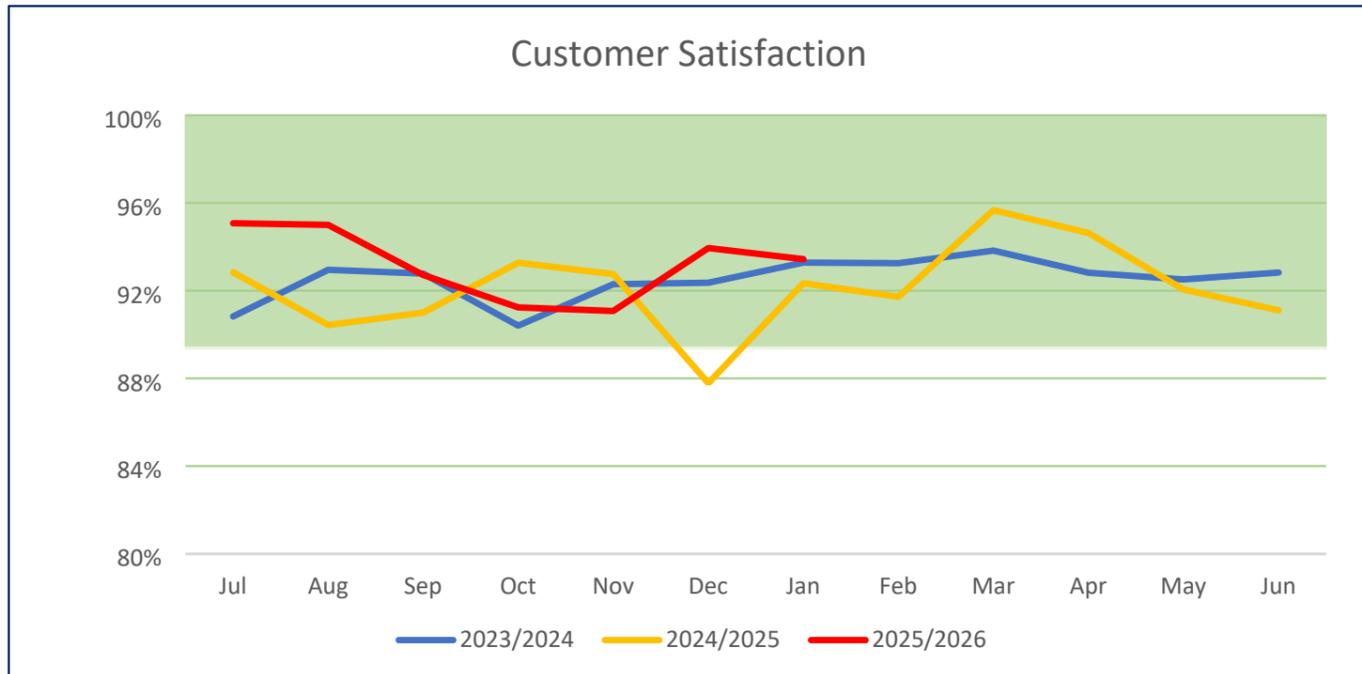
(reception = 487, phone = 1685, email = 1297, online form = 44, social 527, afterhours = 191)



- Total customer interaction volume down as expected for January.
- Customer sentiment tracking was neutral.
- Total service level for all calls increased to 89%
- Total customer satisfaction January rating at 93%

### Enquiry themes:

- Rates & rates penalty enquiries: balance enquiry, direct debit enquiry, mailing address change, email rates invoice, solicitor enquiry.
- Transport – routine enquiries: Lost Property, Driver behaviour, timeliness.



## 9.1. Draft Annual Plan 2026-27

<b>Prepared for:</b>	Council
<b>Report No.</b>	S&C2601
<b>Activity:</b>	Organisational Planning and Performance
<b>Author:</b>	Jasmin Lamorie (Senior Corporate Planner), Joanne Greatbanks (Manager Organisational Planning and Performance)
<b>Endorsed by:</b>	Amanda Vercoe, General Manager Strategy and Customer Nick Donnelly, General Manager Finance
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Cr Malcolm and Cr Gardner, Finance

---

### PURPOSE

- [1] This report enables Council to formalise a draft position on changes to the financial forecasts and work programmes contained in the Otago Regional Council Long-Term Plan 2024-34 (LTP) for year three, which is 2026-27.
- [2] Doing so provides a basis for Council to consider and direct on final adjustments to the proposed financial forecasts and work programmes that constitutes the draft Annual Plan 2026-27.
- [3] Staff will then complete the Annual Plan 2026-27 and present to Council for adoption at its 29-30 April 2026 meeting.

### EXECUTIVE SUMMARY

- [4] This report seeks an agreed position on the draft financial estimates and associated work programme as a critical step towards finalising the Annual Plan 2026-27. The draft position largely reflects the work programmes in year three of the adopted LTP, with some key changes related to planning (land and water, air and regional planning), public transport, natural hazards, and flood protection and drainage work programmes.
- [5] This report enables Council to direct staff on a final position for the work programmes and budgets associated with the Annual Plan 2026-27.
- [6] The draft position includes an operating expenditure of \$146.09 million which is a reduction of \$8.62 million compared to the adopted LTP year three (2026-27). This reduction in expenditure is due to finding efficiencies, expanding timeframes for delivery, and pausing or not proceeding with some planned work.
- [7] To fund operations, Council uses a range of mechanisms including rates, dividends from Port Otago, fees and charges, grants, and the use of Council reserves. Anticipated underspends in the current year are contributing to reserves and will be used to offset the rates requirement in the draft Annual Plan 2026-27. This will result in a total rates

requirement of 68.47 million, which is the same as the 2025-26 rates take (0% increase). This is a decrease of \$11.80 million compared to adopted LTP year three (2026-27).

- [8] The discussion section of this report provides:
- A consolidation of the financial impacts, including expenditure and funding, of the proposed changes to the LTP.
  - The key changes to the LTP work programme incorporated in the consolidation.
  - Proposed changes to levels of service associated performance measures and targets.
  - Information on fees, charges and bus fares.
  - Analysis of the degree of significance of the proposed changes.
  - Proposed communications approach.
  - Reference to detailed attachments including the draft Annual Plan 2026-27 document.
- [9] The proposed changes to the LTP have been considered against legislation and Council's Significance and Engagement Policy He Mahi Rau Rika and are not considered to be material or significant. If Council formally agree with this view, then there is no requirement for consultation under the Local Government Act (LGA).
- [10] The communications and engagement approach reflects the position that the changes are not significant or material. This approach has been socialised with Councillors through presentations in December and February.
- [11] The process includes adoption of the Annual Plan, earlier than in prior years. If Council determines that the changes are not material or significant, and chooses not to formally consult with the community, the finalised Annual Plan will be brought to Council for adoption in April 2026.

## RECOMMENDATION

*That the Council:*

- 1) **Notes** the consolidated financial forecasts and key underlying expenditure and funding changes to year three (2026-27) of the Long-Term Plan 2024-2034, as presented in the discussion section of this report.
- 2) **Approves** the proposed adjustments to the draft financial forecasts and associated work programmes for year three (2026-27) of the Long-Term Plan 2024-34, as summarised in the discussion section of this report.
- 3) **Directs** staff on the use of \$600,000 expected underspend from 2025-26, which was collected in general rates for the purpose of developing the Regional Plan - Air.
- 4) **Approves** the proposed changes to the Long-Term Plan 2024-34 measures and targets for year three (2026-27) of the Long-Term Plan 2024-34.
- 5) **Notes** the current cost-recovery practices related to requests for information, under the Local Government Official Information and Meetings Act (LGOIMA).
- 6) **Notes** the current bus fares for Dunedin and Queenstown and the modelling of expected patronage changes if there were changes to bus fares.

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

## BACKGROUND

- [12] This Annual Plan process has reviewed the adopted Long-Term Plan (LTP) year three financial estimates and associated activity.
- [13] Annual Plan Development - In developing the draft plan staff have worked to ensure proposed budgets for LTP year three, 2026-27 were achieving operational efficiencies. Presentations were provided to Councillors at workshops/briefings in October, December and February and covered information including:
- Corporate planning processes and current year context.
  - Overview of relationship between the Long-Term Plan and draft financial estimates and work programme.
  - Key activities that have created the changes to proposed general rate and targeted rates.
  - Cost recovery practices and proposed changes to fees and charges.
  - Summary of current budget expenditure.
  - Communications approach and considerations
- [14] The proposed draft position for 2026-27 largely aligns with the LTP and Council's intention to continue with services and service levels as planned, with some key changes to planning, transport and flood protection/drainage work programmes.
- [15] Adjustments to the LTP work programme and financial estimates for the 2026-27 financial year (year three) are outlined in the discussion section of this report and in the draft Annual Plan attached.

## DISCUSSION

### **Recommendation One: Draft Financial Estimates**

- [16] This section relates to recommendation 1 of this report and outlines the consolidated financial forecasts and underlying expenditure and funding changes.
- [17] **Operating expenditure** – The draft position includes an operating expenditure of \$146.09 million which is a reduction of \$8.62 million compared to the adopted LTP year

three (2026-27). This reduction in expenditure is due to finding efficiencies, expanding timeframes for delivery, and pausing some work in response to government directives.

[18] The draft operating expenditure also represents an increase of \$5.46 million compared to the current year, 2025-26. Table 1 outlines the draft operating expenditure at activity and includes comparisons to the LTP Year three (2026-27) and to the current year (Annual Plan 2025-26).

OPERATING EXPENDITURE	AP	Draft AP	DAP vs AP		LTP3	LTP vs AP		DAP vs LTP	
	25/26	26/27	Inc/(Dec)	%	26/27	Inc/(Dec)	%	Inc/(Dec)	%
Governance & Community	15,518	15,469	(49)	-0.3%	15,187	(330)	-2.1%	281	1.9%
Regional Planning	2,640	2,215	(425)	-16.1%	2,304	(336)	-12.7%	(89)	-3.9%
Regulatory	14,173	14,676	502	3.5%	14,525	352	2.5%	151	1.0%
<b>Regional Leadership</b>	<b>32,331</b>	<b>32,359</b>	<b>29</b>	<b>0.1%</b>	<b>32,017</b>	<b>(314)</b>	<b>-1.0%</b>	<b>343</b>	<b>1.1%</b>
Land & Water	20,284	19,235	(1,049)	-5.2%	22,834	2,550	12.6%	(3,599)	-15.8%
Biodiversity & Biosecurity	11,838	12,011	173	1.5%	12,993	1,156	9.8%	(982)	-7.6%
Air	1,769	1,229	(540)	-30.5%	1,808	39	2.2%	(579)	-32.0%
<b>Environment</b>	<b>33,891</b>	<b>32,475</b>	<b>(1,416)</b>	<b>-4.2%</b>	<b>37,636</b>	<b>3,745</b>	<b>11.1%</b>	<b>(5,161)</b>	<b>-13.7%</b>
Climate Change & Hazards	3,438	4,936	1,498	43.6%	4,339	901	26.2%	597	13.8%
Emergency Management	4,000	4,128	128	3.2%	4,076	76	1.9%	52	1.3%
Flood & Rivers	12,189	12,102	(88)	-0.7%	13,609	1,420	11.6%	(1,507)	-11.1%
<b>Safety &amp; Resilience</b>	<b>19,627</b>	<b>21,166</b>	<b>1,539</b>	<b>7.8%</b>	<b>22,024</b>	<b>2,396</b>	<b>12.2%</b>	<b>(858)</b>	<b>-3.9%</b>
Regional Transport Planning	694	937	243	35.0%	2,889	2,195	316.1%	(1,952)	-67.6%
STEDS	172	173	1	0.6%	174	3	1.7%	(2)	-1.1%
PT Dunedin	29,430	29,877	448	1.5%	29,838	408	1.4%	39	0.1%
PT Queenstown	13,897	16,087	2,190	15.8%	18,828	4,931	35.5%	(2,741)	-14.6%
PT Other	2,444	3,466	1,021	41.8%	2,382	(62)	-2.6%	1,084	45.5%
<b>Transport</b>	<b>46,637</b>	<b>50,540</b>	<b>3,903</b>	<b>8.4%</b>	<b>54,111</b>	<b>7,474</b>	<b>16.0%</b>	<b>(3,571)</b>	<b>-6.6%</b>
Internal	8,148	9,554	1,406	17.3%	8,930	782	9.6%	624	7.0%
<b>TOTAL EXPENDITURE</b>	<b>140,634</b>	<b>146,094</b>	<b>5,460</b>	<b>3.9%</b>	<b>154,717</b>	<b>14,083</b>	<b>10.0%</b>	<b>(8,623)</b>	<b>-5.6%</b>
Movement \$		5,460			14,083			(8,623)	
Movement %		3.9%			10.0%			-5.6%	

Table 1

[19] In comparison to the LTP the decreases are largely in environmental activities, flood protection and river management, and in public transport. Reduced expenditure is driven by:

- Broader efforts to gain efficiencies,
- Changes to inflation and depreciation,
- Expanding timelines for some work programmes,
- Utilising greater clarity on assets and relating planned resilience work to actual programme needs,
- Pausing planning work as per government direction.

[20] In comparison to the current year the proposed increases in expenditure are driven by Natural Hazards LiDAR work being brought forward, Public Transport operating costs, property overheads (Aonui and Queenstown), and coastal planning. These are partly offset by reduced regional, land and water, and air planning work.

[21] **Operating revenue/funding** – To fund operations, Council uses a range of mechanisms including rates, dividends from Port Otago, fees and charges, grants and the use of Council reserves. It is proposed that 47% of Council’s funding is to come from rates in 2026-27.

[22] Table 2 shows the proposed sources of revenue that have been budgeted to cover operating costs in the draft Annual Plan 2026-27. It provides comparisons to current year (Annual Plan 2025-26) and LTP year three (2026-27) and includes the percentage change in operating funding.

OPERATING FUNDING	AP	Draft AP	DAP vs AP		LTP3	LTP vs AP		DAP vs LTP	
	25/26	26/27	Inc/(Dec)	%	26/27	Inc/(Dec)	%	Inc/(Dec)	%
General Rates	31,160	30,078	(1,082)	-3.5%	34,438	3,277	10.5%	(4,360)	-12.7%
Targeted Rates	37,306	38,389	1,082	2.9%	45,832	8,525	22.9%	(7,443)	-16.2%
<b>Total Rates</b>	<b>68,467</b>	<b>68,467</b>	<b>( )</b>	<b>0.0%</b>	<b>80,269</b>	<b>11,803</b>	<b>17.2%</b>	<b>(11,803)</b>	<b>-14.7%</b>
Grants	25,162	29,985	4,822	19.2%	27,068	1,906	7.6%	2,917	10.8%
Fees & Charges	5,348	6,134	787	14.7%	5,123	(225)	-4.2%	1,011	19.7%
Bus Fares	8,274	9,736	1,462	17.7%	9,608	1,335	16.1%	127	1.3%
Other Income	1,979	1,653	(326)	-16.5%	2,293	314	15.9%	(640)	-27.9%
Dividends - Port	20,000	20,000		0.0%	20,000		0.0%		0.0%
Investment Income	6,090	6,465	375	6.2%	6,472	382	6.3%	(7)	-0.1%
Lease Income	1,086	1,086		0.0%	1,086		0.0%		0.0%
Reserves	4,228	2,568	(1,659)	-39.2%	2,797	(1,430)	-33.8%	(229)	-8.2%
<b>Total Non Rates</b>	<b>72,167</b>	<b>77,628</b>	<b>5,460</b>	<b>7.6%</b>	<b>74,448</b>	<b>2,281</b>	<b>3.2%</b>	<b>3,180</b>	<b>4.3%</b>
<b>TOTAL REVENUE</b>	<b>140,634</b>	<b>146,094</b>	<b>5,460</b>	<b>3.9%</b>	<b>154,717</b>	<b>14,083</b>	<b>10.0%</b>	<b>(8,623)</b>	<b>-5.6%</b>

Table 2

[23] **Reserve funding** - Anticipated underspends in the current year (2025-26) are expected to contribute to Council’s reserves. It is proposed that these funds are used to offset the rates requirement in 2026-27.

[24] Table 3 shows the anticipated underspends for specific activities and programmes including planning, science and flood protection works.

RPS, Strategy, Urban Dev & Response to Issues	(550,000)
Regional Plan: Air	(600,000)
Land & Water Planning	(1,600,000)
Land & Water Science and Monitoring	(300,000)
<b>Total forecast underspend</b>	<b>(3,050,000)</b>
Used to achieve zero rates increase	1,488,666
<b>Remainder (held in reserves)</b>	<b>(1,561,334)</b>

Table 3

[25] **Rates impact** – The use of reserves will support in a draft position that reflects an overall rates take of \$68.47 million, which is the same as 2025-26 (0% increase). This is a decrease from the estimated \$80.27 million rates requirement in the LTP for year three (a rates increase of 8.7% was expected in year three of the LTP).

[26] The lower rates requirement is also due in part to work to gain efficiencies, reduced interest/inflation costs, and decreases or deferrals of work in some programmes. Conversely, some work which was reserve funded in current year (2025-26) is reverting to rate funding and is again contributing to the rates requirement.

[27] Although the overall rates requirement remains at the same level as the current year the changes to rating types will vary. Rates for individual properties depend on location and the services provided.

[28] Changes by rate type are outlined in table 4.

Rate Type	Activity	25/26AP	26/27DAP	Movement	%
<b>Rates - General Total</b>		<b>(31,160)</b>	<b>(30,078)</b>	<b>1,082</b>	<b>-3.5%</b>
<b>Rates - Targeted</b>	Biosecurity	(5,155)	(5,295)	(140)	2.7%
	Biodiversity Implementation	(1,574)	(1,473)	101	-6.4%
	Environmental Management	(1,521)	(2,257)	(736)	48.3%
	Land & Water Implementation	(2,307)	(2,023)	283	-12.3%
	Emergency Management	(4,000)	(4,128)	(128)	3.2%
	Harbour Management	(883)	(934)	(51)	5.7%
	Alexandra Flood Protection	(103)	(124)	(21)	20.7%
	Leith Flood Protection Scheme	(1,256)	(1,256)	0	0.0%
	Lwr Clutha Flood Protection & Drainage	(1,102)	(1,102)	0	0.0%
	Lwr Taieri Flood Protection Scheme	(1,073)	(1,073)	0	0.0%
	East Taieri Drainage	(685)	(685)	0	0.0%
	West Taieri Drainage	(869)	(869)	0	0.0%
	Tokomariro Drainage	(154)	(154)	0	0.0%
	Public Transport - Dunedin	(10,716)	(10,300)	415	-3.9%
	Public Transport - Wakatipu	(3,522)	(4,334)	(812)	23.1%
	River Management - Central	(409)	(409)	0	0.0%
	River Management - Clutha	(485)	(485)	0	0.0%
	River Management - Dunedin	(266)	(266)	0	0.0%
	River Management - Waitaki	(659)	(655)	5	-0.7%
	River Management - Wakatipu/Wanaka	(567)	(567)	0	0.0%
<b>Rates - Targeted Total</b>		<b>(37,306)</b>	<b>(38,389)</b>	<b>(1,082)</b>	<b>2.9%</b>
<b>Grand Total</b>		<b>(68,467)</b>	<b>(68,467)</b>		<b>0.0%</b>
	<i>Note: Biodiversity Implementation, Environment Management and L&amp;W Implementation= Catchment Management Rate</i>				

Table 4

[29] The rating examples and the comparative change for the median residential properties for each district are shown in Table 5 below.

District	Median CV	Rates 2025/26	Rates 2026/27	Increase / (Decrease)	%
Central Otago	740,000	\$340.94	\$338.60	-\$2.34	-0.69%
Clutha	370,000	\$296.01	\$293.58	-\$2.43	-0.82%
Dunedin with public transport rate	590,000	\$436.41	\$426.98	-\$9.43	-2.16%
Dunedin - other	590,000	\$281.10	\$278.26	-\$2.84	-1.01%
Queenstown with public transport rate	1,475,000	\$642.18	\$665.53	\$23.35	3.64%
Queenstown - other	1,475,000	\$518.69	\$513.44	-\$5.25	-1.01%
Waitaki with public transport rate	430,000	\$383.27	\$375.22	-\$8.05	-2.10%
Waitaki - other	430,000	\$263.38	\$260.42	-\$2.96	-1.12%

Table 5

[30] Detailed sensitivity analysis is shown in the 2026-27 Rates Sensitivity Analysis and Sample Properties (this will be circulated a separate supplementary agenda item). This includes distribution graphs for the dollar and percentage rates change by region, district and land use type. A range of sample properties is provided for each district as well sample properties in each flood scheme and other selected properties with high value capital values.

[31] As part of the communications approach a Rating Estimator tool will be available via the ORC website. This online tool has been available during previous LTP and Annual Plan consultation periods and received high views.

[32] **Funding risks** – The draft position assumes that Council will receive grant funding related to total mobility (\$1.07 million) and LiDAR (\$1.12 million) which has not yet been finalised. Additionally, income related to public transport fares has been modelled but is not guaranteed. If grant funding and increased fare revenue did not eventuate then additional rates may be required to cover the shortfall and deliver planned work.

[33] **Operating Statement of Comprehensive Revenue and Expense (SCRE):**

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	AP	Draft AP	DAP vs AP		LTP3	LTP vs AP		DAP vs LTP	
	25/26	26/27	Inc/(Dec)	%	26/27	Inc/(Dec)	%	Inc/(Dec)	%
Rates	68,467	68,467	()	0.0%	80,269	11,803	17.2%	(11,803)	-14.7%
Subsidies and Grants	25,162	29,985	4,822	19.2%	27,068	1,906	7.6%	2,917	10.8%
Fees and Charges	13,621	15,870	2,249	16.5%	14,731	1,110	8.1%	1,139	7.7%
Investment Revenue	26,090	26,465	375	1.4%	26,472	382	1.5%	(7)	0.0%
Lease Income	1,086	1,086		0.0%	1,086		0.0%		0.0%
Other Income	1,979	1,653	(326)	-16.5%	2,293	314	15.9%	(640)	-27.9%
<b>Operational Revenue</b>	<b>136,406</b>	<b>143,526</b>	<b>7,120</b>	<b>5.2%</b>	<b>151,920</b>	<b>15,514</b>	<b>11.4%</b>	<b>(8,394)</b>	<b>-5.5%</b>
Personnel Costs	42,388	43,556	1,169	2.8%	42,890	503	1.2%	666	1.6%
Contract Services and Consultants	57,978	64,196	6,218	10.7%	66,197	8,219	14.2%	(2,001)	-3.0%
Other Expenses - Direct	31,730	29,601	(2,129)	-6.7%	35,748	4,018	12.7%	(6,147)	-17.2%
Interest	5,464	5,625	162	3.0%	6,445	982	18.0%	(820)	-12.7%
Depreciation and Amortisation	3,075	3,115	40	1.3%	3,436	361	11.8%	(321)	-9.3%
<b>Operational Expenditure</b>	<b>140,634</b>	<b>146,094</b>	<b>5,460</b>	<b>3.9%</b>	<b>154,717</b>	<b>14,083</b>	<b>10.0%</b>	<b>(8,623)</b>	<b>-5.6%</b>
<b>Surplus / (Deficit)</b>	<b>(4,228)</b>	<b>(2,568)</b>	<b>1,659</b>	<b>-39.2%</b>	<b>(2,797)</b>	<b>1,430</b>	<b>-33.8%</b>	<b>229</b>	<b>-8.2%</b>
Other Gains and Losses	4,788	1,240	(3,548)	-74.1%	1,176	(3,612)	-75.4%	64	5.4%
<b>Operating Surplus / (Deficit)</b>	<b>560</b>	<b>(1,329)</b>	<b>(1,889)</b>	<b>-337.2%</b>	<b>(1,621)</b>	<b>(2,181)</b>	<b>-389.5%</b>	<b>293</b>	<b>-18.1%</b>

Table 6

[34] **Balancing the budget** – Council is required to ensure that estimated revenue is sufficient to cover estimated operating costs. Council can, however, set its revenue at a different level, if Council resolves that it is financially prudent to do so.

[35] Table 7 shows the operating deficit position for the draft Annual Plan 2026-27. The draft Annual Plan includes a deficit of \$2.57 million which is a decrease in deficit of \$1.66 million from the \$4.23 million deficit in the current year and is also slightly lower than the planned LTP year three deficit of \$2.80 million.

<b>SURPLUS / (DEFICIT)</b>	<b>AP 25/26</b>	<b>Draft AP 26/27</b>	<b>DAP vs AP Inc/(Dec)</b>
Governance & Community	(350)	176	526
Regional Planning	(128)		128
Regulatory			( )
<b>Regional Leadership</b>	<b>(478)</b>	<b>176</b>	<b>654</b>
Land & Water	(715)	(104)	611
Biodiversity & Biosecurity	(2,044)	(2,085)	(41)
Air			
<b>Environment</b>	<b>(2,759)</b>	<b>(2,189)</b>	<b>570</b>
Climate Change & Hazards	(148)	(407)	(259)
Emergency Management			( )
Flood & Rivers	(1,157)	1,368	2,525
<b>Safety &amp; Resilience</b>	<b>(1,305)</b>	<b>961</b>	<b>2,266</b>
Regional Transport Planning		( )	( )
STEDS	( )	( )	( )
PT Dunedin	1,590	1,650	60
PT Queenstown	(118)	458	576
PT Other			
<b>Transport</b>	<b>1,472</b>	<b>2,108</b>	<b>636</b>
<b>Internal</b>	<b>(1,157)</b>	<b>(3,624)</b>	<b>(2,467)</b>
<b>TOTAL SURPLUS / (DEFICIT)</b>	<b>(4,228)</b>	<b>(2,568)</b>	<b>1,659</b>
<b>Movement \$</b>		<b>1,659</b>	

Table 7

- [36] **Capital expenditure** – There is a total of \$18.91 million in capital expenditure proposed in the draft Annual Plan 2026-27. This is an increase of 1.9 million from the current year and an increase of \$5.12 million from the LTP for year three. Table 8 provides a summary of capital expenditure and comparisons to current year and LTP year three.

Activity Group	Significant Activity	Activity	25/26 AP	DAP 26/27	LTP 26/27
Environment	Air	Air Monitoring	79	156	157
		Biodiversity Science & Monitoring	153	261	262
	Water	Land & Water Implementation	(50)		
		Land & Water Science and Monitoring	12	552	555
<b>Environment Total</b>			<b>194</b>	<b>969</b>	<b>974</b>
Regional Leadership	Consents & Compliance	Compliance Monitoring & Contaminated Sites			32
		Harbour Management	0	22	22
		Incident Response & Enforcement	8	8	8
	Governance & Community	Communications and Marketing	0		
<b>Regional Leadership Total</b>			<b>8</b>	<b>30</b>	<b>62</b>
Safety and Resilience	Flood Protection	Alexandra Flood Protection	(20)		
		East Taieri Drainage	435	2,945	1,257
		Leith Flood Protection Scheme	2	102	262
		Lwr Clutha Flood Protection & Drainage	388	2,100	1,571
		Lwr Taieri Flood Protection Scheme	3,990	5,442	2,462
		River Management - Clutha	20	21	21
		River Management - Dunedin	598	979	1,550
		River Management - Wakatipu/Wanaka	(100)	52	52
		Tokomariro Drainage	338	306	419
	West Taieri Drainage	1,342	1,710	890	
	Natural Hazards	Natural Hazards	(52)		
<b>Safety and Resilience Total</b>			<b>6,941</b>	<b>13,658</b>	<b>8,485</b>
Corporate	Internal	Information Systems	394	912	917
		ORC Property - Operational	4,738	2,189	2,200
		Vehicles	253	1,095	1,100
	Overheads	Finance	51	52	52
		Whare Runaka	4,426	0	
<b>Corporate Total</b>			<b>9,862</b>	<b>4,248</b>	<b>4,269</b>
<b>Grand Total</b>			<b>17,006</b>	<b>18,905</b>	<b>13,790</b>

Table 8

- [37] The increase in flood protection, drainage and river management projects is driven largely by government co-funding bringing forward timing of resilience projects, including an additional \$3 million in the Lower Taieri Flood scheme for the contour channel.

***Recommendation Two: Draft work programmes***

- [38] This section relates to recommendation 2 of this report and outlines the proposed adjustments to work programmes for year three (2026-27) of the LTP. The key changes to programmes are driven by reform, additional grant funding and revised timeframes for delivery.
- [39] **Regional Planning:** Although planning work has been on hold in Annual Plan 2025-26, ORC has continued to provide environmental and spatial planning as required by legislation. Current reform and government direction has been considered in setting the planning programme for the draft Annual Plan 2026-27. Planning related to urban development is expected to be captured under proposed spatial planning legislation. Environmental aspects of the Regional Policy Statement (RPS) are expected to be captured under the proposed new environmental legislation.
- [40] The original LTP programme had high workloads and budgets in line with timing and progress of the RPS and urban development programmes. Following a pause, planning work is set to resume, and the proposed Annual Plan work programmes and budgets have been revised in consideration of new and anticipated legislation. Legal costs, consultant spend, and staff numbers have been reduced from the LTP year three estimate.
- [41] **Regulatory:** Work related to Hazardous Activities and Industries List (HAIL) is ongoing and will be delivered by the Compliance and Environmental Delivery, Data and Systems Teams within current resourcing.
- [42] **Air planning and strategy implementation:** Development of the Regional Plan - Air has been paused due to government directive. As with regional planning, the work programme for 2026-27 has been realigned to the anticipated legislation and government direction, with reduced consultant and legal costs budgeted.
- [43] The current year budgets are forecast to be significantly underspent at year end. The position presented in the draft Annual Plan 2026-27 assumes \$600,000 from this budget will go into reserves and be used by Council to offset the general rate requirement. Council, however, has other options on how to apply these funds.
- [44] ORC has been progressing a programme to review and update its regulatory and non-regulatory approaches to managing air quality since 2023. This work was impacted by the plan stop provisions introduced by Central Government in mid-2025. Air quality is slowly improving in many of Otago's monitored airsheds, however, Otago's worst affected towns have some of the poorest winter-time air quality in New Zealand and still fall short of compliance with the human health standards set out in the National Environmental Standards for Air Quality 2004 (NESAQ).

- [45] There is an opportunity to utilise some of the general rates funding collected in the current financial year (2025-26) for regulatory air quality work, and either use it to seek an exemption to proceed with a narrow plan change to address domestic home heating, which is the predominant cause of poor air quality, or alternatively, to repurpose it toward non-regulatory air quality work.
- [46] Under the new Natural Environment Bill, environmental limits to protect human health are intended to be set by the responsible Minister in national standards. These may or may not be the same as the current NESAQ, however, staff consider that spending the money on making tangible improvements to air quality is low risk and can have a tangible benefit, given the understanding of the primary cause of air quality issues resulting from domestic wood burners.
- [47] Staff do not recommend using the funding to pursue a plan change, due to the low likelihood of an exemption being granted. There is, however, merit in considering using unspent air quality funding from the current financial year in a trial to support some form of intervention.
- [48] One example could be to utilise the money to facilitate property owners replacing older, higher-emitting wood burners with Ultra-Low Emission Burners (ULEBs) or heat pumps. The cost of ULEBs is now comparable with non-ULEB devices, and heat pumps tend to be slightly cheaper. If Council were to allow a grant of \$6,000 per household, then \$600,000 could support the replacement of over 80 wood burners.
- [49] This funding could be targeted towards older, higher-emitting wood burners (pre-2010), and towards one priority area. For example, replacing 80 burners in Clyde could reduce emissions by up to 40%<sup>1</sup>, potentially bringing ambient air quality close to the NESAQ limits. Whilst the uptake might be lower than if the funding was offered to the whole region, the health benefits, however, would be greater in one location.
- [50] If undertaken in winter 2026, the success and uptake of this trial would provide valuable data to inform Council's decisions for the next long-term plan.
- [51] Should Council wish to use the anticipated air quality funding from the current year to fund wood burner replacements in 2026-27, then staff would bring a paper to Council with detail about the proposed scheme, including:
- considerations around grants or loans.
  - optimum per-household limit.
  - relative improvements that could be achieved in each priority area.
  - considerations around options for future rating for the community that benefits; acknowledging that these were general rate funds, but benefit the specific area involved.
- [52] Examples of other actions that could have an impact on air quality in the long-term by enabling well-informed decision making include:
- Expediting the expansion of Otago air quality monitoring network and building a better evidence base for future action.

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<sup>1</sup> Calculations are based on the 2019 Emissions Inventory

- Providing more advice and education about optimal wood burner usage; and/or
- Providing a contestable fund for community groups working on air quality improvement projects.

[53] These actions would have an impact on air quality in the long term, but the impact would be less immediate, not as demonstrable as the impact of replacing older, higher-emitting wood burners in a small town, and are less likely to provide data to inform Council's decisions for the next long-term plan. However, should Council wish to proceed with these actions in 2026-27, then staff would bring a paper to Council with further information about potential investment in these options.

#### **Options:**

[54] **Option 1 (recommended):** Use up to \$600,000 of the anticipated underspend from the current financial year to improve air quality and human health outcomes in the region by undertaking a wood burner replacement trial in 2026-27 financial year.

[55] **Option 2:** Use up to \$600,000 of the anticipated underspend from the current financial year on other actions in 2026-27 to improve air quality and human health outcomes in the region, such as funding expansion of the monitoring network, providing increased advice and education, and/or providing a contestable community fund.

[56] **Option 3:** Do not use the anticipated underspend from the current financial year on specific actions in 2026-27 to improve air quality and human health outcomes in the region.

[57] **Option 1 is the recommendation of this paper.** Whilst this might only benefit part of the region, it would result in better human health outcomes and also:

- Provide valuable information to inform future decisions.
- Demonstrate that ORC is prioritising non-regulatory action.
- Show that ORC is not 'doing nothing' while waiting on the new RM regulations to take effect.
- Speed up progress towards achieving national environmental standards in one of the worst affected parts of the region.

[58] **Land and water planning:** As with other planning work programmes the finalisation of the Land and Water Regional Plan was paused in response to government direction. In the Annual Plan 2026-27 work on environmental planning is set to resume and will realign with new legislation.

[59] **Land and water implementation projects:** Changes from the LTP year three programme include no further remediation work for Tomahawk lagoon as planned activities are now complete. There is no budget for priority projects for degraded water bodies in the draft Annual Plan as this was removed through the Annual Plan 2025-26 process last year.

[60] **Land and water science and monitoring:** Core science activities such as state of the environment reporting, consents, advice, data analysis and reporting are continuing as planned. Research expansion is on hold until clear policy direction is known and the

planned scaling up in Environmental Monitoring is also on hold with the current level to be maintained.

- [61] **Biodiversity and biosecurity:** Biodiversity Strategy implementation budget reduced to reflect planned activities and delivery; draft strategy aligns with planned delivery, extra funds not required. Other budgets have been streamlined without materially reducing services.
- [62] **Flood protection and drainage:** There are a range of changes to planned resilience projects. Planned work on the Outram floodbank is not required due to the asset state not requiring anticipated interventions. The resources are being redirected into additional works in the Silverstream.
- [63] Regional infrastructure fund grants from the Ministry for Business and Innovation have been secured for six projects across the Lower Clutha Flood Protection and Drainage Scheme and the Lower Taieri Flood Protection Scheme. This grant funding enables Council to accelerate planned work and deliver earlier.
- [64] **River management:** Work programmes have been revised due to having a clearer picture of actual work required. Additional scrutiny of legacy river scheme planning has identified LTP over-estimation of work and related costs, programmes and budgets have been revised accordingly. Changes range across the river management areas with the majority of the cost savings in the Queenstown Lakes district.
- [65] **Natural hazards:** The LiDAR (Light Detection and Ranging) programme delivery has been brought forward due to grant funding being received for 2026-27. The Ministry for the Environment is contributing \$1.2 million toward the Otago Regional Council project to complete fly-over LiDAR ground mapping coverage across the province. There are efficiency gains in doing work in bulk and earlier than initially planned which enables data to be available sooner.
- [66] Other Natural Hazards programme changes include revised timing across a range of projects, such as coastal hazards, Brewery creek, Stoney creek and more. Slowing down, rather than stopping, some work programmes and data capture helps to balance resources, smooth costs, while maintaining the data investment already made.
- [67] **Emergency management:** Work programmes are largely progressing as planned with work on a tsunami study starting later than planned in the LTP with costs now rephased across LTP year three and four.
- [68] **Transport** - In Queenstown the public transport improvements that were implemented in June 2025 are ongoing, including a new Arrowtown to Jacks Point route, increased frequency of services on other routes and a new ferry service provider who has added additional services, adding capacity to the network where needed.
- [69] Improvements planned in the LTP for Dunedin did not attract the assumed multi-year government co-funding. The draft Annual Plan 2026-27 accommodates the decisions

made by Council at its 20 November 2024 meeting in relation to the Transport work programmes/projects which did not receive funding through the National Land Transport Fund and the impact on rates, service delivery and infrastructure in both the current year and through to LTP year three, 2026-27.

[70] Although regional trials are not progressing due to the lack of co-funding, work is underway to investigate viable public transport options to improve connectivity and transport options:

- Within the Upper Clutha
- Between Alexandra, Clyde, Cromwell and Queenstown
- For Balclutha to Dunedin, including consideration of Dunedin Airport
- Ōamaru and its connection to Dunedin

**Recommendation Three: Levels of service, performance measures and targets - Statement of Service Provision**

[71] This section relates to recommendation 3 of this report and outlines the proposed changes to service statements, performance measures and/or targets for year three (2026-27) of the Long-Term Plan 2024-34.

[72] The LTP includes statements of the intended level of service for each ORC activity. These service statements, performance measures, and the targets are set through the LTP process. There are no proposed changes to service statements or levels of service, however, some minor adjustments have been proposed to performance measures and targets. Changes are to ensure that they align with planned work and take into account changes in direction, particularly with the planning work which has been paused as directed by central government.

[73] Through the Annual Plan 2025-26 process service measures and targets were reviewed and some adjustments for year three targets were flagged through that process. These are also included below so that changes from the LTP year three can be formalised through this Annual Plan 2026-27 process.

[74] Table 9 outlines proposed changes to the LTP year three measures and targets:

<b>Activity: Regional Planning</b>				
<i>Service statement</i>	<i>Measure</i>	<i>Current Target</i>	<i>New target</i>	<i>Reason</i>
Lead a regional approach to air quality improvement in collaboration with mana whenua, local councils, and other stakeholders.	Develop a Regional Air Quality Strategy and implement ORC actions.	Regional Air Quality Strategy is adopted by June 2027.	No change.	Noting that the target may change, this is dependent on Council decision in February/ March.
Support Otago’s councils and communities to manage environmentally sustainable urban	Support integrated and well managed urban growth across Otago.	Review of joint Dunedin and Queenstown Future Development Strategy	No target.	Policy measures are unable to be set until the Government’s RMA direction is fully released. Once known, all related

growth.		completed by 30 June 2027.		measures and associated targets will be realigned to these mandated requirements.
<b>Activity: Regulatory</b>				
<i>Service statement</i>	<i>Measure</i>	<i>Current target</i>	<i>New target</i>	<i>Reason</i>
Provide effective and efficient compliance monitoring, investigations and enforcement services and take appropriate actions to ensure the lawful use of natural and physical resources.	Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets.	≥90%	≥90%*	No change in target but note regarding the IRIS Next Gen transition period.
	Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets.	≥90%	≥90%*	No change in target but note regarding the IRIS Next Gen transition period.
<p><i>*Note: As part of a planned technology improvement programme to strengthen how services are delivered to ORC customers, the Compliance team will be transitioning to a new system across 2026-27, taking the lead for a sector-wide implementation. During the transition, existing performance measure reporting will be temporarily suspended for a period, as system configurations are established and tested. Reporting will only recommence once data can be produced reliably and with appropriate assurance. Should reliable data become available earlier, partial reporting will be provided in the interim, using transition appropriate targets.</i></p>				
Provide effective and efficient environmental response services to pollution incidents or notifications of non-compliant activities	Maintain 20 appropriately trained responders for maritime oil pollution incidents.	20 responders attend 3 exercises per year.	20 responders attend 2 exercises per year.	This is to reflect Maritime NZ requirements.
<b>Activity: Land and Water</b>				
<i>Service statement</i>	<i>Measure</i>	<i>Target</i>	<i>New target</i>	<i>Reason</i>
Partner with iwi and collaboration with communities and landowners to develop and implement plans which enhance	Site specific projects are developed for selected degraded waterbodies.	At least 80% of project actions are progressed as scheduled.	No target for 2027.	All the projects will be done in 2026. Current target will be achieved in June 2026. Future projects will be determined.

water quality and indigenous biodiversity in selected degraded waterbodies.				
Provide a robust and integrated environmental planning framework for Otago’s land, water and coast resources.	Complete the Land and Water Regional Plan (LWRP).	LTP target: Proposed LWRP ready for council decisions by 30 October 2026.	No target.	Policy measures are unable to be set until the Government’s RMA direction is fully released. Once known, all related measures and associated targets will be realigned to these mandated requirements.
<b>Activity: Biodiversity and Biosecurity</b>				
<i>Service statement</i>	<i>Measure</i>	<i>Target</i>	<i>New target</i>	<i>Reason</i>
Develop and deliver practices and programmes that give effect to the Regional Pest Management Plan.	Actions within the Biosecurity Operational Plan (BOP) are progressed.	100% of priority pest management actions are achieved.  80% of non-priority pest management actions are achieved.	90% of pest management actions are achieved.	This is to align with the Regional Pest Management Plan and the Biosecurity Operational Plan.
<b>Activity: Transport</b>				
<i>Service statement</i>	<i>Current Measure</i>	<i>New Measure</i>	<i>Target</i>	<i>Reason</i>
Provide efficient, reliable and accessible public transport services that meets community needs.	Percentage of Whakatipu scheduled services delivered.	Service Reliability – % Whakatipu scheduled services delivered.	≥95%	The measure has been reworded to reflect best practise and consistency.
	Percentage of Dunedin scheduled services delivered.	Service Reliability – % Dunedin scheduled services delivered.	≥95%	The measure has been reworded to reflect best practise and consistency.
	Percentage of Whakatipu operated services departing Terminus on time.	Departure Punctuality – % Whakatipu on-time departures from	≥90% <i>(Note - LTP target of 95% was reduced in</i>	The measure has been refined to better reflect community-focused insights into public

		point of origin.	AP 2025-26.)	transport punctuality.
	Percentage of Dunedin operated services departing Terminus on time.	Departure Punctuality – % Dunedin on-time departures from point of origin.	≥90% (Note - LTP target of 95% was reduced in AP 2025-26.)	The measure has been refined to better reflect community-focused insights into public transport punctuality.
	New measure	Arrival Punctuality – % Whakatipu on-time arrivals to planned destination.	≥90%	The measure has been added to better reflect community-focused insights into public transport punctuality.
	New measure	Arrival Punctuality – % Dunedin on-time arrivals to planned destination.	≥90%	The measure has been added to better reflect community-focused insights into public transport punctuality.

Table 9.

[75] These proposed metric changes represent the slight adjustment to ORC programmes. A full analysis of this performance structure, and a recast of measures and targets will be undertaken through the LTP 2027-37 development process (commencing April 2026), to design and provide a more holistic view of service performance, efficiency, and effectiveness, aligned with the current review of ORC’s strategic directions and related outcome monitoring framework.

[76] The insertion of brand-new measures into LTP Year 3 - Annual Plan 2026-27, while technically possible to a limited extent, raises issues relating to audit scrutiny and performance coherence. They should not by virtue of their inclusion and focus, replace or modify the current statutory Levels of Service commitments. Any additional measures will be subject to the same degree of audit scrutiny as the existing measures.

**Recommendations Four, Five and Six: Fees, charges and fares**

[77] This section relates to recommendations 4 - 6 of this report and includes changes to the Schedule of Fees and Charges for 2026-27. It also outlines the current approach to cost recovery for responding to LGOIMA and includes an analysis of bus fares and the modelling associated with potential fare changes.

**Cost recovery practices for Information requests (LGOIMA)**

[78] Under section 13 of the Local Government Official Information and Meetings Act 1987 (LGOIMA), ORC may charge for the supply of official information where it is reasonable. ORC’s Official Information Policy already provides for this, requiring any decision to charge to be notified alongside the decision to release information and for charges to be applied in accordance with Ministry of Justice guidelines endorsed by the Ombudsman. Those guidelines allow charging \$38 per half hour. ORC can only charge for activities directly involved in supplying information such as searching for, collating, and identifying

information within scope, and preparing it for release, and cannot charge for decision-making about whether information should be withheld or released.

- [79] ORC’s current practice is not to charge for LGOIMA requests, including where requests require substantial staff time to search, review, collate, and prepare large volumes of information. While this supports openness and accessibility, it means the full cost of responding to complex or resource-intensive requests is met by ORC and ultimately borne by ratepayers. The existing policy gives ORC discretion to continue this approach or to introduce selective charging in appropriate cases, while retaining the ability to waive charges where there is strong public interest.

**Current bus fares and impact of fare increases**

- [80] Increases to fares were consulted on as part of the Regional Public Transport Plan 2025-2035 (RPTP). Fare increases were approved by Council in June 2025, and the base fare was raised from \$2 to \$2.50 effective 29 September 2025. Staff are currently investigating options for a zonal fare structure and fare capping. A fares paper with a full discussion on fare options will be brought to Council at a later date. Further changes are likely to be deemed material requiring consultation.

- [81] The customer response to a fare increase is not instant, with five to 10 years being the standard period for evaluating a full price response. There has been negligible short-term loss of patronage following the recent fare increase, which likely indicates that the fare increase was seen as reasonable, and the rationale for the increase was well communicated through consultation.

- [82] Staff do not recommend further increases to bus fares in Queenstown. As demonstrated in the modelling undertaken by Stantec last year as part of the RPTP process and private share target setting, the \$2.50 flat fares set a balance between short-term fare revenue growth, and long-term revenue decline due to lost patronage.

- [83] Fresh modelling has been undertaken by staff using standard assumptions for customer trip times, typical frequencies, and NZTA public transport user values of time. This modelling confirms that, in the short term, higher fares (of \$3 or even more) would generate additional revenue, however in the long-term would be detrimental to system patronage and revenue. Figure 1 and Figure 2 below demonstrate the revenue and patronage trade-offs of increasing fares.

- [84] Figure 1 shows the base fare level impact on revenue over time:

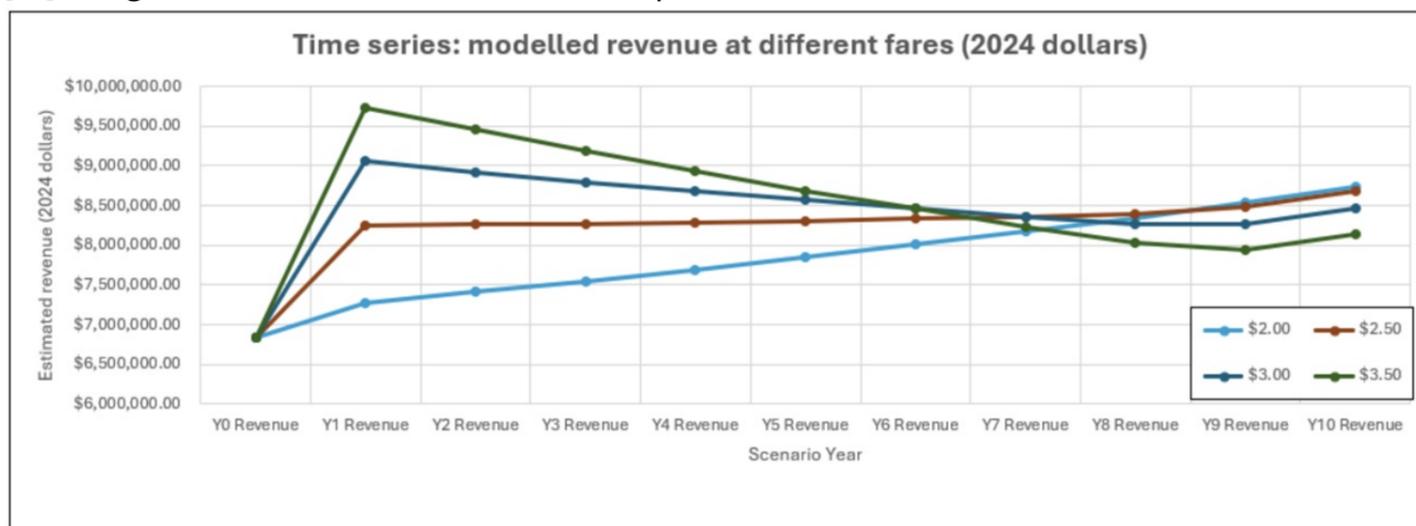


Figure 1

[85] Figure 2 shows the base fare level impact on patronage:

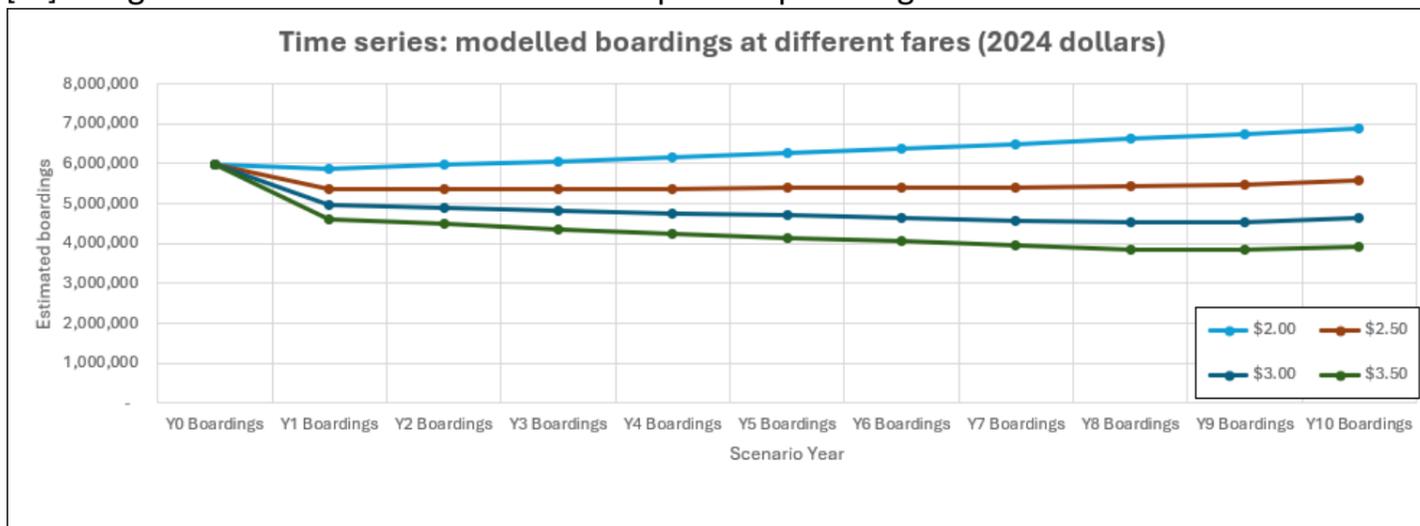


Figure 2

[86] As identified through the Queenstown Business Cases, public transport has a pivotal role in improving Queenstown’s transport network. Patronage loss from fare increases are likely to place additional strain on road capacity and negatively impact the Queenstown economy.

[87] Staff recommend that any changes to fares are incorporated into the LTP development process and associated consultation.

**Schedule of Fees and Charges**

[88] The current Schedule of Fees and Charges has been reviewed as part of this Annual Plan process and minimal changes are proposed. The adjustments are shown as tracked changes in the attached Proposed Schedule of Fees and Charges 2026-27. A fixed fee has been added for boat shed replacements. A fee relating to the late provision of performance monitoring information to the council has been removed as it was not used. Wording in the schedule has also been updated to reflect recent changes in legislation and allow for the charging of permitted activity monitoring. All remaining changes to the scale of fees and charges are intended to improve clarity, readability, minimise queries and improve alignment with legislation.

**Recommendations Seven and Eight: Judgement on significance or materiality of proposed changes**

[89] This section relates to recommendations 7 and 8 of this report and outlines the legal opinion and staff recommendation in relation the degree of significance or materiality of changes from the LTP 2024-34.

[90] Staff sought internal, and consequently external independent legal advice on whether community consultation on the Annual Plan 2026-27 is required. The advice stipulates that *“If the proposed 2026/27 Annual Plan does not include significant or material differences from the content of the Long-Term Plan for the 2026/27 financial year, then Annual Plan consultation is not mandatory.”*

[91] It was advised that the assessment of whether differences are significant, or material is a matter of judgement for the Council, to be exercised in accordance with the direction of the LGA, as noted below: -

- “Significant” is a high threshold requiring a high degree of significance assessed against impact on the four well-beings, affected or interested persons, and the capacity of the local authority to perform its role.
- “Material” is a lower threshold. The question to ask is whether a difference (or differences assessed together) would reasonably matter to members of Otago’s communities? Could members of Otago’s communities say: “Had I known of that, I would have wanted to submit.”

[92] If a significant or material difference is identified between the proposed Annual Plan and the content of the LTP for the financial year to which the proposed Annual Plan relates, then consultation is mandatory. However, the consultation is then solely on the identified significant or material differences from the Long-Term Plan, and not the proposed annual plan in its entirety.

[93] The flow chart in Diagram 1 was developed by staff based on the legal expertise received and is provided here to support Council in its judgment of whether the proposed changes to the LTP (as outlined in the previous discussion points) meet the thresholds of significant or material. No changes proposed are considered by staff to meet either threshold.

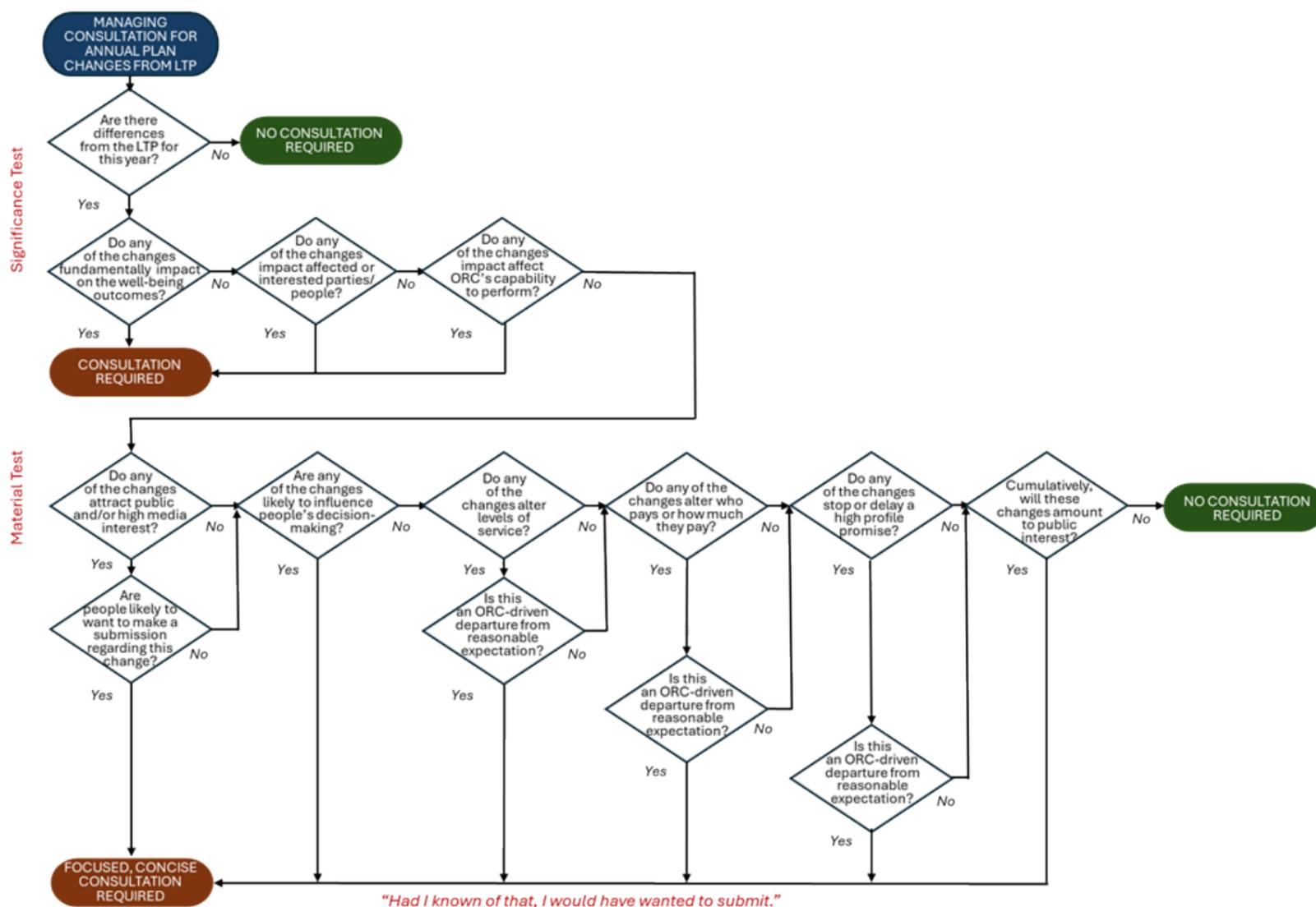


Diagram 1.

- [94] Significance - Aligned with the legal advice received for the 'significance test', staff analysis concluded that none of the proposed changes have an associated significant impact on well-being, the Otago community, nor ORC capability.
- [95] Materiality - Aligned with the legal advice received for the 'material test', staff analysis concluded that none of the proposed changes have an associated material impact, and that any departures from plan are reasonably expected changes: -
- *Limited profile/interest issues* – none of the proposed changes are considered to be high profile or likely to receive significant public interest.
  - *Maintained service levels* – no levels of service will be affected by the proposed changes.
  - *Mandated changes* – well publicised government directives drive a large number of the programme changes, and so these are not open to influence from the Otago community.
  - *Shared cost burden* – the other proposed changes relate to anticipated additional funding being received that enables Council to proceed with planned work sooner, and with an overall reduced cost to ratepayers.
  - *Smoothed rates burden* – any proposed expanded timeframes for aspects of work programmes, have been redesigned reduce the required rate take in 2026-27.
  - *Reduced rates burden* – proposed expenditure reduction in 2026-27 due to organisational efficiencies, clearer understanding of actual costs, and the use of reserve funding (through prior year underspends) reduce the required rate take in 2026-27.
- [96] If Council determines that the proposed changes to the LTP for year three 2026-27 do not represent significant or material change, then community consultation is not required by law. In previous years Council has historically chosen to hold a formal consultation process with hearings and deliberations, even when the changes have not been deemed significant or material, and consultation has not been required. There are external costs and considerable staff and Councillor time required to support any consultation process.
- [97] If Council decides not to consult with the community, then this decision would be communicated with the community, prior to adoption of the Annual Plan 2026-27 in April 2026.

***Communications and engagement approach for Annual Plan 2026-27:***

- [98] This section relates to recommendation 9 and outlines the high-level communications approach to communicating Annual Plan 2026-27.
- [99] The communications approach for the 2026-27 Annual Plan seeks to inform the community by reaching as many Otago residents as possible.
- [100] Otago has diverse communities and to effectively reach people across the region, best practice is to use a range of channels – paid and unpaid, digital and non-digital - to ensure people are well informed. Messaging to ratepayers highlights an overall zero

rates increase, savings found to achieve this, and that Councillors have heard the call to reduce rates and for ORC to be more efficient and effective. It is also important to note the likelihood of reform, while reminding people that ORC still has a job to do in the interim.

[101] The ORC website is the key place information about the annual plan is located for the public, including a rates estimator which ratepayers can use to see estimated future rates for their property. This is an important communications channel, but ORC also needs to utilise other channels to encourage people to visit the website and find out more.

[102] Engagement approach - we will be letting ORC's strategic stakeholders know of about the Annual Plan 2026-27 approach and the adjustments from the LTP year three.

### **OPTIONS**

[103] Options related to the recommendations have been discussed in the body of this report within the relevant/related sections.

### **CONSIDERATIONS**

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

[104] No specific considerations.

[105] The delivery of Annual Plan work programmes gives effect to Council's strategic directions and makes progress towards achieving strategic goals.

#### **Financial Considerations**

[106] The draft financial forecasts provided in the 'Discussion' section of this report is based on detailed financial modelling.

[107] The financial estimates and approach are aligned with relevant policies and legislation e.g. revenue and financing policy, which is a key document within the LTP.

[108] Council's approval of the draft financial forecasts will result in Council staff 'locking down' the model to formalise a record of the draft position. From that point very accurate calculations can be completed that show for example, the impact of decisions at a property or rating unit level.

[109] Cost of communications included in the discussion section of this report. There is budget for communication/consultation with the community in the current year corporate planning and communications budgets.

#### **Significance and Engagement**

[110] Adjustments to the LTP as reported in the Annual Plan process to date have been considered in reference to the Council's Significance and Engagement Policy/He Mahi Rua Rika. The significance of any change to the draft financial estimates and work programme as consulted should be considered. The Council's policy reflects the

legislative principles of acting in a transparent and accountable manner. The perception that a council's intentions are authentic and genuine regarding any consultation proposal is a foundation stone for local democracy.

[111] Recommendation 7 of this report seeks Council agreement, that the proposed adjustments to the Long-term Plan 2024-2034 as identified in the process to date and summarised in this report, do not represent a significant or material change.

[112] Staff will inform the community and strategic stakeholders on the draft Annual Plan content and the process taken to date.

### **Legislative and Risk Considerations**

[113] The Annual Plan and associated finances are subject to legislative requirements.

[114] External audit of the Annual Plan 2026-27 is not required.

[115] The recommendations in this report sit within a broader Annual Plan process that is being implemented by Council. The process is consistent with the relevant planning requirements under the Local Government Act 2002. This report seeks Council's judgment on whether proposed adjustments represent significant or material change.

[116] Council staff develop the Annual Plan document in stages, with a draft version attached to this report. The draft version will be updated and presented to Council for adoption in late April 2026. The updated version will include the detailed forecast financial statements, noting that these are not required or included in the draft version.

[117] Specific proposed changes to Council Fees and Charges are considered minor and therefore consultation is not required under the provisions of the Resource Management Act.

### **Climate Change Considerations**

[118] No specific considerations.

[119] The delivery of Annual Plan work programmes includes climate change aspects and gives effect to Council's climate related strategic goals.

### **Communications Considerations**

[120] Recommendations 8 and 9 of this report serve as a reminder to councillors of the steps taken to consider the Annual Plan communication and consultation approach, including any relevant Council resolutions from this 25 February 2026 meeting.

### **NEXT STEPS**

[121] Assuming Council agree the recommendations of this report, the next steps include:

- a. Council staff completing the communication content – with a March 2026 communications launch. Communication with the general public and directly informing strategic stakeholders. Includes online rates estimator tool and AP website.

- b. Council staff finalising the Annual Plan 2026-27, including associated work programmes, budgets, and financial forecasts. For clarity, if Council decides not to undertake a formal consultation process, there will not be a hearings process or Annual Plan deliberations. The process will proceed straight to adoption.
- c. Council adopting the Annual Plan 2026-27 at the April 2026 Council meeting (with or without amendments).
- d. Council staff preparing the rates resolution for 2026-27 for adoption at the June 2026 Council meeting, which will include updated Rates Sensitivity Analysis and Sample Properties based on confirmed property valuations. Rate strike will follow as per standard timeframes.
- e. Implementing and delivering the Annual Plan 2026-27 work programmes will commence on 01 July 2026.

#### **ATTACHMENTS**

- 1. DRAFT Annual Plan 2026-2027 [**9.1.1** - 62 pages]
- 2. Proposed Schedule of Fees and Charges - 2026-27 [**9.1.2** - 9 pages]



Otago  
Regional  
Council

# Draft **Annual Plan** 2026-2027

**Otago Regional Council**

Private Bag 1954, Dunedin 9054

Level 2

144 Rattray Street, Dunedin 9016

03 474 0827

0800 474 082

**[www.orc.govt.nz](http://www.orc.govt.nz)**

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Chairperson's Foreword

# Change ahead but work continues

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

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

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

Especially what rates look like for individual properties varies depending on location and the services provided but the overall zero increase is well down on the 8.7% increase that was forecast during the Long Term Plan. While reducing costs, there is still plenty of important work to protect the environment and provide public transport services for Otago. We are confident we can deliver for our people and our environment within the zero budget increase proposed.

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

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

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



Hillary Calvert  
Chairperson, Otago Regional Council

Overview

# Overview



Brighton Beach, Ōtepoti Dunedin

## Why does this document matter?

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

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

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

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

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



## What has changed since the Long-Term Plan?

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

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

The original LTP work programme for year three included:

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

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

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

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

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

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

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

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

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

All of this means that the proposed draft Annual Plan provides for a work programme that has a total operating expenditure of \$146.094 million. This is an increase of \$5.460 million compared to 2025-26, but also represents a reduction of \$8.623 million against the estimated LTP expenditure for year three. As a result of the programme and budget changes, the rates requirement in the draft Annual Plan 2026-27 remains at \$68.467 million which is the same as 2025-26 and is notably lower than planned for LTP year

## Overview

three. Although the overall rates required remains the same, individual rates will vary; general rates are reducing by 3.5% (-\$1.082 million), while targeted rates are increasing overall by 2.9% (1.082 million). There is a mix of changes across targeted rate types including:

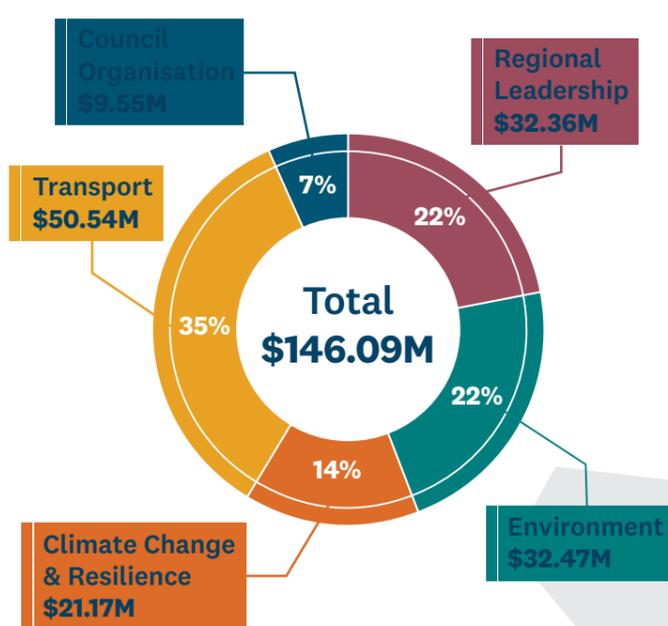
- Queenstown public transport targeted rate increasing by 23.1% (\$0.812 million) due to continued delivery of service improvements. These improvements were set out in the LTP and are co-funded by the government.
- Dunedin public transport targeted rate decreasing by 3.9% (-\$0.415 million) due to planned service improvements being put on hold. These improvements were set out in the LTP but did not receive government co-funding and are therefore not proceeding.
- Flood protection, drainage and river management rates largely remain the same as current year, with any increase in expenditure being covered by the relevant reserve, with the exception of the Alexandra Flood protection rate which is increasing by 20.7% (\$21,000).
- Catchment management rate increasing by 6.5% (\$0.351 million)
- Harbour management rate increasing by 5.7% (\$0.051 million) largely due to inflation and higher cost of fuel and insurance.
- Other targeted rate changes are less than 5% and \$150,000 for the rate type.

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

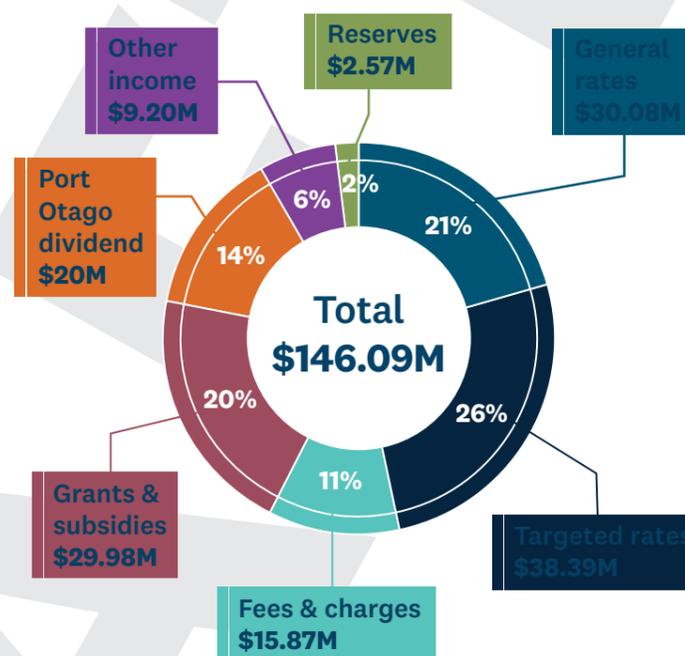
# Financial Summary

This Annual Plan includes a total operating expenditure of \$146.094 million and capital expenditure of \$18.904 million for 2026-7. Council uses a range of mechanisms to fund its important work. Less than half of ORC’s funding comes from rates; the rest comes from a range of sources including fees and charges, bus fares, grants, reserves, Port Otago Ltd dividends, interest and investments.

## Cost of ORC work



## How we fund our work



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

Activity group	Funding source (\$'000s)							Total
	General rates	Targeted rates	Fees & charges	Grants & subsidies	Port Otago dividend	Other income	Reserve funds	
Regional Leadership	26,752	934	4,771	78	0	0	-176	32,359
Environment	17,305	11,048	0	1,933	0	0	2,189	32,475
Climate Change & Resilience	4,514	11,772	343	5,241	0	256	-961	21,166
Transport	4,526	14,634	10,756	22,732	0	0	-2,108	50,540
Council Organisation	-23,019	0	0	0	20,000	8,949	3,624	9,554
<b>TOTAL FUNDING</b>	<b>30,078</b>	<b>38,389</b>	<b>15,870</b>	<b>29,985</b>	<b>20,000</b>	<b>9,205</b>	<b>2,568</b>	<b>146,094</b>

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

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

Overview

## Strategic Directions 2024-2034

ORC's Strategic Directions 2024-2034 will continue to inform decision-making over this LTP planning review cycle. Embedding Strategic Directions throughout our work programmes and achieving the goals we have set should ensure that our aspirations – or community outcomes – are progressed over the course of the Long-Term Plan 2024-34.

**Partnership:** Otago Regional Council has effective and meaningful partnerships with mana whenua, creating better outcomes for our region.

**Communities:** Otago has cohesive and engaged communities that are connected to the environment and each other.

**Environment:** Otago has a healthy environment ki uta ki tai (from the mountains to the sea), including thriving ecosystems and communities, as well as flourishing biodiversity.

**Resilience:** Otago builds resilience in a way that contributes to community and environmental wellbeing through planned and well-managed responses to shocks and stresses, including natural hazards.

**Climate:** Otago is a climate-resilient region that plans for and invests in initiatives that reduce emissions and help us adapt to our changing climate.

**Transport:** Otago has an integrated transport system that contributes to the accessibility and connectivity of our community, reduces congestion and supports community wellbeing aspirations.

This diagram outlines the focus areas and the community outcomes we want to achieve for each focus area.



## Strategic Goals

Our ambition is to make significant progress towards realising our vision over the next ten years by aligning our work programmes with six focus areas. We have set goals that link to the outcome for each focus area, which allows us to arrange and prioritise our work to ensure our aspirations are fulfilled.

The goals we have set for each focus area are as follows:

### Partnership

- 1 Te ao Māori concepts of intergenerationally and deeply connected systems are incorporated throughout Council's work programmes.
- 2 Mātauraka Māori and the principle of te mana o te wai are incorporated into our environmental planning, management, and decision making.
- 3 We always go above and beyond our statutory responsibilities (as prescribed in local government and treaty settlement legislation) to support the intention of the Crown to uphold the principles of the Treaty of Waitangi.

### Communities

- 1 Our communities trust us, and they are satisfied with us and the outcomes that we are delivering.
- 2 Our communities are supported and empowered to achieve better environmental outcomes.
- 3 The social, cultural, economic, and environmental wellbeing of Otago is consistently improving.

### Environment

- 1 Ecosystems are healthy, our water and air are clean, and biodiversity loss is arrested across the region.
- 2 We predict and address emerging environmental issues before they arise.
- 3 Our regional plans are effective at ensuring our resources are managed sustainably within biophysical limits in a planned and considered way.

### Resilience

- 1 Plans are in place to ensure that the region's most vulnerable communities (geographic and demographic) and ecosystems are resilient in the face of natural hazards.
- 2 Our infrastructure is designed and built to accommodate variability and uncertainty associated with changing weather patterns and sea level rise.
- 3 Our Regional Policy Statement and regional plans control development in areas that are vulnerable to natural hazards.

### Climate

- 1 The carbon footprint of our organisation is reduced in line with our Climate Change Strategy, and we are supporting and collaborating with others to do the same.
- 2 Climate change mitigation and adaptation are key considerations in all our decisions.
- 3 Our agriculture and horticulture systems are more climate resilient in the face of changing weather patterns, water availability and consumer choice.

### Transport

- 1 Congestion is reduced and connection is increased throughout the region.
- 2 Carbon emissions are reduced and air quality is improved across the region, supported by our efficient and affordable public transport services.
- 3 Active transport is the preferred mode for short journeys in urban areas.

## Overview

## Partnering with Mana Whenua

### What does this mean?

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

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

### Steps to achieve this

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

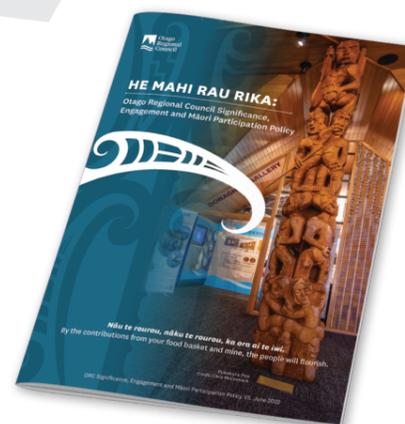
Key partnership actions include:

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

### Supporting and embedding Te Tiriti commitments

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

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



# What we will deliver

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

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

### Regional Leadership

- Governance and Community Engagement
- Regional Planning
- Regulatory

### Environment

- Land and Water
- Biodiversity and Biosecurity
- Air

### Climate Change and Resilience

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

### Transport

- Transport (including Regional Land Transport and Public Transport)

### Council Organisation

- Internal Services
- Port Otago

# Regional Leadership



Makarora River

## Regional Leadership

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

We have three core activities within our Regional Leadership work:

- Governance and Community Engagement
- Regional Planning
- Regulatory

## Group Revenue and Expenditure - Regional Leadership

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
15,518	Governance and Community Engagement	15,187	15,469
2,640	Regional Planning	2,304	2,215
14,173	Regulatory	14,525	14,676
<b>32,331</b>	<b>Expenditure</b>	<b>32,017</b>	<b>32,359</b>
26,240	General Rates	26,193	26,752
883	Targeted Rates	1,220	934
4,643	Fees & Charges	4,445	4,771
77	Grants	75	78
10	Other Income	260	0
478	Reserves	(176)	(176)
<b>32,331</b>	<b>Revenue</b>	<b>32,017</b>	<b>32,359</b>

What we will deliver

# Governance and Community Engagement

## What we do and why

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

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

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

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

Key programmes that make up this activity are:

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

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

Develop and deliver robust and effective corporate planning and reporting.

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

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

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

What we will deliver

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

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

# Regional Planning

## What we do and why

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

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

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

The key programmes that make up this activity are:

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

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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

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

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

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

What we will deliver

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

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

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



What we will deliver

# Regulatory

## What we do and why

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

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

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

The key programmes that make up this activity are:

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

## Key work for Year Three

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

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

## Level of Service Statements, Measures and Targets

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

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

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

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

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

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

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

What we will deliver

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

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

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

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

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

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

What we will deliver

## Funding Impact Statement - Regional Leadership

2025/26 Annual Plan \$000s	\$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
<b>Sources of Operating Funding</b>			
26,240	General rates, uniform annual general charge, rates penalties	26,193	26,752
883	Targeted rates	1,220	934
77	Subsidies and grants for operating purposes	75	78
4,643	Fees and charges	4,445	4,771
0	Internal charges and overheads recovered	0	0
10	Local authorities fuel tax, fines, infringement fees and other receipts	260	0
<b>31,853</b>	<b>Total Sources of Operating Funding ( A )</b>	<b>32,193</b>	<b>32,536</b>
<b>Applications of Operating Funding</b>			
24,585	Payments to staff and suppliers	23,602	23,908
0	Finance costs	0	0
7,610	Internal charges and overheads applied	8,286	8,390
0	Other operating funding applications	5	0
<b>32,195</b>	<b>Total Applications of Operating Funding ( B )</b>	<b>31,893</b>	<b>32,298</b>
<b>(342)</b>	<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>300</b>	<b>238</b>
<b>Sources of Capital Funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total Sources of Capital Funding ( C )</b>	<b>0</b>	<b>0</b>
<b>Applications of Capital Funding</b>			
0	Capital Expenditure - To meet additional demand	0	0
0	Capital Expenditure - To improve level of service	32	0
29	Capital Expenditure - To replace existing assets	30	30
(371)	Increase / (Decrease) in reserves	238	209
0	Increase / (Decrease) in investments	0	0
<b>(342)</b>	<b>Total Applications of Capital Funding ( D )</b>	<b>300</b>	<b>238</b>
<b>342</b>	<b>Surplus / (Deficit) of Capital Funding ( C - D )</b>	<b>(300)</b>	<b>(238)</b>
<b>0</b>	<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

What we will deliver

# Environment



Kekeno / NZ fur seal, Kātiki Point

What we will deliver

## Environment

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

We have three core activities within our Environment work:

- Land and Water
- Biodiversity and Biosecurity
- Air

## Group Revenue and Expenditure - Environment

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
20,125	Land & Water	22,834	19,235
11,996	Biodiversity & Biosecurity	12,993	12,011
1,769	Air	1,808	1,229
<b>33,891</b>	<b>Expenditure</b>	<b>37,636</b>	<b>32,475</b>
17,744	General Rates	19,681	17,305
10,557	Targeted Rates	15,479	11,048
0	Fees & Charges	0	0
2,830	Grants	2,371	1,933
0	Other Income	0	0
2,759	Reserves	105	2,189
<b>33,891</b>	<b>Revenue</b>	<b>37,636</b>	<b>32,475</b>

What we will deliver

# Land and Water

## What we do

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

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

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

The key programmes which make up this activity are:

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

## Key work for Year Three

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

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> <li>• Developing Catchment Action Plans with communities (focus on Taiari/Taieri in 2026-27).</li> <li>• Catchment advisors and project delivery specialists work with communities, and land-owners to provide education, workshops and support project delivery.</li> <li>• Freshwater Implementation: Funding of community-based groups to improve water quality, support best practice land use and regulatory change; Funding of Otago Catchment Communities to support catchment improvement actions and initiatives.</li> <li>• Implement environmental monitoring programmes for land, freshwater resources and coastal environment with over 250 fixed land and water monitoring sites.</li> <li>• Implement a water quality monitoring network review.</li> </ul>

## Why we do it

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

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

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

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

What we will deliver

	<ul style="list-style-type: none"> <li>• Science reporting, monitoring design and analysis including annual and State of the Environment (SoE) reporting, water allocation reviews, highly allocated catchment assessments, scientific advice and support for catchment management planning and environmental projects with over 2500 science tests undertaken each year.</li> <li>• Science programmes across domains of coast and estuaries, wetlands, lakes, water quality, ground water, hydrology, land and soil.</li> <li>• Recreational water quality tested at 25 summer swimming spots.</li> </ul>
Revised work [change]	<ul style="list-style-type: none"> <li>• Land and Water Planning: Preparing for new environmental planning legislation and environmental standards for land, water, and coast. The LTP work programme for the Land and Water Regional Plan was paused to reflect government direction and will ramp up again in 2026-27 to reflect new legislation and standards as they develop.</li> <li>• No further remediation work for Tomahawk lagoon. Budget had been included in LTP year three , however the action plan is now complete.</li> <li>• Support for new priority projects for degraded water bodies was removed in AP2025-26 and the LTP year three budget is also now removed.</li> </ul>
Key Projects [one off]	<ul style="list-style-type: none"> <li>• Hill country erosion programme - MPI funded.</li> </ul>

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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

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

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

What we will deliver

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

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

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

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

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

What we will deliver

# Biodiversity and Biosecurity

What we do

## Biodiversity

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

Our biodiversity work programme incorporates:

### Collaboration and partnership

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

### Technical advice and management

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

### Science-based monitoring

## Biosecurity

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

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

The key programmes which make up this activity are:

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

## Why we do it

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

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

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

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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

What we will deliver

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

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

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

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

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

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

What we will deliver

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

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



# Air

## What we do and why

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

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

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

Key programmes which make up this activity are:

- Regional Plan - Air
- Air science and monitoring

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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



What we will deliver

## Funding Impact Statement - Environment

2025/26 Annual Plan \$000s	\$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
<b>Sources of Operating Funding</b>			
17,744	General rates, uniform annual general charge, rates penalties	19,681	17,305
10,557	Targeted rates	15,479	11,048
2,830	Subsidies and grants for operating purposes	2,371	1,933
0	Fees and charges	0	0
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>31,131</b>	<b>Total Sources of Operating Funding ( A )</b>	<b>37,531</b>	<b>30,286</b>
<b>Applications of Operating Funding</b>			
27,825	Payments to staff and suppliers	30,507	25,865
0	Finance costs	0	0
5,624	Internal charges and overheads applied	6,604	6,084
0	Other operating funding applications	0	0
<b>33,449</b>	<b>Total Applications of Operating Funding ( B )</b>	<b>37,112</b>	<b>31,949</b>
<b>(2,318)</b>	<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>419</b>	<b>(1,663)</b>
<b>Sources of Capital Funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total Sources of Capital Funding ( C )</b>	<b>0</b>	<b>0</b>
<b>Applications of Capital Funding</b>			
	Capital Expenditure - To meet additional demand	0	0
414	Capital Expenditure - To improve level of service	529	526
434	Capital Expenditure - To replace existing assets	445	443
(3,166)	Increase / (Decrease) in reserves	(555)	(2,633)
0	Increase / (Decrease) in investments	0	0
<b>306</b>	<b>Total Applications of Capital Funding ( D )</b>	<b>419</b>	<b>(1,663)</b>
<b>(306)</b>	<b>Surplus / (Deficit) of Capital Funding ( C - D )</b>	<b>(419)</b>	<b>1,663</b>
<b>(2,624)</b>	<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

What we will deliver

# Climate Change and Resilience



Gauging equipment, Rees River

What we will deliver

## Climate Change and Resilience

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

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

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

## Group Revenue and Expenditure - Climate Change and Resilience

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
3,438	Natural Hazards & Climate Change	4,339	4,936
12,189	Flood Protection, Drainage & River Management	13,609	12,102
4,000	Emergency Management	4,076	4,128
<b>19,627</b>	<b>Expenditure</b>	<b>22,024</b>	<b>21,166</b>
4,349	General Rates	4,907	4,514
11,628	Targeted Rates	12,464	11,772
337	Fees & Charges	349	343
1,753	Grants	498	5,241
256	Other Income	256	256
1,305	Reserves	3,550	(961)
<b>19,627</b>	<b>Revenue</b>	<b>22,024</b>	<b>21,166</b>

What we will deliver

# Natural Hazards and Climate Change

## What we do and why

The key programmes within this activity are:

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

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

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

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

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

## Key work for Year Three

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

PLANNED WORK	
Existing work [no change]	<ul style="list-style-type: none"> <li>• Otago natural hazards risk assessment. The natural hazards management and adaptation programmes are based on this assessment. Scoping to be completed Year 2 and implementation starts Year 3 with phased delivery over time.</li> <li>• Identification, assessments and mapping of natural hazards and risks such as flood hazard, debris flow hazard and lake tsunami; risk and mitigation investigations in Teviot Valley/Roxburgh, flood hazard and mitigation investigations of Lindsay Creek, Water of Leith, Alexandra, Clutha Delta.</li> <li>• Natural hazard monitoring and data collection: Includes topographical data, regional LiDAR, and coastal hazards monitoring plan.</li> <li>• Maintaining the Otago Natural Hazards Database.</li> <li>• Support to ORC teams, communities, territorial authorities (TAs) and others with natural hazard and risk information to inform decisions; assist territorial authorities with natural hazards and risk information (e.g. District Plan reviews, plan changes).</li> <li>• Natural hazards adaptation: leadership and support of programmes that increase resilience by responding to natural hazards and risk. Including the DCC's Citywide Adaptation and Resilience Project, South Dunedin Future, Clutha Delta and The Head of Lake Whakatipu.</li> <li>• Flood warning service based on innovative technology (e.g. flood and coastal hazard forecasting, rain radar).</li> </ul>

What we will deliver

	<ul style="list-style-type: none"> <li>Review and update the flood warning service. Ensure that information used operationally for flood response is robust and systems are in-line with industry best practice.</li> <li><i>Note: Development and implementation of ORC's Climate Change Strategy is lead by the strategy team and included within the Governance and Community Engagement activity budget.</i></li> </ul>
Revised work [change]	<ul style="list-style-type: none"> <li>LiDAR programme brought forward due to timing of grant funding received for 2026-27.</li> <li>Revised timing of some natural hazards projects including coastal hazards, Brewery Creek, and Stoney Creek.</li> </ul>
Key Projects [one off]	None to report.

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

PERFORMANCE MEASURES	TARGETS			
	2024/2025	2025/2026	2026/2027	2027-34
Deliver a natural hazards management and adaptation work programme based on a new prioritisation process.*	New measure	Natural hazards prioritisation process as presented to the Safety and Resilience Committee in November 2024 is completed by June 2026.*	Annual review of priorities is completed by June 2027.*	Annual review of priorities is completed each year.
Implement prioritised natural hazard risks adaptation works.	The first Head of Lake Whakatipu natural hazards adaptation strategy completed by 31 December 2024.  Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.
Implement prioritised natural hazard risks adaptation works.	Support the South Dunedin Future Programme - South Dunedin Future natural hazards	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan	Support the South Dunedin Future Programme - South Dunedin Future natural hazards	Support the South Dunedin Future Programme - South Dunedin Future natural hazards

What we will deliver

	adaptation plan progresses as per annual work plan.	progresses as per annual work plan.	adaptation plan progresses as per annual work plan.	adaptation plan progresses as per annual work plan.
Implement prioritised natural hazard risks adaptation works.	No target	Phase 1 and phase 2 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2026.*	Phase 3 and phase 4 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2027.*	Actions developed, implemented and reviewed, as per Clutha Delta natural hazards adaptation strategy.
<i>*Targets have been revised from those set in the LTP.</i>				

What we will deliver

# Flood Protection, Drainage and River Management

## What we do and why

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

They are:

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

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

Core functions include:

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

### Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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

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

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

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

# Emergency Management

## What we do and why

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

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

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

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

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

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

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

What we will deliver

## Funding Impact Statement - Climate Change and Resilience

2025/26 Annual Plan \$000s	\$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
<b>Sources of Operating Funding</b>			
4,349	General rates, uniform annual general charge, rates penalties	4,907	4,514
11,628	Targeted rates	12,464	11,772
1,753	Subsidies and grants for operating purposes	498	5,241
337	Fees and charges	349	343
986	Internal charges and overheads recovered	0	935
256	Local authorities fuel tax, fines, infringement fees and other receipts	256	256
<b>19,309</b>	<b>Total Sources of Operating Funding ( A )</b>	<b>18,474</b>	<b>23,062</b>
<b>Applications of Operating Funding</b>			
15,434	Payments to staff and suppliers	17,421	16,822
0	Finance costs	0	0
4,227	Internal charges and overheads applied	3,608	4,399
0	Other operating funding applications	0	0
<b>19,661</b>	<b>Total Applications of Operating Funding ( B )</b>	<b>21,029</b>	<b>21,222</b>
<b>(352)</b>	<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>(2,555)</b>	<b>1,840</b>
<b>Sources of Capital Funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total Sources of Capital Funding ( C )</b>	<b>0</b>	<b>0</b>
<b>Applications of Capital Funding</b>			
	Capital Expenditure - To meet additional demand	0	0
0	Capital Expenditure - To improve level of service	419	102
7,997	Capital Expenditure - To replace existing assets	8,066	13,556
(8,349)	Increase / (Decrease) in reserves	(11,040)	(11,818)
	Increase / (Decrease) in investments	0	0
<b>(352)</b>	<b>Total Applications of Capital Funding ( D )</b>	<b>(2,555)</b>	<b>1,840</b>
<b>352</b>	<b>Surplus / (Deficit) of Capital Funding ( C - D )</b>	<b>2,555</b>	<b>(1,840)</b>
<b>0</b>	<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

What we will deliver

# Transport



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OTAGO REGIONAL COUNCIL

## Transport

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

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

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

## Group Revenue and Expenditure - Transport

2025/26 Annual Plan \$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
46,637 Transport	54,111	50,540
<b>46,637 Expenditure</b>	<b>54,111</b>	<b>50,540</b>
4,358 General Rates	5,187	4,526
14,237 Targeted Rates	16,668	14,634
0 Fees & Charges	80	10,756
20,503 Grants	24,124	22,732
9,010 Other Income	10,179	0
(1,472) Reserves	(2,127)	(2,108)
<b>46,637 Revenue</b>	<b>54,111</b>	<b>50,540</b>

What we will deliver

# Regional Land Transport Plan (work programme)

## What we do and why

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

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

## Key work for Year Three

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

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

## Level of Service Statements, Measures and Targets

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

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

# Public Transport Dunedin and Queenstown (programmes)

## What we do and why

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

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

## Key work for Year Three

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

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

What we will deliver

## Level of Service Statements, Measures and Targets

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

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

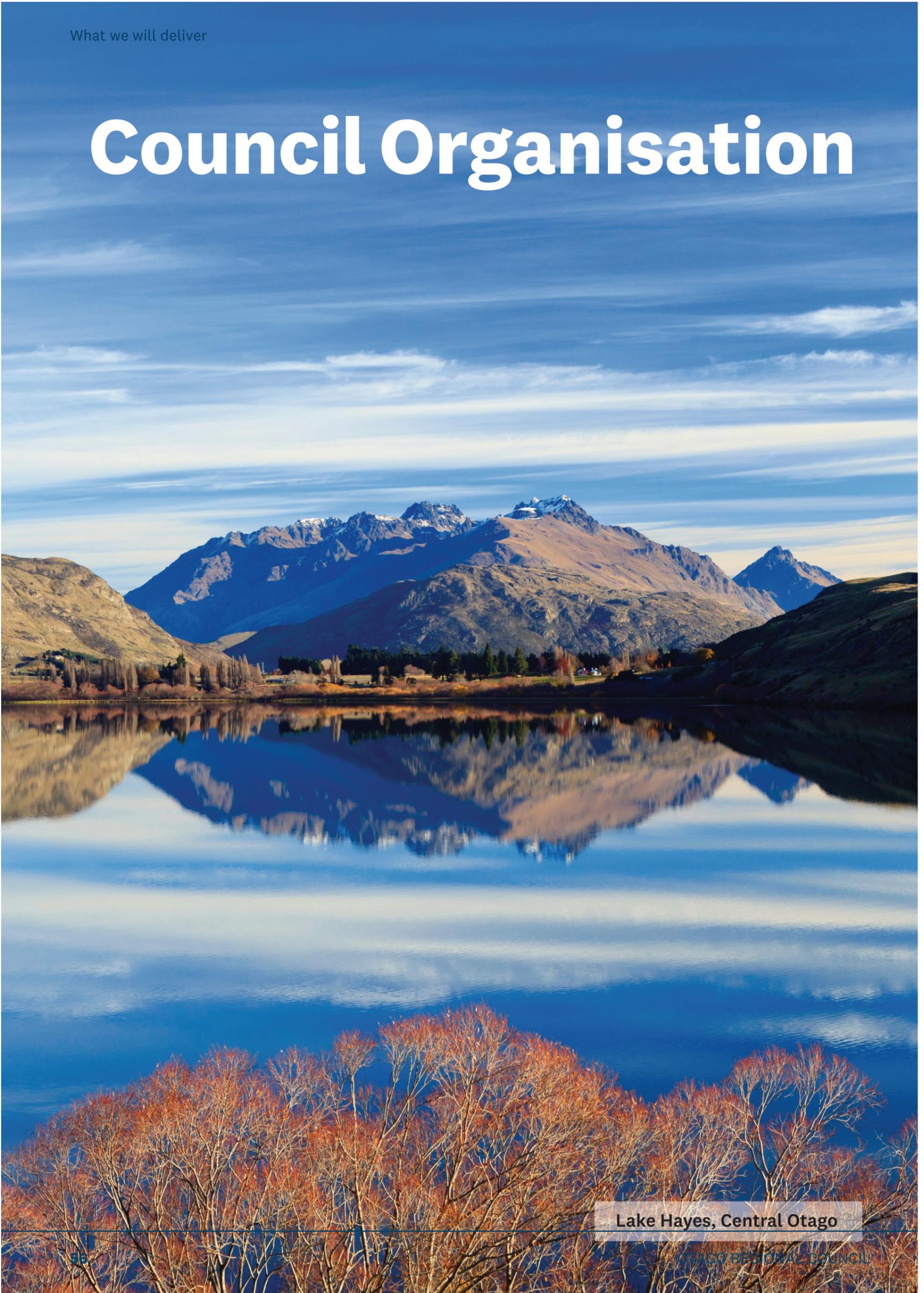
What we will deliver

## Funding Impact Statement - Transport

2025/26 Annual Plan \$000s	\$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
<b>Sources of Operating Funding</b>			
4,358	General rates, uniform annual general charge, rates penalties	5,187	4,526
14,237	Targeted rates	16,668	14,634
20,503	Subsidies and grants for operating purposes	24,124	22,732
8,642	Fees and charges	9,688	10,756
0	Internal charges and overheads recovered	0	0
369	Local authorities fuel tax, fines, infringement fees and other receipts	571	0
<b>48,109</b>	<b>Total Sources of Operating Funding ( A )</b>	<b>56,238</b>	<b>52,648</b>
<b>Applications of Operating Funding</b>			
45,509	Payments to staff and suppliers	52,746	49,407
0	Finance costs	0	0
859	Internal charges and overheads applied	1,201	952
0	Other operating funding applications	0	0
<b>46,367</b>	<b>Total Applications of Operating Funding ( B )</b>	<b>53,947</b>	<b>50,359</b>
<b>1,741</b>	<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>2,291</b>	<b>2,289</b>
<b>Sources of Capital Funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total Sources of Capital Funding ( C )</b>	<b>0</b>	<b>0</b>
<b>Applications of Capital Funding</b>			
	Capital Expenditure - To meet additional demand	0	0
0	Capital Expenditure - To improve level of service	0	0
0	Capital Expenditure - To replace existing assets	0	0
1,741	Increase / (Decrease) in reserves	2,291	2,289
0	Increase / (Decrease) in investments	0	0
<b>1,741</b>	<b>Total Applications of Capital Funding ( D )</b>	<b>2,291</b>	<b>2,289</b>
<b>(1,741)</b>	<b>Surplus / (Deficit) of Capital Funding ( C - D )</b>	<b>(2,291)</b>	<b>(2,289)</b>
<b>0</b>	<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

What we will deliver

# Council Organisation



Lake Hayes, Central Otago

## Council Organisation

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

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

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

We have two core activities within our Council Organisation work:

- Internal Services
- Port Otago

## Group Revenue and Expenditure - Council Organisation

2025/26 Annual Plan \$000s		2026/27 LTP \$000s	2026/27 Annual Plan \$000s
8,148	Internal	8,930	9,554
<b>8,148</b>	<b>Expenditure</b>	<b>8,930</b>	<b>9,554</b>
(21,531)	General Rates	(21,531)	(23,019)
0	Targeted Rates	0	0
0	Fees & Charges	0	0
0	Grants	0	0
28,521	Other Income	30,019	28,949
1,157	Reserves	442	3,624
<b>8,148</b>	<b>Revenue</b>	<b>8,930</b>	<b>9,554</b>

What we will deliver

## Funding Impact Statement - Council Organisation

2025/26 Annual Plan \$000s	\$000s	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
<b>Sources of Operating Funding</b>			
(21,531)	General rates, uniform annual general charge, rates penalties	(19,923)	(23,019)
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
0	Fees and charges	0	0
17,474	Internal charges and overheads recovered	19,822	18,912
27,587	Interest and dividends from investments	26,472	27,533
2,431	Local authorities fuel tax, fines, infringement fees and other receipts	935	2,484
<b>25,962</b>	<b>Total Sources of Operating Funding ( A )</b>	<b>27,306</b>	<b>25,910</b>
<b>Applications of Operating Funding</b>			
18,743	Payments to staff and suppliers	20,509	21,352
5,464	Finance costs	6,603	5,625
140	Internal charges and overheads applied		22
0	Other operating funding applications	10	0
<b>24,347</b>	<b>Total Applications of Operating Funding ( B )</b>	<b>27,122</b>	<b>26,999</b>
<b>1,615</b>	<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>185</b>	<b>(1,090)</b>
<b>Sources of Capital Funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
24,700	Increase (decrease) in debt	15,000	15,000
5,846	Gross proceeds from sale of assets	524	521
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>30,546</b>	<b>Total Sources of Capital Funding ( C )</b>	<b>15,524</b>	<b>15,521</b>
<b>Applications of Capital Funding</b>			
	Capital Expenditure - To meet additional demand	0	0
797	Capital Expenditure - To improve level of service	791	787
10,885	Capital Expenditure - To replace existing assets	3,478	3,461
532	Increase / (Decrease) in reserves	11,440	8,365
19,947	Increase / (Decrease) in investments	0	1,818
<b>32,161</b>	<b>Total Applications of Capital Funding ( D )</b>	<b>15,709</b>	<b>14,431</b>
<b>(1,615)</b>	<b>Surplus / (Deficit) of Capital Funding ( C - D )</b>	<b>(185)</b>	<b>1,090</b>
<b>(0)</b>	<b>Funding Balance ((A - B) + (C - D))</b>	<b>(0)</b>	<b>(0)</b>



# Forecast Financial Information

Forecast Financial Information

Poolburn, Central Otago

## Forecast Financial Information

## Operational expenditure

2025/26 Annual Plan \$000s	Activity	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
15,518	Governance and Community Engagement	15,187	15,469
2,640	Regional Planning	2,304	2,215
14,173	Regulatory	14,525	14,676
<b>32,331</b>	<b>Regional Leadership</b>	<b>32,017</b>	<b>32,359</b>
20,125	Land & Water	22,834	19,235
11,996	Biodiversity & Biosecurity	12,993	12,011
1,769	Air	1,808	1,229
<b>33,891</b>	<b>Environment</b>	<b>37,636</b>	<b>32,475</b>
3,438	Natural Hazards & Climate Change	4,339	4,936
12,189	Flood Protection, Drainage & River Management	13,609	12,102
4,000	Emergency Management	4,076	4,128
<b>19,627</b>	<b>Climate Change and Resilience</b>	<b>22,024</b>	<b>21,166</b>
<b>46,637</b>	<b>Transport</b>	<b>54,111</b>	<b>50,540</b>
<b>8,148</b>	<b>Council Organisation</b>	<b>8,930</b>	<b>9,554</b>
<b>140,634</b>	<b>Total Expenditure</b>	<b>154,717</b>	<b>146,094</b>

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

## Sources of funding

2025/26 Annual Plan \$000s	Funding Source	2026/27 LTP \$000s	2026/27 Annual Plan \$000s
31,160	General Rates	34,438	30,078
37,306	Targeted Rates	45,832	38,389
13,622	Fees & Charges	4,873	6,134
25,162	Grants	27,068	29,985
29,156	Other Income	40,713	38,940
4,228	Reserves	1,794	2,568
<b>140,634</b>	<b>Total Sources of Funding</b>	<b>154,717</b>	<b>146,094</b>

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

## Schedule of Fees and Charges

### *Scale of Charges*

The following Scale of Charges is to be applied where indicated to activities includes in this Schedule of Fees and Charges.

Charge	Current (2025-26)	Proposed (2026-27)	Change
<b>Staff time per hour:</b>			
- Management	\$215	\$215	
- Team Leader/Principal	\$195	\$195	
- Senior Technical	\$175	\$175	
- Technical	\$150	\$150	
- Field staff	\$150	\$150	
- Administration	\$115	\$115	
- Specialist Expert Services. For example: Science, Hazards or Engineering time.	\$175	\$175	
Disbursements	Actual	Actual	
Additional Site Notice	Actual	Actual	
Advertisements	Actual	Actual	
Vehicle use per kilometre	As per IRD Published Rates	As per IRD Published Rates	
Harbourmaster vessel per hour	\$395	\$395	
Travel and accommodation	Actual	Actual	
Testing charges	Actual	Actual	
Consultants	Actual	Actual	
Commissioners	Actual	Actual	
<b>Councillor Hearing fees per hour:</b>			
- Chairperson	\$116	\$116	
- Member	\$93	\$93	
- Expenses	Actual	Actual	

### Resource Management Act – Section 36 Charges

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

### *Resource Consent Application Fees*

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

**Pre-Application Work**

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

<b>Deposits</b>		<b>Current (2025-26)</b>	<b>Proposed (2026-27)</b>	<b>Change</b>
<b>Publicly Notified Deposits:<sup>3</sup></b>		\$25,000	\$25,000	
<b>Non-Notified and Limited Notification Deposits:<sup>3</sup></b>	First consent	\$3,000	\$3,000	
	Subsequent consents	\$200	\$200	
<b>Other Application Types</b>				
	Variation to Conditions – s127	\$3,000	\$3,000	
<b>Fixed Fees</b>				
Single Bore		\$1,365	\$1,365	
Single farm dairy effluent storage and discharge to land		\$5,000	\$5,000	
Single dairy effluent discharge to land		\$3,500	\$3,500	
Small scale contaminated land disturbance		\$3,500	\$3,500	
<u>Boat shed replacement</u>		<u>n/a</u>	<u>\$2,000</u>	<u>New</u>
Exemption under regulation 7A of the Water Metering Regulations		\$250	\$250	
Exemption under regulations 9 or 10 of the Water Metering Regulations		\$600	\$600	
Transfer consent holder and certificate		\$200	\$200	
<b>Hearings</b>				
Hearings		Per Note 2 below	Per Note 2 below	
Payment for Commissioner request – s100A		Per Note 4 below	Per Note 4 below	
<b>Objections</b>				
Payment for Commissioner request – s357AB		Per Note 4 below	Per Note 4 below	
<b>Transfer of Consent Holder and Certificates Deposits:</b>				
Priority Table		\$200	\$200	
Certificate of Compliance		\$2,000	\$2,000	
All Other Costs		As per Scale of Charges	As per Scale of Charges	

**Notes:**

1. For additional permits in respect of the same site, activity, applicant, time of application, and closely related effect as the first application. Applications for more than one activity require an additional deposit for each activity. The \$200 deposit is required for each

additional activity applied for in an application this deposit amount includes a one-off compliance administration fee of \$100.

2. An interim invoice of costs to date in addition to a deposit payable shall be 90% of the cost of a hearing as calculated by Council in accordance with information contained in the application file and using the scale of charges. The amount payable will be due at least 10 working days before the commencement of the hearing. If the amount is not paid by the due date, then the Council reserves the right under S36(7) of the Resource Management Act to stop processing the application. This may include cancellation of the hearing.
  - i. Should a hearing be cancelled or postponed due to the non-payment of the charge, the applicant will be invoiced for any costs that arise from that cancellation or postponement.
  - ii. Following completion of the hearing process, any shortfall in the recovery of hearing costs will be invoiced, or any over recovery will be refunded to the applicant
3. This deposit is to be paid as the initial deposit if you request public notification when your application is lodged with Council, or when there is a decision made to publicly notify your application. This is as well as the other costs associated with notified applications. Where actual and reasonable costs are less than the deposit paid, a refund will be given.
4. Where an applicant requests under s100A (for a consent hearing) or under s357AB (for the hearing of an objection) an independent commissioner(s); the applicant will be required to pay any increase in cost of having the commissioner(s).

**Use of Consultants for resource consents**

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

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

**Review of Consent Conditions**

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

**Compliance Monitoring**

**Performance Monitoring**

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

Resource Consent Monitoring and Annual Administration Charges	Current (2025-26)	Proposed (2026-27)	Change
One off compliance set up fee to be charged on all new applications 1 <sup>st</sup> consent. Covers the cost of compliance monitoring systems. <i>This is</i>	\$180	\$180	

<i>included in the consent deposit and fixed fees above and only to be charged if a deposit or fixed fee is not paid.</i>			
One off compliance set up fee to be charged on all new applications (subsequent consents) covers the cost of compliance monitoring systems. <i>This is included in the consent deposit and fixed fees above and only to be charged if a deposit or fixed fee is not paid.</i>	\$100	\$100	
Ongoing compliance management fee to be charged on consents with Performance Monitoring requirements.	\$62	\$62	
Late performance monitoring fee to be charged as required.	\$180	<del>\$180</del>	Removed
<b>Annual Consent Compliance Monitoring Charges</b>	<b>Current (2025-26)</b>	<b>Proposed (2026-27)</b>	<b>Change</b>
Compliance monitoring charge for each other item due during the financial year (unless covered by one of the fees below) examples include management plans, provision of photos, bore logs, notifications, record of complaints, annual reports.	\$87	\$87	
Annual charge for the receipt and processing of telemetered water take data/information (including verifications returns)	\$230	\$230	
Each additional telemetered water measuring device	\$62	\$62	
Annual charge for the receipt and processing of manual and data logger water take data/information (including verification returns), excludes those who hold a WEX for the installation of telemetry.	\$290	\$290	
Each additional non telemetered water measuring device	\$125	\$125	
Annual charge for the receipt and processing of all returns relating to small/simple discharge consents.	\$102	\$102	
Annual charge for the receipt and processing of all returns relating to medium/moderately complex discharge consents.	\$390	\$390	
Annual charge for the receipt and processing of all returns relating to large/complex discharge consents.	\$1,145	\$1,145	
Annual charge for the receipt and processing of all returns relating to simple/small earthworks consents.	\$335	\$335	
Annual charge for the receipt and processing of all returns relating to standard/medium earthworks consents.	\$1,075	\$1,075	
Annual charge for the receipt and processing of all returns relating to complex/large earthworks consents. Very large developments may be set up as major clients.	\$2,250	\$2,250	
Inspection reports for small dams (RMA Consents)	\$175	\$175	
Inspection reports for large dams (RMA Consents)	\$340	\$340	
Structural integrity report	\$125	\$125	
CMA Structure Permit (Annual Charge)	\$30	\$30	
<b>Low flow monitoring charges</b>			
Kakanui at McCones	\$410	\$410	

***Fees for Specific Consent Holders***

Performance monitoring will be charged as 100% of actual costs where applying the fixed charges listed above do not represent a fair and reasonable charge. This includes major consent holders who hold a large number of individual consents and/or consents which contain complex monitoring requirements. It also includes consents where data or information is consistently submitted in a way which generates significant extra costs for Council.

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

### **Resource consent monitoring**

#### **Resource consent audits**

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

<b>Resource Consent Monitoring audit fee<sup>1</sup></b>	<b>Current (2025-26)</b>	<b>Proposed (2026-27)</b>	<b>Change</b>
Coastal permit – structure	\$300	\$300	
Coastal permit – mooring	\$250	\$250	
Bore inspection	\$400	\$400	
Small/simple on-site waste water discharge consent	\$450	\$450	
Dairy Consent Audit (note - to cover and replace dairy targeted rate)	\$500	\$500	

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

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

#### **Resource consent non-compliance Non Compliance – Resource Consent**

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

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

<sup>1</sup> costs are charged on a per consent basis.

c. Costs for external consultants/contractors (actual charges)

3. Charges payable by a person subject to an abatement notice or enforcement order, for the issuing, administering, supervising or monitoring compliance with that notice.

~~Where non-compliance with resource consent conditions is identified, all follow-up work and enforcement action related to the consent non-compliance will be charged at the Scale of Charges. For clarification, these costs are additional to the 'resource consent audit' costs above.~~

~~This includes, but is not limited to:~~

- ~~• Staff time to consider the non-compliance, prepare reports and correspondence, and any disbursements (eg sampling services, technical advice) related to consent non-compliance.~~
- ~~• Costs for generating and issuing enforcement notices.~~
- ~~• Inspections to determine compliance with an enforcement order or abatement notice to confirm that the required action has been taken and full compliance with the notice is achieved.~~
- ~~• Reactive site visits as a result of an incident notification (eg a complaint about water pollution or odour discharge), the consent holder is only charged if the consent is breached and non-compliance is observed.~~
- ~~• Costs for external consultants/contractors (actual charges)~~

**Non-Compliance General~~Other Compliance Activities~~**

~~Where non-compliance with the Resource Management Act 1991, a National Environmental Standard, a Regulation or a rule in a plan is identified, charges may be paid by a person, for the ORC carrying out any function to determine whether the contravention has occurred, using the Scale of Charges. The following activities will be charged at the actual and reasonable cost incurred, using the Scale of Charges:~~

- ~~• Performance and compliance monitoring of permitted activities under a National Environmental Standard, including but not limited to Freshwater, Commercial Forestry and Storing Tyres Outdoors.~~
- ~~• Monitoring compliance of farm operators with freshwater farm plan regulations and receiving notifications and audit reports of freshwater farm plans~~
- ~~• Monitoring Compliance Certificates.~~

**Non-Compliance, Incidents and Complaints~~Other Compliance Activities~~**

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

~~**Pollution incidents and non-compliance with permitted activity rules**~~

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

2. Performance and compliance monitoring of permitted activities under a National Environmental Standard, including but not limited to Freshwater, Commercial Forestry and Storing of Tyres Outdoors - if the ORC is empowered to charge for the monitoring in accordance with section 43A(8) of the RMA.

3. Charges payable by farm operators, in relation to freshwater farm plans, for ORC carrying out its functions under section 217I of the RMA.

~~Where non-compliance with the RMA or permitted activity rules in Regional Plans or National Environment Standards is identified, the actual and reasonable costs and expenses incurred may be charged at the Scale of Charges. This includes, but is not limited to:~~

- ~~• Dealing with initial response to the pollution incident such as initial enquiries and site visit.~~
- ~~• Enforcement work including staff time for investigating, monitoring and reporting and any disbursements (eg, sampling services and technical advice) related to the non-compliance.~~
- ~~• Costs of any actions required to avoid, remedy, or mitigate the adverse environmental effect, including the remediation and clean-up~~

### ***Gravel Inspection and Management***

Gravel extraction fee – \$0.66 per cubic metre. Up to a maximum of \$6,600 per consent per year.

### ***Resource Monitoring***

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

### ***Private Plan Changes***

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

### **Building Act 2004 – Section 243 Charges**

### ***Dam Safety and Building Control***

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

<b>Activity</b>	<b>Description</b>	<b>Deposit</b>	<b>Current (2025-26)</b>	<b>Proposed (2026-27)</b>	<b>Change</b>
Issue of Certification of Acceptance (CoA)	Receive, process and grant or refuse applications for CoA	\$2,000	Scale of Charges plus MBIE/BRANZ levies where applicable*	Scale of Charges plus MBIE/BRANZ levies where applicable*	
Project Information Memorandum (PIM) for a Dam	Receive, process and issue PIM applications	-	Scale of Charges	Scale of Charges	

Dam Safety	Dangerous dams, earthquake -prone dams, and flood-prone dams – inspections and enforcement	-	Scale of Charges	Scale of Charges	
	Consider and approve (or refuse) dam classifications	-	Fixed Fee - \$115	Fixed Fee - \$115	
	Approve or refuse dam safety assurance programmes	-	Fixed Fee - \$285	Fixed Fee - \$285	
	Receive annual dam safety assurance programme compliance certificates	-	Fixed Fee - \$60	Fixed Fee - \$60	
Notices to Fix (NTF)	Issue of NTF	-	Scale of Charges	Scale of Charges	
	Inspection(s) of building work under NTF	-	Scale of Charges	Scale of Charges	
Any other activity under the Building Act		-	Scale of Charges	Scale of Charges	

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

### Biosecurity Act – Section 135 Charges

#### **Pest Management Strategy Regional Pest Management Plan Implementation**

Work carried out resulting from inaction of landowners not complying with [the Otago Pest Management Plan 2019-2029](#) ~~Council's Pest Management Strategy for Otago~~. The 'Scale of Charges' applies.

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

[\(a\) The time specified in it for compliance; or](#)

~~(a)(b)~~ [If no time was specified in it, a reasonable time.](#)

~~Review of Rabbit Control Programmes from non-compliant farms, and work associated with ensuring implementation of those programmes – Scale of Charges.~~

### Local Government Act – Section 150 Charges

#### **Transport Licensing Exempt Services**

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

### ***Bylaw Application Processing***

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

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

#### ***Information Requests***

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

### **Local Government (Rating) Act 2002 – Section 88 Charges**

#### ***Postponement***

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

## 9.2. Activity Performance as at Quarter 2 2025-26

<b>Prepared for:</b>	Council
<b>Report No.</b>	S&C2603
<b>Activity:</b>	Organisational Planning and Performance
<b>Author:</b>	Vanessa Vidallon (Corporate Planning Business Partner), Joanne Greatbanks (Manager Organisational Performance and Planning)
<b>Endorsed by:</b>	Amanda Vercoe (General Manager Strategy and Customer)
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Cr Malcolm and Cr Gardner, Finance

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### PURPOSE

- [1] To present the Council's Activity Performance Reports for the 6-month period ended 31 December 2025.

### EXECUTIVE SUMMARY

- [2] The Activity Performance Report shows non-financial performance against the measures and targets defined in the Annual Plan 2025-26, year two of the Long-Term Plan 2024-34 (LTP).
- [3] The LTP provides detailed targets for years one to three, and in less detail for years four to ten. These measures and targets are periodically reviewed as part of the Annual Plan process, to reflect improvement in how ORC measures performance, and changes in the understanding and expectations of performance.
- [4] This report is concerned with year two, being the 2025-26 financial year and there are 61 service measures with targets for expected performance.
- [5] Of the 61 performance measures, 51 are on track to achieve their targeted performance, 3 are at risk, 2 fell short of their targeted performance and 5 are yet to be measured.
- [6] The 'Discussion' section talks to the different categories of service performance achievement. The attachment to this report provides the detailed results for quarter two.
- [7] Quarterly quantitative data has been provided, where applicable, to provide greater clarity and insight. The commentary continues to focus on year-to-date performance, while additional figures help explain trends and progress within each quarter.
- [8] We will continue to review and improve our performance approach.

## RECOMMENDATION

*That the Council:*

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

## BACKGROUND

- [9] This report includes non-financial performance information relating to the service delivery activities in the Annual Plan 2025-26. Progress over the 2025-26 financial year is reported to the Council on a quarterly basis. At year-end, the Annual Report 2025-26 is completed, and following external audit, is approved by Council.

## DISCUSSION

- [10] The attachment shows activity performance recorded against the service measures and targets included in the Annual Plan 2025-26. As of 31 December 2025, there are 61 service targets, 51 are on track, 3 are at risk, 2 fell short of their targeted performance and 5 are yet to be measured.

### **On track (green)**

- [11] Of the 61 service targets, 51 are currently on track to be achieved.

### **At risk (yellow)**

- [12] There were 3 service targets considered to be at risk of not achieving their targeted performance. 1 of them is due to Council awaiting direction from central government.
- Land and Water Activity, and the review of the draft LWRP against new national direction to freshwater.  
The Government has not yet released the new national direction for freshwater. The timing of its release remains uncertain, and no indicative timeframe has been provided to date.
  - Emergency Management Activity, and the target of acquiring adequate staff numbers trained and capable to coordinate a region wide response.  
Staffing levels may fluctuate between quarters due to routine organisational attrition and the prioritisation of staff training commitments. An external training provider has been engaged for three weeks at intervals during the first six months next year to support the training of function leadership.
  - Transport Activity, and the 90% target for Dunedin operated services departing Terminus on time.  
Year to date, Dunedin on-time departures from the Terminus average 84.80%, below the 90% target. Performance has been consistent but requires continuous improvement to meet the target. Target is achievable with timetable adjustments, though traffic congestion and roadworks/diversions continue to impact services. Staff will continue to monitor revised timetables and performance.

**Not achieved (red)**

[13] 2 service targets fell short of their targeted performance, with 1 unable to be progressed due to Council awaiting direction from central government. These service measures include:

- Governance and Community Engagement Activity, and the timeliness of response to official information requests with a target of 100%.

We received 43 LGOIMA requests for quarter two, with a total of 114 requests year to date. We have one late response from last quarter equating to 99.12% compliance (YTD). We will continue to prioritise timely completion of all future LGOIMAs.

Performance against LGOIMA targets improved from Quarter 1 to Quarter 2. While Quarter 1 results were below the 100% target, Quarter 2 showed a clear improvement and successfully achieved the target. This uplift reflects strengthened processes and improved responsiveness, resulting in more consistent and timely handling of LGOIMA requests. Continued focus on these improvements will be important to sustain performance in future quarters.

- Air activity, and the target of completing a public engagement campaign and pre-notification consultation on draft Regional Plan – Air.

In July, Central government announced their intention to halt the notification of new plan or regional policy statement reviews, changes or variations until the end of 2027. As air quality planning is not included in the list of exemptions, all work on the Air Plan has been paused in accordance with this directive.

**Not yet measured (grey) – pending results**

[14] 5 transport service measures are due to be measured at quarter 4 as part of the end of year public transport survey.

**Continuous Improvement**

[15] We will continue to review and improve our performance approach – increasing the clarity of reported performance to drive stronger transparency.

**OPTIONS**

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

**CONSIDERATIONS****Strategic Framework and Policy Considerations**

[17] This report is completed within the planning and reporting framework defined in the Council's Annual Plan.

**Financial Considerations**

[18] This report compliments the Financial Performance Report also provided to this 25 February 2026 Council meeting.

**Significance and Engagement**

[19] No considerations.

**Legislative and Risk Considerations**

[20] Quarterly activity performance reporting is not a legal requirement but rather satisfies the level of oversight requested by Otago's elected regional councillors. It is provided in addition to the legally required Annual Report.

**Climate Change Considerations**

[21] No considerations.

**Communications Considerations**

[22] No considerations.

**NEXT STEPS**

[23] The quarter three Activity Performance Report is programmed for consideration on May 2026 Council meeting.

**ATTACHMENTS**

1. Quarter 2 NFA performance result [**9.2.1** - 7 pages]

# Activity Performance Report

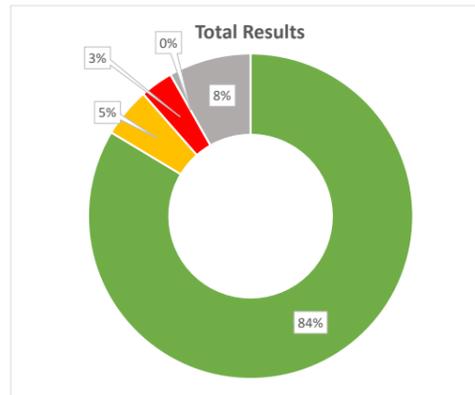
2025-26 QUARTER TWO – @ December 2025



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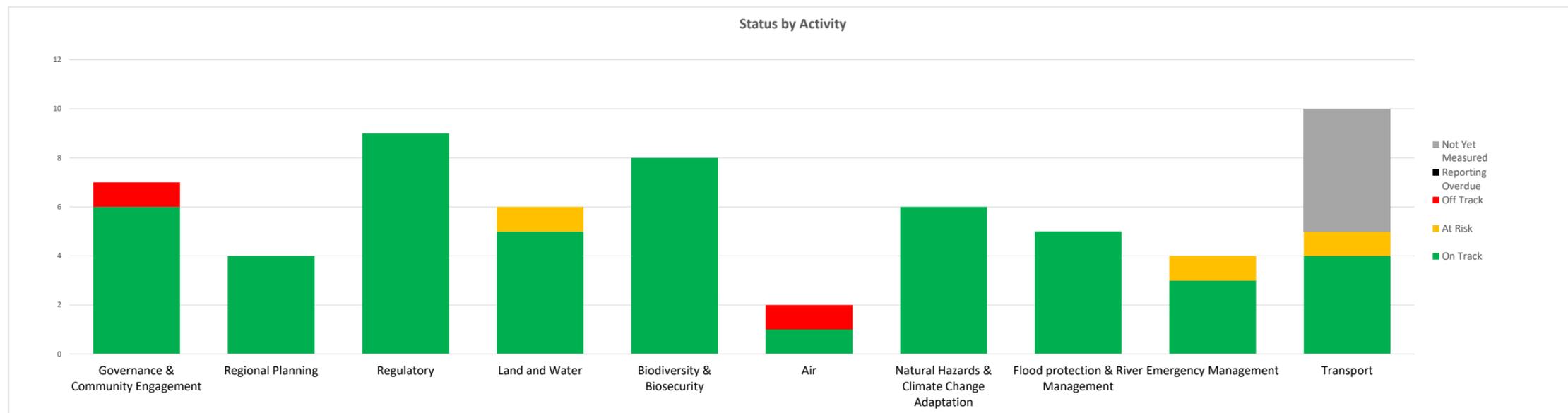
## Service Delivery Performance

The 2025-26 Annual Plan contains 35 level of service statements, 57 measures and 61 targets related to activities being delivered in the 2025-26 year.



On Track / Achieved	51
At Risk	3
Off Track	2
Reporting Overdue	0
Not Yet Measured	5

A full list of measures, targets and the results for each quarter is included at the end of this report.



REGIONAL LEADERSHIP				
Governance & Community Engagement	TARGET	Q1	Q2	COMMENT
Percentage of official information requests responded to within 20 working days of being logged	100%	71 (98.57%)	43 (100%)	We received 43 LGOIMA requests for quarter two, with a total of 114 requests year to date. We have one late response (year to date) equating to 99.12% compliance. We will continue to prioritise timely completion of all future LGOIMAs.
Deliver our Long-Term Plan, annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements	Annual Plan [Yr3 LTP] adopted by council prior to 30 June 2026			On-track and expected to be Council approved by 30 June 2026

Deliver our Long-Term Plan, annual reviews of the LTP, and reporting of performance against plan as per the statutory requirements.	Council financial and activity performance against Year 1 LTP 2024-34 reported to Council by 1 October 2025.			Reporting of Council financial and activity performance against Year 1 LTP 2024-34 was reported to Council on 25 September 2025. This target has now been met.
Percentage of council agendas are publicly available two working days or more before a meeting	100%	100%	100%	100% expected on target.
Biennial survey is conducted to understand and improve community awareness, perceptions and expectations of ORC.	Survey and action plan completed March 2026.			On track to present to council end of March
Customers express high levels of satisfaction with customer service provision.	Meet or exceed satisfaction target of 85%.	94%	92%	On target, no issues expected.
Increase opportunities for engagement with diverse groups across Otago to lift awareness and understanding of the work of the regional council and seek feedback on performance.	Maintain or increase numbers			On track to increase diverse engagement participation at strategic events, consultations and through ORC engagement activities.
<b>Regional Planning</b>		<b>Q1</b>	<b>Q2</b>	<b>COMMENT</b>
Develop a regional biodiversity strategy and implement ORC actions.	Regional biodiversity strategy is adopted by 30 June 2026.			The final Indigenous Biodiversity Strategy will be adopted by June 2026.
Develop a Regional Climate Change Strategy and implement ORC actions.	ORC actions from the Regional Climate Change Strategy are implemented,			Implementation of some of the new actions has begun, and other actions are well underway, as reported to Council on 25 June 2025. Work has begun on a combined Climate and Biodiversity Implementation Plan as discussed with ELT on 1 September.
Develop a Regional Climate Change Strategy and implement ORC actions.	The effectiveness of the strategy is monitored and reported to Council annually.			A report will be brought to Council in June 2026 detailing the implementation and effectiveness of the climate strategy, as required by the Level of Service measure.
Develop a Regional Air Quality Strategy and implement ORC actions.	Draft Air Quality Strategy revised following public consultation by 30 June 2026.			The draft AQS will be revised following public consultation.
<b>Regulatory</b>		<b>Q1</b>	<b>Q2</b>	<b>COMMENT</b>
Maintain 24-hour/7 day a week response for environmental incidents	Pollution hotline staff available/on call 24/7			I expect this measure to be on track
Maintain 20 appropriately trained responders for maritime oil pollution incidents	20 responders attend 3 exercises per year			Expected to meet expectations
Percentage of resource consent applications processed in accordance with Resource Management Act 1991 legislative timeframes	≥98%	100%	100%	100% of consents have been processed within timeframes since the start of the new financial year.
Percentage of performance monitoring returns completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets	≥90%	115.86%	148.05%	We are well ahead of target with 5,057 returns processed against a target of 4,000 for this time of year. We expect to meet the target. Year to date is 126.42%
Percentage of significant non-compliance identified where action is taken in accordance with Compliance Policy	100%	100%	100%	100%. Target met.
Percentage of programmed inspections/audits completed each year, as per the Compliance Audit and Performance Monitoring Schedule targets	≥90%	95.48%	147.43%	In the 2025/26 year to date, 753 audits and site inspections have been completed. This includes 569 consent audits, 163 Dairy inspections and 21 forestry audits. This is 123% of the planned compliance audits/inspections target.
Maintain compliance with Port and Harbour Marine Safety Code.	Annual self review is completed by ORC and Port Otago Ltd (POL) and signed off by the chief executives.			Expect to meet expectations
The safety campaign for recreational 'boaters' is delivered.	Develop and deliver a recreational boating engagement plan.			Expect to meet target at year end

Percentage of public enquiries for consent information completed within 10 working days.	98%	100%	100%	Year to date, all public enquiries for consent information has been completed within the 10 working ay period. We are on track to meet the end of year target.
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ENVIRONMENT		Q1	Q2	COMMENT
<b>Land and Water</b>				
Complete the Land and Water Regional Plan (LWRP)	Review the draft LWRP against new national direction to freshwater.			The Government's Plan Stop directive remains in place, and therefore it is unlikely that Council will complete this review before the end of the financial year.
ORC led and community/landowner supported workshops and events are delivered which promote best practice land management for soil conservation, water quality and/or the efficient use of water.	At least 12 ORC led workshops or events are delivered annually	17	3	20 ORC-Led or Co-Led events delivered. Yearly target has been achieved.
Site specific projects are developed for selected degraded waterbodies.	At least 80% of project actions are progressed as scheduled.	100%	100%	The site specific projects included in this measure are Tomahawk lagoon, Lake Tuakitoto and Waiwhakaata Lake Hayes. 100% of project actions are progressing as planned for all three.
Catchment Action Plans (CAPs) give effect to the ICM programme and are developed in partnership with iwi and in collaboration with the community.	One Catchment Action Plan (CAP) to be presented to Council for approval by 30 June 2026.			The annual target of one CAP presented to Council has been achieved for this financial year with the endorsement of the Upper Clutha CAP.
Report the results of environmental monitoring for freshwater, land use, estuarine, and regional coastal environments.	Annual report for each of the 4 environments to Council prior to 30 June 2026.			On track
Complete a review of the Regional Plan: Coast.	Issues and options papers developed and reported to Council by 30 June 2026.			On track to develop and report on an Issues paper to Council by 30 June 2026.
<b>Biodiversity &amp; Biosecurity</b>				
Actions within the Biosecurity Operational Plan (BOP) are identified and progressed	100% of priority pest management actions are achieved.			The priority pest management actions are being progressed, this is currently on track.
Externally funded biosecurity projects/programmes are implemented as per their agreements.	90% of deliverables in the agreements with Central Government are progressing as scheduled			Externally funded biosecurity programmes—including the Wallabies Eradication Programme, Wilding Conifers Progressive Containment Programme, and Check Clean Dry—are progressing as scheduled. No issues expected
Biodiversity Forum-based joint projects to enhance indigenous biodiversity are developed.	At least one new project is developed and implemented with biodiversity forum partners.			Four of the five proposed collaborative biodiversity projects have progressed to scoping phase; high-level overviews developed for two newly proposed projects and subsequently circulated to OBF member organisations for identifying method of collaboration.
Joint projects are implemented against milestones.	At least 80% of project actions are progressed as scheduled.			Scoping of other two projects early 2026.
Alignment between initiatives and deliverables receiving Council funding, and Council's strategic biodiversity strategic objectives.	All environmental projects and initiatives are aligned to at least one of the Council's environmental strategic objectives.			Environmental projects and initiatives included in this measure are ECO Fund and Predator Free Dunedin. Both are aligned with goal 1 of our environmental strategic directions.
Externally funded freshwater projects/programmes are delivered as per their agreements.	90% of deliverables in the agreements with Central Government are progressing as scheduled			Two projects are currently underway: Hill Country Erosion and Toitu Te Hakaupū. Overall, 90% of project deliverables are progressing on schedule, and both projects are meeting MPI milestones and any agreed contract variations.
Report the results of environmental monitoring for regional indigenous biodiversity ecosystems.	Annual report on monitoring programme completed and reported to Council on 30 June 2026.			On track, reporting will be completed later in the financial year.

Actions within the Biosecurity Operational Plan (BOP) are identified and progressed.	80% of non-priority pest management actions are achieved.			This is currently on track. The non-priority pest work plan is progressing as scheduled.
<b>Air</b>		<b>Q1</b>	<b>Q2</b>	<b>COMMENT</b>
Implement a regional air monitoring programme.	Annual report on monitoring programme on previous calendar year completed and reported to Council.			on track for reporting in 2026
Complete review of the Regional Plan Air.	Complete a public engagement campaign and pre-notification consultation on draft Regional Plan - Air.			In July, Central government announced their intention to halt the notification of new plan or regional policy statement reviews, changes or variations until the end of 2027. The Plan Stop commenced on 21 August 2025. As air quality work is not included in exemptions, work on the Air Plan has now stopped.



CLIMATE CHANGE AND RESILIENCE				
Natural Hazards & Climate Change Adaptation		Q1	Q2	COMMENT
Natural hazards information is available via the web-based Otago Natural Hazards Database	Database is accessible and up-to-date 100% of the time	100%	100%	No issue expected
Percentage of flood warnings that are issued in accordance with the flood warning manual	100%	100%	100%	No issue expected.
Deliver a natural hazards management and adaptation work programme based on a new prioritisation process.	Natural hazards prioritisation process as presented to the Safety and Resilience Committee in November 2024 is completed by June 2026.			Work is progressing on the initial phases of the prioritisation framework, as outlined in the November 2024 committee paper. Step 1, involving the development of a spatial long-list, has been completed. Steps 2 and 3—focused on preliminary risk classification and urgency assessment—are currently underway. No issue expected.
Implement prioritised natural hazard risks adaptation works.	Actions developed, implemented and reviewed, as per Head of Lake Whakatipu natural hazard adaptation strategy.			Implementation planning and delivery underway. No issue expected.
Implement prioritised natural hazard risks adaptation works	Support the South Dunedin Future Programme - South Dunedin Future natural hazards adaptation plan progresses as per annual work plan			The programme progressed well in December focusing on shortlisting adaptation options (draft reports received in mid-December). No issues expected, plan is progressing as per work plan.
Implement prioritised natural hazard risks adaptation works.	Phase 1 and phase 2 of the Clutha Delta natural hazards adaptation programme completed by 30 June 2026.			Work progressing well during the reporting period. Current focus (until early 2026) is on the flood hazard assessment and modelling. No issue expected.
Flood protection & River Management		Q1	Q2	COMMENT
Percentage of scheme renewals programme: Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	>= 85% of renewal programmes completed			All projects are expected to meet their planned year end target
Percentage of scheme maintenance programme: Major flood protection drainage and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	>= 85% of planned maintenance programme completed			It is expected the planned programme will be complete and the target of 85% will be achieved.

Percentage of planned maintenance programme: Channel works are maintained, repaired, and renewed to the key standards defined in relevant planning documents.	>=85% of planned maintenance programme completed			At this stage work is tracking as planned. It is expected that the year-end target of 85% programmed works complete will be achieved.
The flood repair programme is made available to affected communities within 4 months of the event.	100%			On track for achieving this performance measure
Percentage of identified and reported issues that have been investigated and appropriate action determined and communicated to affected landholders within 20 working days.	98%	64 (100%)	75 (100%)	100% of responses have been completed within the KPI of 20 working days for the second quarter. There have been 75 Customer queries in quarter two adding to 139 queries year to date. 100% of responses have been completed within the KPI of 20 working days.
<b>Emergency Management</b>		<b>Q1</b>	<b>Q2</b>	<b>COMMENT</b>
Emergency Management Otago staff are available to respond 24/7 to a Civil Defence emergency	Maintain a duty roster for 24/7 365 coverage for initial responses to Civil Defence emergencies			Expected to maintain LOSM throughout the year
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency.	An appropriate facility as defined in the CDEM Partnership Agreement is available for immediate activation.			The Annex building has been established as a full-time hot facility. In alignment with the CDEM Partnership Agreement, the site is equipped with the necessary infrastructure, workspace, and adequately trained personnel to support sustained 24-hour operations when required. The facility is maintained in a state of readiness, allowing for immediate activation without the need for setup or lead-in time.
Support is provided to Emergency Management Otago to fulfil Otago CDEM Group requirements as defined in the CDEM Act and CDEM.	Fulfil all requirements as the administering authority and the Otago CDEM Partnership Agreement			All admin matters are being delivered as per partnership agreement. Expected to meet LOSM
Provide a regional coordination facility (ECC) capable of coordinating a region-wide emergency.	Adequate staff (as defined in the Group Training and Capability Strategy) are trained and capable to coordinate a region wide response			Staffing levels may fluctuate between quarters due to routine organisational attrition and the prioritisation of staff training commitments. An external training provider has been engaged for three weeks at intervals during the first six months next year to support the training of function leadership. Staff attending functional leadership training need to prioritise this to increase capability levels.



<b>TRANSPORT</b>		<b>Q1</b>	<b>Q2</b>	<b>COMMENT</b>
Transport				
The Regional Land Transport Plan (RLTP) is reviewed and submitted in line with the Land Transport Management Act 2003 and any guidance issued by the New Zealand Transport Agency.	RLTP implementation progress reported annually to Regional Transport Committee.			The review of the RLTP is anticipated to be on track by the end of the year.
Percentage of Whakatipu scheduled services delivered.	95%	99.40%	98.00%	Year to date, Whakatipu scheduled services achieved an average delivery performance of 98.70%. Performance remained very strong from July to September, averaging above 99%, and was consistently maintained at 98% from October to December. Overall, results reflect a high level of service reliability and sustained operational performance across the period. Year end target is expected to be achieved.
Percentage of Dunedin scheduled services delivered.	95%	99.80%	99.80%	Year to date, Dunedin scheduled services have performed strongly, with an average delivery rate of 99.83% from July to December. Monthly results remained consistently high indicating reliable and stable service delivery throughout the period. Year end target is expected to be achieved.

Percentage of Whakatipu operated services departing terminus on time.	90%	91.10%	90.83%	Year to date, Whakatipu operated services departing the Terminus on time have averaged 90.97%. Performance fluctuated across the period, with stronger results recorded in early spring and a decline toward the end of the year. The target is anticipated to be achieved, with a caveat that substantive alliance works are causing significant delays and diversions.
Percentage of Dunedin operated services departing Terminus on time.	90%	84.60%	84.83%	Year to date, on-time departures from the Terminus average 84.80%, below the 90% target. Performance has been consistent but requires improvement to meet the target. Target is achievable with timetable adjustments, though traffic congestion and roadworks/diversions continue to impact services. Staff will continue to monitor revised timetables and performance.
Overall passenger satisfaction with Dunedin Public Transport system at annual survey	Maintain or increase 3 yr rolling average >=90%			Survey is completed in Q4. An update will be provided on the end of the financial year reporting.
Overall passenger satisfaction with Whakatipu Public Transport system at annual survey	Maintain or increase 3yr rolling average >=90%			Survey is completed in Q4. An update will be provided on the end of the financial year reporting.
Annual public transport boardings in Queenstown	Increase			Survey is completed in Q4. An update will be provided on the end of the financial year reporting.
Annual public transport boardings in Dunedin	Increase			Survey is completed in Q4. An update will be provided on the end of the financial year reporting.
Percentage of users who are satisfied with the overall service of the Total Mobility scheme	Maintain or increase 3 yr rolling average >=90%			Survey is completed in Q4. An update will be provided on the end of the financial year reporting.



### 9.3. Quarter 2 Financial Report (October-December)

<b>Prepared for:</b>	Council
<b>Report No.</b>	FIN2601
<b>Activity:</b>	Finance
<b>Author:</b>	Sean Geary (Manager Financial Planning and Analysis)
<b>Endorsed by:</b>	Nick Donnelly (General Manager Finance)
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Cr Malcolm and Cr Gardner, Finance

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#### PURPOSE

- [1] To present Council's Financial Reports for the 3-month period to 31 December 2025 being Quarter 2 of the 2025-26 financial year.

#### EXECUTIVE SUMMARY

- [2] The actual operating surplus for the 6 months ending 31 December 2025 is \$7,942,000. This is \$4,535,000 ahead of budget of \$3,407,000.
- [3] Actual operating revenue is \$69,041,000 which \$628,000 (1%) ahead of budget of \$68,413,000. This includes higher interest from Local Government Funding Agency (LGFA) on-lending to Port Otago of \$587,000 which is offset by higher interest costs in operating expenditure.
- [4] Actual operating expenditure is \$62,948,000 which is \$2,807,000 (4.3%) under budget of \$65,755,000. Other expenses are \$3,627,000 under budget offset by finance costs \$782,000 over budget (includes Port Otago on-lending cost noted above).
- [5] Other expenses include underspends in Policy & Planning activities and Public Transport due to the timing of CPI bus contract adjustments which increase as the year progresses.
- [6] Actual other gains and losses are \$1,849,000 which is \$1,015,000 ahead of budget of \$834,000. This includes a \$1,773,000 gain on the value of the long-term managed fund which is \$1,024,000 ahead of budget.
- [7] The forecast operating surplus for the full year to 30 June 2026 is \$5,233,000 which is \$4,502,000 ahead of budget of \$730,000. This includes additional unbudgeted expenditure and grant revenue for flood scheme projects being partially funded by Tranche 2 of the Resilience Infrastructure Fund (RIF) and the accelerated timing of LiDAR in Natural Hazards. Transport is also forecasting additional expenditure for Whakatipu bus service improvements approved after the budget for 2025-26 was finalised (these are reserve funded) and total mobility costs (additional

demand driven by additional CERF funded subsidy). Policy & Planning expenditure which is under budget year to date is forecast to maintain that trend and remain underspent with the full year underspend forecast at \$3,098,000 across the 3 planning activities.

- [8] The Statement of Financial Position shows as at 31 December 2025 Council has Total Equity of \$933,382,000 which is an increase of \$7,972,000 over the year to date.
- Current Assets include cash of \$34,720,000 and the managed fund balance of \$32,148,000.
  - Borrowing is \$174,976,000 which includes Council core debt of \$25,000,000, and on lending to Port Otago of \$149,976,000. Further details on Council's debt, cash and investments is provided in the Treasury Report.

## RECOMMENDATION

*That the Council:*

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

## BACKGROUND

- [9] This report includes the following attached reports:
- SCRE and Activity Reports
    - Statement of Comprehensive Revenue and Expense (SCRE) reports showing operating surplus/deficit for the year to date and forecast for the full financial year to 30 June 2026.
    - Results are compared to the budget included in the Annual Plan 2025-26
    - Includes results for Council as whole, a summary by Activity and results for each Group of Activities (including additional analysis by Significant Activity).
    - Capital expenditure.
  - Statement of Financial Position
    - Balance sheet as at quarter end compared to previous year end (30 June 2025) and budget for the financial year-end (30 June 2026).
  - Reserves Report
    - Summary of Council's reserves including movements in each reserve.
  - Treasury Report
    - Further detail and analysis of cash, investments and borrowings.

## DISCUSSION

### Operating Surplus Variance – Actual Year to Date

- [10] The actual operating surplus for the 6 months ending 31 December 2025 is \$6,093,000. This is \$3,434,000 ahead of budget of \$2,659,000. Analysis of this variance is provided in the table below.

Activity Group	Activity	Surplus/(Deficit) Variance \$'000 >\$150k	Comments
Regional Leadership	Partnerships and Engagement	(262)	Timing of IWI Contributions
Regional Leadership	Consent Processing	491	Additional Fees & Charges Revenue
Regional Leadership	RPS, Strategy, Urban Dev & Response to Issues	579	Less Staff time & Opex spend
Environment	Land & Water Science and Monitoring	292	Less Staff time & Opex spend
Environment	Regional Plan: Air	307	Less Staff time & Opex spend
Environment	Land & Water Planning	991	Less Staff time & Opex spend
Environment	Biosecurity	646	Less Opex spend
Environment	Biodiversity Implementation	185	Less Opex spend
Safety and Resilience	Lwr Taieri Flood Protection Scheme	(637)	Timing of grant funding
Safety and Resilience	Lwr Clutha Flood Protection & Drainage	(360)	Unbudgeted flood repairs
Safety and Resilience	West Taieri Drainage	(165)	Timing of grant funding
Safety and Resilience	Emergency Management	158	Less Opex spend
Safety and Resilience	River Management - Wakatipu/Wanaka	274	Timing of Opex spend
Transport	Public Transport - Dunedin	841	Timing of contract inflation index adjustment
Corporate	Information Systems	(197)	Licenses and depreciation
Total		<b>3,142</b>	

**Table 1: Year to date surplus / deficit variance by activity**

**Operating Surplus Variance – Forecast**

[11] The forecast operating surplus for the full year to 30 June 2026 is \$5,233,000 which is \$4,502,000 ahead of budget of \$730,000. Analysis of this variance is provided in the table below.

Activity Group	Activity	Surplus/(Deficit) Variance \$'000	Comment
Environment	Land & Water Planning	1,852	Savings - reduced work program
Corporate	Treasury	974	Additional Managed Fund Gain
Regional Leadership	RPS, Strategy, Urban Dev & Response to Issues	646	Savings - reduced work program
Safety & Resilience	Lwr Taieri Flood Protection Scheme	633	Additional Central govt funding
Environment	Regional Plan: Air	606	Savings - reduced work program
Transport	Public Transport - Dunedin	580	Contract cost savings
Safety & Resilience	River Management - Wakatipu/Wanaka	514	Underspend - reduced work program
Environment	Land & Water Science and Monitoring	436	Savings - reduced work program
Environment	Biosecurity	300	Savings - reduced work program
Transport	Public Transport - Other	(379)	Total Mobility
Transport	Public Transport - Wakatipu	(426)	LCLR improvements (reserve funded)
Corporate	Information Systems	(634)	Additional IRIS Net Gen Costs
Safety & Resilience	Lwr Clutha Flood Protection & Drainage	(760)	Additional unplanned repairs
Total		<b>4,342</b>	

**Table 2: Forecast surplus / deficit variance by activity**

- [12] The key changes in year-end forecast from the actual year to date variances are:
- Planning (3 activities) - actual year to date underspend is forecast to increase over the remainder of the year.
  - Flood and drainage schemes – year end forecast reflect increased flood repair and RIF funded project costs offset by RIF grant revenue where applicable.
  - River management schemes – increased under spend forecast.
  - Public transport – increased unbudgeted expenditure forecast over the remainder of the year.
  - IT – increased forecast spend on IRIS NG (reserve funded).
  - Treasury – additional managed fund gain remains at year end but reduces.

**Surplus Funding Impact**

- [13] The funding impact of the forecast operating surplus/(deficit) variance is shown in Table 3 below.

Council Forecast	Surplus/(Deficit) \$'000			Funding Impact		
	Q2 December 2025 For Year ending June 2026	Forecast	Budget	Variance	General Reserve	Targeted Reserve
Consents & Compliance		(292)	0	292	(169)	(123)
Governance & Community		(300)	(350)	(50)	50	(0)
Regional Plans & Policies		519	(128)	(646)	646	(0)
<b>Regional Leadership</b>		<b>(74)</b>	<b>(478)</b>	<b>(404)</b>	<b>527</b>	<b>(123)</b>
Air		650	(0)	(650)	650	(0)
Biodiversity		(1,687)	(2,044)	(357)	57	300
Water		1,302	(715)	(2,018)	2,288	(270)
<b>Environment</b>		<b>266</b>	<b>(2,759)</b>	<b>(3,026)</b>	<b>2,995</b>	<b>30</b>
Emergency Management		54	0	(54)	(0)	54
Flood Protection		(822)	(1,157)	(335)	(0)	335
Natural Hazards		(149)	(148)	0	(0)	(0)
<b>Safety and Resilience</b>		<b>(917)</b>	<b>(1,305)</b>	<b>(389)</b>	<b>(0)</b>	<b>389</b>
Public Transport - Dunedin		2,171	1,590	(580)	(0)	580
Public Transport - Other		(379)	(0)	379	(379)	(0)
Public Transport - Wakatipu		(544)	(118)	426	(0)	(426)
Regional Land Transport Planning		(45)	0	45	(45)	(0)
Stock Truck Effluent Disposal		(8)	0	8	(8)	(0)
<b>Transport</b>		<b>1,194</b>	<b>1,472</b>	<b>278</b>	<b>(432)</b>	<b>154</b>
<b>Corporate</b>		<b>4,763</b>	<b>3,801</b>	<b>(963)</b>	<b>963</b>	<b>(0)</b>
<b>Total Council</b>		<b>5,233</b>	<b>730</b>	<b>(4,503)</b>	<b>4,053</b>	<b>450</b>

**Table 3: Forecast Operating Surplus / (Deficit) funding allocation by activity**

- [14] The budget included 2024-25 surpluses that was carried forward to the Annual Plan 2025-26. That included \$700,000 for the Land & Water Regional Plan (General Reserve) and \$550,000 for PT Whakatipu (Targeted Reserve).

- [15] Use of the forecast surpluses identified above in Regional Plans & Policies, Air, and Water are being considered for carry forward as part of the Annual Plan 2026-27 development process.

### **Capital Expenditure**

- [16] Actual year to date capital expenditure is \$3,605,000 which is \$9,320,000 under budget of \$12,925,000. The underspend includes:
- Lower Taieri Flood under \$1,916,000 – timing of contour channel and RIF funded projects.
  - Operational Property under \$6,545,000 – timing of Whare Rūnaka furniture and fittings and contribution.
- [17] Forecast capital expenditure for the year to 30 June 2026 is \$18,806,000 which is \$1,751,000 under budget of \$20,558,000. The underspend includes:
- Lower Clutha Flood & Drainage over \$1,029,000 – unbudgeted flood repairs and RIF funded projects.
  - West Taieri Drainage under \$1,418,000 – timing of Contour Channel bridge 8 (moved to 2026-27)

### **Statement of Financial Position**

- [18] Key items to note in the Statement of Financial Position are:
- Total equity as at 30 September 2025 is \$933,382,000 which is an increase of \$7,942,000 over the year to date.
  - Cash on hand is \$34,720,000.
  - The managed fund balance is \$32,148,000.
  - Borrowing is \$174,976,000 which includes Council core debt of 25,000,000, and on lending to Port Otago of \$146,573,000.

### **Reserves Report**

- [19] The Reserves Report provides a summary of Council's reserves as at 31 December 2025 and the movements in each reserve over the year to date.
- [20] Key items to note in the Reserves Report are:
- Historic transport reserves are shown separately from any operational surpluses / deficits from 1 July 2024.

### **Treasury Report**

- [21] Key items to note in the Treasury Report are:
- The Managed Fund has increased \$2,257,000 over the year to date (this is \$1,133,000 ahead of year-to-date budget).
  - Council's weighted average cost of debt is 4.17%.

## **CONSIDERATIONS**

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

- [22] Not applicable.

**Financial Considerations**

[23] Not applicable.

**Significance and Engagement**

[24] Not applicable.

**Legislative and Risk Considerations**

[25] Not applicable.

**Climate Change Considerations**

[26] Not applicable.

**Communications Considerations**

[27] Not applicable.

**NEXT STEPS**

[28] Not applicable.

**ATTACHMENTS**

1. SCRE and Activity Reports Dec-2025 [9.3.1 - 8 pages]
2. Statement of Financial Position Dec-2025 [9.3.2 - 1 page]
3. Reserves Summary Dec-2025 [9.3.3 - 1 page]
4. Treasury Report Dec-2025 [9.3.4 - 1 page]

Statement of Comprehensive Revenue Expenditure						
Whole of Council	Actual	Year to Date Budget	Variance	Forecast	Full Year Forecast Budget	Variance
For the period ending: December						
<b>Revenue</b>						
Rates	34,260	34,234	26	68,493	68,467	26
Grants and subsidies	11,327	12,339	(1,012)	28,285	25,162	3,123
Dividends	10,291	10,000	291	20,291	20,000	291
Investment revenue	3,201	3,045	156	6,246	6,090	156
Other revenue	9,961	8,795	1,166	17,777	16,687	1,090
<b>Total revenue</b>	<b>69,041</b>	<b>68,413</b>	<b>628</b>	<b>141,093</b>	<b>136,406</b>	<b>4,687</b>
<b>Expenditure</b>						
Employee benefit expenses	21,104	21,193	89	42,459	42,388	(72)
Depreciation and amortisation	1,716	1,590	(126)	3,201	3,075	(126)
Finance costs	3,514	2,732	(782)	6,245	5,464	(782)
Other expenses	36,615	40,241	3,627	89,942	89,708	(234)
Internal Charges/Recoveries	-	0	0	(13)		13
<b>Total operating expenditure</b>	<b>62,948</b>	<b>65,755</b>	<b>2,807</b>	<b>141,834</b>	<b>140,634</b>	<b>(1,200)</b>
Other Gains/Losses	1,849	834	1,015	5,973	4,958	1,015
<b>Surplus/(Deficit)</b>	<b>7,942</b>	<b>3,492</b>	<b>4,450</b>	<b>5,233</b>	<b>730</b>	<b>4,502</b>
<b>Fair value gain/loss on shares in subsidiary</b>						
Fair value gain/loss on shares in subsidiary	-	-	-	29,649	29,649	-
	-	-	-	-	-	-
<b>Other Comprehensive Revenue and Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,649</b>	<b>29,649</b>	<b>-</b>
<b>Total other Comprehensive Revenue and Expenses</b>	<b>7,942</b>	<b>3,492</b>	<b>4,450</b>	<b>34,882</b>	<b>30,379</b>	<b>4,502</b>
Operating Surplus/(Deficit) - as per SCRE above	7,942	3,492	4,450	5,233	730	4,502
Less:						
Transport Rates Deficit - Dunedin	905	905	-	1,810	1,810	-
Transport Rates Deficit - Wakatipu	232	232	-	463	463	-
<b>Underlying Comprehensive Revenue and Expenses</b>	<b>6,806</b>	<b>2,356</b>	<b>4,450</b>	<b>2,960</b>	<b>(1,543)</b>	<b>4,502</b>

COUNCIL - YEAR TO DATE	Revenue			Expenditure			Surplus / (Deficit)		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Consents & Compliance	7,592	7,087	506	7,631	7,086	(544)	(38)		(39)
Governance & Community	7,658	7,584	74	7,416	7,523	108	242	60	181
Regional Plans & Policies	1,259	1,256	3	744	1,320	576	515	(64)	579
<b>REGIONAL LEADERSHIP</b>	<b>16,509</b>	<b>15,927</b>	<b>582</b>	<b>15,790</b>	<b>15,930</b>	<b>139</b>	<b>719</b>	<b>(3)</b>	<b>722</b>
Air	887	885	2	429	877	448	457	8	450
Biodiversity	4,653	4,655	(2)	2,966	3,859	893	1,687	796	891
Water	9,795	9,784	10	8,408	9,583	1,175	1,387	201	1,186
<b>ENVIRONMENT</b>	<b>15,334</b>	<b>15,324</b>	<b>10</b>	<b>11,803</b>	<b>14,319</b>	<b>2,516</b>	<b>3,531</b>	<b>1,005</b>	<b>2,526</b>
Emergency Management	2,019	2,000	19	1,885	2,023	138	135	(23)	158
Flood Protection	4,421	5,516	(1,095)	4,993	5,371	377	(572)	146	(718)
Natural Hazards	1,859	1,645	214	1,535	1,375	(159)	324	269	55
<b>SAFETY AND RESILIENCE</b>	<b>8,299</b>	<b>9,161</b>	<b>(862)</b>	<b>8,413</b>	<b>8,769</b>	<b>356</b>	<b>(113)</b>	<b>392</b>	<b>(506)</b>
Public Transport - Dunedin	15,407	15,510	(103)	13,810	14,754	944	1,597	756	841
Public Transport - Other	1,701	1,222	478	1,723	1,222	(501)	(22)		(22)
Public Transport - Wakatipu	6,771	6,842	(70)	6,678	6,872	193	93	(30)	123
Regional Land Transport Planning	349	347	2	393	347	(46)	(43)		(43)
Stock Truck Effluent Disposal	68	86	(18)	58	86	28	9		9
<b>TRANSPORT</b>	<b>24,296</b>	<b>24,007</b>	<b>289</b>	<b>22,662</b>	<b>23,280</b>	<b>619</b>	<b>1,634</b>	<b>726</b>	<b>908</b>
Homebase	-	-	-	-	-	-	-	-	-
Internal	(54)	1,300	(1,354)	869	720	(149)	(923)	580	(1,503)
Overheads	4,657	2,695	1,962	3,411	2,737	(674)	1,246	(42)	1,287
<b>CORPORATE</b>	<b>4,603</b>	<b>3,995</b>	<b>607</b>	<b>4,280</b>	<b>3,457</b>	<b>(823)</b>	<b>323</b>	<b>538</b>	<b>(215)</b>
<b>TOTAL COUNCIL</b>	<b>69,041</b>	<b>68,413</b>	<b>628</b>	<b>62,948</b>	<b>65,755</b>	<b>2,807</b>	<b>6,093</b>	<b>2,658</b>	<b>3,435</b>

REVENUE & EXPENSES						
Regional Leadership	Year to Date			Full Year Forecast		
	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Revenue</b>						
Grants and subsidies	31	38	(7)	116	77	40
Investment revenue	-	-	-	-	-	-
Other revenue	2,886	2,326	559	4,894	4,653	241
Rates	13,592	13,562	30	27,154	27,124	30
<b>Total revenue</b>	<b>16,509</b>	<b>15,927</b>	<b>582</b>	<b>32,165</b>	<b>31,853</b>	<b>312</b>
<b>Expenditure</b>						
Depreciation and amortisation	103	68	(35)	170	136	(35)
Employee benefit expenses	8,608	8,792	184	17,437	17,586	148
Finance costs	-	-	-	-	-	-
Internal Charges/Recoveries	3,954	3,863	(91)	7,817	7,726	(91)
Other expenses	3,126	3,207	81	6,813	6,883	70
<b>Total operating expenditure</b>	<b>15,790</b>	<b>15,930</b>	<b>139</b>	<b>32,238</b>	<b>32,331</b>	<b>92</b>
<b>Surplus/(Deficit)</b>	<b>719</b>	<b>(3)</b>	<b>722</b>	<b>(74)</b>	<b>(478)</b>	<b>404</b>
<b>Significant Activities</b>						
	Actual	Budget	Variance	Forecast	Budget	Variance
<b>CONSENTS &amp; COMPLIANCE</b>						
<b>COMPLIANCE MONITORING &amp; CONTAMINATED SITES</b>						
Revenue	3,284	3,128	156	6,261	6,256	5
Expenditure	3,253	3,128	(126)	6,354	6,256	(99)
<b>CONSENT PROCESSING</b>						
Revenue	2,808	2,311	498	4,952	4,621	331
Expenditure	2,652	2,311	(341)	4,877	4,621	(256)
<b>HARBOUR MANAGEMENT</b>						
Revenue	442	501	(59)	930	1,002	(72)
Expenditure	511	501	(10)	1,052	1,002	(51)
<b>INCIDENT RESPONSE &amp; ENFORCEMENT</b>						
Revenue	1,058	1,148	(89)	2,206	2,295	(89)
Expenditure	1,214	1,147	(67)	2,357	2,295	(62)
<b>Surplus/(Deficit)</b>	<b>(38)</b>		<b>(39)</b>	<b>(292)</b>		<b>(292)</b>
<b>GOVERNANCE &amp; COMMUNITY</b>						
<b>CHIEF ADVISOR TO CE AND CHAIR</b>						
Revenue	209	208		417	416	
Expenditure	221	198	(23)	433	416	(17)
<b>COMMUNICATIONS AND MARKETING</b>						
Revenue	1,165	1,162	3	2,327	2,325	3
Expenditure	1,017	1,128	111	2,251	2,325	74
<b>CUSTOMER AND GOVERNANCE</b>						
Revenue	1,675	1,671	4	3,346	3,342	4
Expenditure	1,458	1,899	442	3,635	3,692	57
<b>EXECUTIVE MANAGEMENT</b>						
Revenue	1,707	1,703	4	3,409	3,405	4
Expenditure	2,081	1,702	(378)	3,784	3,405	(378)
<b>GOVERNANCE &amp; FINANCIAL CONTRIBUTIONS</b>						
Revenue	104	103		207	207	
Expenditure	106	103	(3)	199	207	8
<b>LEGAL COUNSEL</b>						
Revenue	622	621	1	1,243	1,241	1
Expenditure	554	621	66	1,155	1,241	86
<b>MANAGEMENT ACCOUNTANT</b>						
Revenue	388	387	1	775	774	1
Expenditure	382	387	5	769	774	5
<b>ORGANISATIONAL PLANNING AND PERFORMANCE</b>						
Revenue	581	580	1	1,161	1,160	1
Expenditure	379	528	149	1,049	1,160	110
<b>PARTNERSHIPS AND ENGAGEMENT</b>						
Revenue	518	461	57	1,038	921	117
Expenditure	668	348	(319)	1,080	921	(159)
<b>STRATEGY</b>						
Revenue	690	689	2	1,379	1,377	2
Expenditure	550	608	58	1,248	1,377	130
<b>Surplus/(Deficit)</b>	<b>242</b>	<b>60</b>	<b>181</b>	<b>(300)</b>	<b>(350)</b>	<b>50</b>
<b>REGIONAL PLANS &amp; POLICIES</b>						
<b>RPS, STRATEGY, URBAN DEV &amp; RESPONSE TO ISSUES</b>						
Revenue	1,259	1,256	3	2,515	2,512	3
Expenditure	744	1,320	576	1,996	2,640	643
<b>Surplus/(Deficit)</b>	<b>515</b>	<b>(64)</b>	<b>579</b>	<b>519</b>	<b>(128)</b>	<b>646</b>

REVENUE & EXPENSES						
Environment	Actual	Year to Date Budget	Variance	Forecast	Full Year Forecast Budget	Variance
<b>Revenue</b>						
Grants and subsidies	1,081	1,173	(92)	2,455	2,830	(374)
Other revenue	71	-	71	71	-	71
Rates	14,182	14,151	31	28,332	28,301	31
<b>Total revenue</b>	<b>15,334</b>	<b>15,324</b>	<b>10</b>	<b>30,859</b>	<b>31,131</b>	<b>(272)</b>
<b>Expenditure</b>						
Depreciation and amortisation	239	221	(18)	459	441	(18)
Employee benefit expenses	5,423	5,286	(137)	10,557	10,571	14
Internal Charges/Recoveries	2,816	2,812	(4)	5,628	5,624	(4)
Other expenses	3,325	6,001	2,675	13,948	17,254	3,306
<b>Total operating expenditure</b>	<b>11,803</b>	<b>14,319</b>	<b>2,516</b>	<b>30,593</b>	<b>33,891</b>	<b>3,298</b>
<b>Surplus/(Deficit)</b>	<b>3,531</b>	<b>1,005</b>	<b>2,526</b>	<b>266</b>	<b>(2,759)</b>	<b>3,026</b>
<b>Significant Activities</b>						
	Actual	Year to Date Budget	Variance	Forecast	Full Year Forecast Budget	Variance
<b>AIR</b>						
<b>AIR MONITORING</b>						
Revenue	452	451	1	903	902	1
Expenditure	301	443	142	859	902	43
<b>REGIONAL PLAN: AIR</b>						
Revenue	435	434	1	868	867	1
Expenditure	128	434	306	262	867	605
<b>Surplus/(Deficit)</b>	<b>457</b>	<b>8</b>	<b>450</b>	<b>650</b>	<b>()</b>	<b>650</b>
<b>BIODIVERSITY</b>						
<b>BIODIVERSITY IMPLEMENTATION</b>						
Revenue	789	787	2	1,576	1,574	2
Expenditure	159	343	183	3,582	3,618	36
<b>BIODIVERSITY SCIENCE &amp; MONITORING</b>						
Revenue	665	664	2	1,329	1,327	2
Expenditure	502	560	58	1,309	1,327	18
<b>BIOSECURITY</b>						
Revenue	3,199	3,204	(5)	6,887	6,892	(5)
Expenditure	2,305	2,956	651	6,587	6,892	305
<b>Surplus/(Deficit)</b>	<b>1,687</b>	<b>796</b>	<b>891</b>	<b>(1,687)</b>	<b>(2,044)</b>	<b>357</b>
<b>WATER</b>						
<b>ENVIRONMENTAL MANAGEMENT</b>						
Revenue	761	761		1,521	1,521	
Expenditure	1,066	783	(283)	1,909	1,521	(387)
<b>LAND &amp; WATER IMPLEMENTATION</b>						
Revenue	1,563	1,700	(137)	2,980	3,399	(419)
Expenditure	1,361	1,685	323	2,863	3,399	537
<b>LAND &amp; WATER PLANNING</b>						
Revenue	1,304	1,301	3	2,605	2,602	3
Expenditure	671	1,659	988	1,468	3,317	1,849
<b>LAND &amp; WATER SCIENCE AND MONITORING</b>						
Revenue	6,167	6,023	144	12,190	12,046	144
Expenditure	5,310	5,458	148	11,755	12,046	291
<b>Surplus/(Deficit)</b>	<b>1,387</b>	<b>201</b>	<b>1,186</b>	<b>1,302</b>	<b>(715)</b>	<b>2,018</b>

REVENUE & EXPENSES	Year to Date			Full Year Forecast		
Safety and Resilience	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Revenue</b>						
Grants and subsidies	28	876	(848)	4,434	1,753	2,682
Other revenue	266	297	(30)	554	593	(39)
Rates	8,005	7,988	16	15,993	15,976	16
<b>Total revenue</b>	<b>8,299</b>	<b>9,161</b>	<b>(862)</b>	<b>20,982</b>	<b>18,322</b>	<b>2,659</b>
<b>Expenditure</b>						
Depreciation and amortisation	445	476	31	922	953	31
Employee benefit expenses	3,125	3,259	134	6,384	6,518	134
Internal Charges/Recoveries	1,534	1,620	85	3,155	3,240	85
Other expenses	3,308	3,414	105	11,438	8,916	(2,522)
<b>Total operating expenditure</b>	<b>8,413</b>	<b>8,769</b>	<b>356</b>	<b>21,898</b>	<b>19,627</b>	<b>(2,271)</b>
<b>Surplus/(Deficit)</b>	<b>(113)</b>	<b>392</b>	<b>(506)</b>	<b>(917)</b>	<b>(1,305)</b>	<b>389</b>
<b>Significant Activities</b>						
	Actual	Budget	Variance	Forecast	Budget	Variance
<b>EMERGENCY MANAGEMENT</b>						
<b>EMERGENCY MANAGEMENT</b>						
Revenue	2,019	2,000	19	4,019	4,000	19
Expenditure	1,885	2,023	138	3,965	4,000	35
<b>Surplus/(Deficit)</b>	<b>135</b>	<b>(23)</b>	<b>158</b>	<b>54</b>		<b>54</b>
<b>FLOOD PROTECTION</b>						
<b>ALEXANDRA FLOOD PROTECTION</b>						
Revenue	164	164		329	329	
Expenditure	108	143	35	311	329	18
<b>EAST TAIERI DRAINAGE</b>						
Revenue	381	381		763	762	
Expenditure	621	476	(146)	1,139	1,023	(115)
<b>LEITH FLOOD PROTECTION SCHEME</b>						
Revenue	785	785	(1)	1,570	1,570	(1)
Expenditure	273	401	128	618	836	218
<b>LWR CLUTHA FLOOD PROTECTION &amp; DRAINAGE</b>						
Revenue	742	743	(1)	2,626	1,487	1,139
Expenditure	1,361	1,003	(358)	4,082	2,183	(1,899)
<b>LWR TAIERI FLOOD PROTECTION SCHEME</b>						
Revenue	712	1,529	(817)	3,576	3,058	519
Expenditure	622	801	180	1,764	1,878	114
<b>NON SCHEME MANAGEMENT</b>						
Revenue	38	38		77	77	
Expenditure	3	30	27	50	77	27
<b>RIVER MANAGEMENT - CENTRAL</b>						
Revenue	205	204		409	409	
Expenditure	193	289	96	542	626	84
<b>RIVER MANAGEMENT - CLUTHA</b>						
Revenue	243	243		486	485	
Expenditure	354	373	19	881	890	9
<b>RIVER MANAGEMENT - DUNEDIN</b>						
Revenue	133	133		266	266	
Expenditure	366	294	(73)	753	713	(41)
<b>RIVER MANAGEMENT - WAITAKI</b>						
Revenue	330	330		660	659	
Expenditure	285	382	98	872	876	3
<b>RIVER MANAGEMENT - WAKATIPU/WANAKA</b>						
Revenue	284	283	1	567	567	1
Expenditure	236	509	273	704	1,217	513
<b>RIVER MANAGEMENT OVERSIGHT</b>						
Expenditure	-	0	0	21	-	(21)
<b>SCHEME OVERSIGHT</b>						
Revenue	18	69	(51)	78	137	(59)
Expenditure	41	64	22	115	137	22
<b>TOKOMARIRO DRAINAGE</b>						
Revenue	96	96		192	192	
Expenditure	102	115	13	312	320	8
<b>WEST TAIERI DRAINAGE</b>						
Revenue	290	518	(228)	807	1,035	(228)
Expenditure	429	491	62	1,063	1,085	22
<b>Surplus/(Deficit)</b>	<b>(572)</b>	<b>146</b>	<b>(718)</b>	<b>(822)</b>	<b>(1,157)</b>	<b>335</b>
<b>NATURAL HAZARDS</b>						
<b>FLOOD &amp; LOW FLOW RISK MANAGEMENT</b>						
Revenue	301	301	1	602	601	1
Expenditure	161	244	84	575	601	26
<b>NATURAL HAZARDS</b>						
Revenue	1,558	1,344	213	3,956	2,689	1,267
Expenditure	1,374	1,131	(243)	4,131	2,837	(1,294)
<b>Surplus/(Deficit)</b>	<b>324</b>	<b>269</b>	<b>55</b>	<b>(149)</b>	<b>(148)</b>	<b>(1)</b>

REVENUE & EXPENSES						
	Year to Date			Full Year Forecast		
Transport	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Revenue</b>						
Grants and subsidies	10,187	10,252	(65)	21,279	20,503	776
Other revenue	4,788	4,457	331	9,592	9,010	582
Rates	9,321	9,298	23	18,619	18,596	23
<b>Total revenue</b>	<b>24,296</b>	<b>24,007</b>	<b>289</b>	<b>49,490</b>	<b>48,109</b>	<b>1,381</b>
<b>Expenditure</b>						
Depreciation and amortisation	228	187	(41)	311	269	(41)
Employee benefit expenses	802	829	28	1,768	1,659	(109)
Internal Charges/Recoveries	434	429	(5)	863	859	(5)
Other expenses	21,198	21,835	637	45,355	43,850	(1,505)
<b>Total operating expenditure</b>	<b>22,662</b>	<b>23,280</b>	<b>619</b>	<b>48,297</b>	<b>46,637</b>	<b>(1,660)</b>
<b>Surplus/(Deficit)</b>	<b>1,634</b>	<b>726</b>	<b>908</b>	<b>1,193</b>	<b>1,472</b>	<b>(279)</b>
<b>Significant Activities</b>						
	Actual	Budget	Variance	Forecast	Budget	Variance
<b>PUBLIC TRANSPORT - DUNEDIN</b>						
Revenue	15,407	15,510	(103)	30,844	31,020	(176)
Expenditure	13,810	14,754	944	28,673	29,430	757
<b>PUBLIC TRANSPORT - OTHER</b>						
Revenue	1,701	1,222	478	3,414	2,444	969
Expenditure	1,723	1,222	(501)	3,793	2,444	(1,348)
<b>PUBLIC TRANSPORT - WAKATIPU</b>						
Revenue	6,771	6,842	(70)	14,380	13,779	601
Expenditure	6,678	6,872	193	14,925	13,897	(1,028)
<b>REGIONAL LAND TRANSPORT PLANNING</b>						
Revenue	349	347	2	690	694	(4)
Expenditure	393	347	(46)	735	694	(41)
<b>STOCK TRUCK EFFLUENT DISPOSAL</b>						
Revenue	68	86	(18)	162	172	(9)
Expenditure	58	86	28	170	172	1
<b>Surplus/(Deficit)</b>	<b>1,634</b>	<b>726</b>	<b>908</b>	<b>1,193</b>	<b>1,472</b>	<b>(279)</b>

REVENUE & EXPENSES						
Corporate	Actual	Year to Date Budget	Variance	Forecast	Full Year Forecast Budget	Variance
<b>Revenue</b>						
Dividends	10,291	10,000	291	20,291	20,000	291
Grants and subsidies	-	-	-	-	-	-
Investment revenue	3,201	3,045	156	6,246	6,090	156
Other revenue	1,950	1,715	235	2,666	2,431	234
Rates	(10,840)	(10,765)	(74)	(21,605)	(21,531)	(74)
<b>Total revenue</b>	<b>4,603</b>	<b>3,995</b>	<b>607</b>	<b>7,598</b>	<b>6,991</b>	<b>607</b>
<b>Expenditure</b>						
Depreciation and amortisation	701	638	(63)	1,339	1,276	(63)
Employee benefit expenses	3,147	3,027	(120)	6,313	6,054	(260)
Finance costs	3,514	2,732	(782)	6,245	5,464	(782)
Internal Charges/Recoveries	(8,739)	(8,725)	14	(17,477)	(17,449)	28
Other expenses	5,657	5,786	128	12,388	12,805	417
<b>Total operating expenditure</b>	<b>4,280</b>	<b>3,457</b>	<b>(823)</b>	<b>8,808</b>	<b>8,148</b>	<b>(659)</b>
<b>Surplus/(Deficit)</b>	<b>323</b>	<b>538</b>	<b>(215)</b>	<b>(1,210)</b>	<b>(1,157)</b>	<b>(53)</b>
<b>Significant Activities</b>						
	Actual	Year to Date Budget	Variance	Forecast	Full Year Forecast Budget	Variance
<b>INTERNAL</b>						
<b>INFORMATION SYSTEMS</b>						
Revenue	-	-	-	-	-	-
Expenditure	767	570	(197)	1,774	1,140	(634)
<b>ORC PROPERTY - OPERATIONAL</b>						
Revenue	95	50	45	145	100	45
Expenditure	(562)	(617)	(55)	(473)		473
<b>RATES COLLECTION</b>						
Revenue	(152)	1,250	(1,402)	98	1,501	(1,403)
Expenditure	663	750	88	1,413	1,501	88
<b>VEHICLES</b>						
Revenue	3	-	3	3	-	3
Expenditure	2	17	15	(59)	34	93
<b>Surplus/(Deficit)</b>	<b>(923)</b>	<b>580</b>	<b>(1,503)</b>	<b>(2,410)</b>	<b>(1,074)</b>	<b>(1,336)</b>
<b>OVERHEADS</b>						
<b>CORPORATE SUPPORT/RECORDS</b>						
Expenditure	(36)	()	36	(35)		35
<b>FINANCE</b>						
Revenue	1,482	-	1,482	1,482	-	1,482
Expenditure	209	()	(209)	209		(209)
Fair value gain/loss on shares in subsidiary	-	-	-	-	-	-
<b>HEALTH &amp; SAFETY</b>						
Revenue	1	-	1	1	-	1
Expenditure	10	()	(10)	3		(3)
<b>HUMAN RESOURCES</b>						
Expenditure	(10)	()	10			()
<b>KURIWAO LEASES</b>						
Revenue	13	25	(12)	38	50	(12)
Expenditure	2	5	3	7	10	3
<b>TREASURY</b>						
Revenue	3,160	2,670	490	5,831	5,340	490
Expenditure	3,186	2,732	(454)	5,918	5,464	(454)
<b>WHARE RUNAKA</b>						
Expenditure	50	-	(50)	50	-	(50)
<b>Surplus/(Deficit)</b>	<b>1,246</b>	<b>(42)</b>	<b>1,287</b>	<b>1,200</b>	<b>(83)</b>	<b>1,283</b>

Capital Expenditure Whole of Council	Year to Date			Full Year Forecast		
	Actual	Budget	Variance	Forecast	Budget	Variance
Compliance Monitoring & Contaminated Sites	-	-	-	-	-	-
Harbour Management	-	11	11	11	21	11
Incident Response & Enforcement	2	4	2	6	8	2
Communications and Marketing	-	-	-	-	-	-
<b>Regional Leadership</b>	<b>2</b>	<b>15</b>	<b>13</b>	<b>16</b>	<b>29</b>	<b>13</b>
Air Monitoring	56	77	21	133	153	21
Biodiversity Science & Monitoring	-	77	77	77	153	77
Biosecurity	-	-	-	-	-	-
Environmental Management	-	-	-	-	-	-
Land & Water Science and Monitoring	400	271	(129)	671	542	(129)
<b>Environment</b>	<b>456</b>	<b>424</b>	<b>(32)</b>	<b>880</b>	<b>848</b>	<b>(32)</b>
Emergency Management	-	-	-	-	-	-
Alexandra Flood Protection	-	-	-	-	-	-
East Taieri Drainage	144	94	(50)	281	460	178
Leith Flood Protection Scheme	58	35	(23)	125	102	(23)
Lwr Clutha Flood Protection & Drainage	91	175	83	1,642	613	(1,029)
Lwr Taieri Flood Protection Scheme	84	2,000	1,916	4,121	4,190	69
River Management - Clutha	-	12	12	10	22	12
River Management - Dunedin	-	105	105	131	598	467
River Management - Wakatipu/Wanaka	-	-	-	-	-	-
Scheme Oversight	-	-	-	-	-	-
Tokomariro Drainage	-	125	125	52	358	306
West Taieri Drainage	23	553	530	237	1,656	1,418
Flood & Low Flow Risk Management	-	-	-	-	-	-
Natural Hazards	-	-	-	-	-	-
<b>Safety and Resilience</b>	<b>400</b>	<b>3,098</b>	<b>2,698</b>	<b>6,599</b>	<b>7,998</b>	<b>1,399</b>
Public Transport - Dunedin	100	-	(100)	100	-	(100)
Public Transport - Wakatipu	-	-	-	-	-	-
<b>Transport</b>	<b>100</b>	<b>-</b>	<b>(100)</b>	<b>100</b>	<b>-</b>	<b>(100)</b>
Information Systems	335	447	112	782	894	112
ORC Property - Operational	1,106	3,954	2,848	1,234	5,238	4,004
Vehicles	477	537	59	1,014	1,073	59
Finance	-	26	26	26	51	26
Health & Safety	-	-	-	-	-	-
Whare Runaka	729	4,426	3,697	8,154	4,426	(3,729)
<b>Corporate</b>	<b>2,647</b>	<b>9,389</b>	<b>6,742</b>	<b>11,210</b>	<b>11,682</b>	<b>472</b>
<b>Total Council Capital Expenditure</b>	<b>3,605</b>	<b>12,925</b>	<b>9,320</b>	<b>18,806</b>	<b>20,558</b>	<b>1,751</b>

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025	December	2025		2026
\$'000	Current Year	Prior Year	Year to Date	Current Year
	Actual	Actual	Variance	Budget
<b>Assets</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	34,720	18,387	16,333	2,455
Trade and other receivables	29,828	15,854	13,974	18,180
Property held for sale	(88)	0	(88)	0
Related party receivable	77,451	57,102	20,349	0
Other financial assets	31,994	29,737	2,257	29,181
Other Current Assets	2,639	1,281	1,358	1,433
Borrower Notes	125	125	0	0
<b>Total Current Assets</b>	<b>176,668</b>	<b>122,486</b>	<b>54,182</b>	<b>51,249</b>
<b>NON-CURRENT ASSETS</b>				
Shares in subsidiary	788,120	788,120	0	780,239
Property, plant and equipment	106,508	104,523	1,985	109,835
Intangible assets	62	157	(95)	2,025
Related party receivable	72,525	92,832	(20,307)	150,088
Investment Property	17,000	17,000	0	17,134
Borrower Notes	500	500	0	500
<b>Total Non-Current Assets</b>	<b>984,715</b>	<b>1,003,132</b>	<b>(18,417)</b>	<b>1,059,821</b>
<b>Total Assets</b>	<b>1,161,383</b>	<b>1,125,618</b>	<b>35,765</b>	<b>1,111,070</b>
<b>Liabilities</b>				
<b>CURRENT LIABILITIES</b>				
Trade and other payables	48,656	20,575	28,082	22,594
Employee entitlements	4,195	4,602	(407)	2,716
Borrowings	87,624	67,169	20,455	69,878
<b>Total Current Liabilities</b>	<b>140,476</b>	<b>92,346</b>	<b>48,129</b>	<b>95,188</b>
<b>NON-CURRENT LIABILITIES</b>				
Non current borrowings	87,525	107,832	(20,307)	110,438
<b>Total Non-Current Liabilities</b>	<b>87,525</b>	<b>107,832</b>	<b>(20,307)</b>	<b>110,438</b>
<b>Total Liabilities</b>	<b>228,001</b>	<b>200,178</b>	<b>27,823</b>	<b>205,626</b>
<b>NET ASSETS</b>	<b>933,382</b>	<b>925,440</b>	<b>7,942</b>	<b>905,444</b>
<b>Equity</b>				
<b>PUBLIC EQUITY</b>				
Public Equity	122,066	114,124	7,942	120,576
<b>Total Public Equity</b>	<b>122,066</b>	<b>114,124</b>	<b>7,942</b>	<b>120,576</b>
<b>RESERVES</b>				
Reserves	811,316	811,316	0	784,868
<b>Total Reserves</b>	<b>811,316</b>	<b>811,316</b>	<b>0</b>	<b>784,868</b>
<b>TOTAL EQUITY</b>	<b>933,382</b>	<b>925,440</b>	<b>7,942</b>	<b>905,444</b>

**SUMMARY OF RESERVES**

<b>AS AT 31 DECEMBER 2025</b>	<b>Opening Balance</b>	<b>Transfers</b>	<b>Transfers</b>	<b>Closing Balance</b>
<b>\$'000</b>	<b>1-Jul-2025</b>	<b>In</b>	<b>Out</b>	<b>30-Jun-2025</b>
<b>GENERAL RESERVES</b>				
General Reserve	69,226	35,574	(30,223)	74,577
Asset Replacement Reserve	8,112			8,112
Building Reserve	7,515			7,515
Emergency Response Reserve	4,925			4,925
Kuirwao Endowment Reserve	6,617			6,617
Asset Revaluation Reserve	16,029			16,029
Port Share Revaluation Reserve	768,120			768,120
<b>Total General Reserves</b>	<b>880,544</b>	<b>35,574</b>	<b>(30,223)</b>	<b>885,894</b>
<b>TARGETED RESERVES</b>				
<b>River Management</b>				
River Management Central	119	205	(193)	131
River Management Clutha	(767)	243	(354)	(878)
River Management Dunedin	240	133	(366)	7
River Management Queenstown Lakes	461	284	(236)	509
River Management Waitaki	1,137	330	(285)	1,182
<b>Flood &amp; Drainage</b>				
Alexandra Flood	132	164	(108)	189
Leith Flood	(10,370)	785	(273)	(9,858)
Lower Clutha Flood & Drainage	(4,461)	742	(1,361)	(5,080)
Lower Taieri Flood	(49)	712	(622)	41
West Taieri Drainage	(1,947)	290	(429)	(2,087)
East Taieri Drainage	(460)	381	(621)	(700)
Tokomairiro Drainage	(68)	96	(102)	(73)
<b>Transport</b>				
Dunedin Transport	(360)	14,502	(13,810)	332
Dunedin Transport - Historic Balance	(10,445)	905		(9,540)
Queenstown Transport	532	6,539	(6,678)	393
Queenstown Transport - Historic Balance	(1,821)	232		(1,589)
Oamaru Transport	51			51
<b>Other</b>				
Catchment Management	960	3,113	(2,586)	1,486
Biosecurity	(955)	3,071	(2,006)	110
Wilding Pines	(817)	128	(300)	(989)
Emergency Management	(7)	2,019	(1,885)	128
Navigational Safety	(88)	442	(511)	(157)
Dairy Monitoring	(12)			(12)
Infrastructure Assets Reserve	73,892			73,892
<b>Total Targeted Reserves</b>	<b>44,897</b>	<b>35,316</b>	<b>(32,724)</b>	<b>47,488</b>
<b>TOTAL RESERVES</b>	<b>925,440</b>	<b>70,890</b>	<b>(62,948)</b>	<b>933,383</b>

## TREASURY REPORT

AS AT 31 December 2025 \$'000	December 2025 Actual	June 2025 Actual	Variance	Summary by Quarter			
<b>Cash and Term Deposits</b>							
	<b>Current vs Previous Year End</b>			<b>Previous 4 Quarters</b>			
<b>BALANCES</b>	<b>Dec-2025</b>	<b>Jun-2025</b>	<b>YTD Movement</b>	<b>24/25 Q2 Dec-24</b>	<b>24/25 Q3 Mar-25</b>	<b>24/25 Q4 Jun-25</b>	<b>25/26 Q1 Sep-25</b>
Cash	9,720	18,387	(8,667)	21,356	5,046	18,387	27,878
Term Deposits	25,000	0	25,000	10,000	20,500	0	0
<b>Cash and Term Deposits</b>	<b>34,720</b>	<b>18,387</b>	<b>16,333</b>	<b>31,356</b>	<b>25,546</b>	<b>18,387</b>	<b>27,878</b>
<b>Managed Fund</b>							
	<b>Current vs Previous Year End</b>			<b>Previous 4 Quarters</b>			
<b>ASSET ALLOCATION</b>	<b>Dec-2025</b>	<b>Jun-2025</b>	<b>YTD Movement</b>	<b>24/25 Q2 Dec-24</b>	<b>24/25 Q3 Mar-25</b>	<b>24/25 Q4 Jun-25</b>	<b>25/26 Q1 Sep-25</b>
Cash	1,238	1,785	(547)	1,776	1,614	1,785	1,287
NZ Fixed Interest	7,404	10,075	(2,671)	10,693	10,061	10,075	11,051
International Fixed Interest	6,928	2,934	3,995	2,907	2,893	2,934	2,909
<b>Total - Defensive</b>	<b>15,570</b>	<b>14,794</b>	<b>776</b>	<b>15,377</b>	<b>14,567</b>	<b>14,794</b>	<b>15,247</b>
NZ Property	965	896	69	781	848	896	1,017
NZ Equities	5,443	5,127	316	4,468	4,971	5,127	5,227
Australian Equities	4,660	4,654	7	4,228	4,304	4,654	4,796
International Equities	5,510	4,421	1,089	4,516	4,291	4,421	5,085
<b>Total - Growth</b>	<b>16,578</b>	<b>15,098</b>	<b>1,481</b>	<b>13,993</b>	<b>14,414</b>	<b>15,098</b>	<b>16,126</b>
<b>Total Managed Fund Balance</b>	<b>32,148</b>	<b>29,892</b>	<b>2,257</b>	<b>29,369</b>	<b>28,981</b>	<b>29,892</b>	<b>31,373</b>
<b>PORTFOLIO PERFORMANCE</b>							
	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>24/25 Q2 Dec-24</b>	<b>24/25 Q3 Mar-25</b>	<b>24/25 Q4 Jun-25</b>	<b>25/26 Q1 Sep-25</b>
Interest	257	200	57	169	65	156	125
Dividends	291	175	116	90	118	101	173
Other (Fees)	(64)		(64)	(32)	(31)	(32)	(32)
Market Value Gain / (Loss)	1,773	748	1,024	669	(540)	685	1,215
Desposit / (Withdrawal)			0	0	0	0	0
<b>Total Portfolio Performance</b>	<b>2,257</b>	<b>1,123</b>	<b>1,133</b>	<b>897</b>	<b>(387)</b>	<b>910</b>	<b>1,481</b>
<b>Borrowings</b>							
<b>LGFA DEBT</b>	<b>Dec-2025</b>	<b>Jun-2025</b>	<b>YTD Movement</b>				
<b>Council</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>				
<b>Port Otago</b>	<b>149,976</b>	<b>149,815</b>	<b>161</b>				
<b>Total LGFA Debt</b>	<b>174,976</b>	<b>174,815</b>	<b>161</b>				
<b>COUNCIL DEBT</b>	<b>Amount</b>	<b>Maturity</b>	<b>Rate</b>	<b>Core Debt</b>	<b>Rate</b>		
Commercial Paper	5,000	Jun-2026	2.71%	5,000	2.71%		
Fixed Rate Bond	5,000	Apr-2026	5.70%	5,000	5.70%		
Floating Rate Note	5,000	Apr-2027	3.21%	5,000	3.21%		
Fixed Rate Bond	5,000	May-2028	5.70%	5,000	5.70%		
Floating Rate Note	5,000	Apr-2029	3.56%	5,000	3.56%		
<b>Total Council Debt</b>	<b>25,000</b>		<b>4.17%</b>	<b>25,000</b>	<b>4.17%</b>		

#### 9.4. Otago Local Authorities Triennial Agreement 2026-2029

<b>Prepared for:</b>	Council
<b>Report No.</b>	S&C2605
<b>Activity:</b>	Strategy
<b>Author:</b>	Marianna Brook (Principal Advisor Mayoral Forum and Local Government Reform)
<b>Endorsed by:</b>	Amanda Vercoe (General Manager Strategy and Customer)
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Chair Calvert and Cr Laws, Strategy and Customer

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#### PURPOSE

- [1] This paper invites Council to ratify the Otago Local Authorities Triennial Agreement 2026-2029 (the Agreement).

#### RECOMMENDATION

That the Council:

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

#### BACKGROUND

- [2] Section 15 of the Local Government Act 2002 (the Act) requires all local authorities within a regional council area to enter into a triennial agreement by 1 March 2026 following the local government election.
- [3] The purpose of the agreement is to ensure that appropriate levels of communication, coordination and collaboration are maintained between local authorities within the region.
- [4] The agreement must include:
- protocols for communication and co-ordination between councils;
  - the process by which councils will comply with section 16 of the Act, which refers to consultation on significant new activities proposed by regional councils; and

- processes and protocol through which all councils can participate in identifying, delivering and funding facilities and services of significance to more than one district within the region.
- [5] Triennial agreements may also include commitments to establish joint governance arrangements to give better effect to the matters set out above.
- [6] A triennial agreement may be varied by agreement between the parties and remains in force until local authorities ratify a new agreement.

## **DISCUSSION**

### **Otago Local Authorities Triennial Agreement**

- [7] Attached is the Otago Local Authorities Triennial Agreement 2026-2029
- [8] The Agreement was prepared by the Otago Mayoral Forum secretariat, in consultation with staff across the region, the Otago Chief Executive Forum, Otago Mayoral Forum, and attendees at the Zone 6 meeting in November 2025.
- [9] The Agreement acknowledges the benefits of working together for Otago's local authorities, communities and natural environment. Parties to the Agreement recognise that working together enables councils to build stronger relationships, share information and resources, coordinate responses to cross-boundary issues, and strengthen collective advocacy for the region.
- [10] The Agreement outlines a cross-council partnership framework for Otago, encompassing various governance and operational arrangements. Covered are the Otago Mayoral Forum, Otago Chief Executives Forum, Hui for Otago, joint committees including statutory joint committees, and staff working groups.
- [11] The final sections acknowledge a partnership with Kāi Tahu ki Otago through Te Rōpū Taiao Otago, convened under a separate charter of understanding; notes support arrangements for Otago's cross-council framework, including a secretariat hosted by the Otago Regional Council; and sets out the required process for addressing any proposals by the regional council to undertake activities already performed by territorial authorities.

### **Otago Mayoral Forum 'regional focus areas'**

- [12] While the Agreement is focussed on arrangements for working together across Otago, its benefit comes from applying these arrangements to issues and opportunities for Otago.
- [13] The Agreement states that the Otago Mayoral Forum is responsible for confirming a set of 'regional focus areas' and a direction of travel for each. Under the Agreement, the Forum is required to oversee a regional response to the focus areas through Otago's cross-council partnership framework, involving and escalating to Otago's Councils as needed.

- [14] Similarly, the Otago Chief Executives Forum will be responsible for supporting the Otago Mayoral Forum to undertake this role.
- [15] An Otago Mayoral Forum workshop to develop regional focus areas is scheduled for March 6 2026. The agenda for this workshop will contain high-level information about those areas likely to require (or benefit from) a cross-council approach, with this content informed by staff working groups and reviewed by the Otago Chief Executives Forum. Forum members will be invited to seek input from Councillors before attending the workshop.

### **Proposed Local Government reform**

- [16] On 25 November 2025, the Government announced a proposal to simplify local government. The proposal includes a collective role for mayors in each region through a 'Combined Territories Board' (CTB). The CTB would oversee two key deliverables: a 'regional reorganisation plan', and a regional spatial plan. If the proposal proceeds, it is likely that these deliverables will each become a focus area for the Forum.
- [17] The Agreement is prepared under current legislation and does not attempt to accommodate the proposed reforms. The Agreement may, however, be varied at any time by agreement between the parties, should this be required as and when the reforms progress.

## **OPTIONS**

### **Option 1: Ratify the Agreement (recommended)**

- [18] Council approves the Otago Local Authorities Triennial Agreement 2026–2029.

*Advantages:*

- Meets statutory requirements.
- Supports coordinated regional collaboration.

*Disadvantages:*

- None identified.

### **Option 2: Do not ratify**

- [19] Council does not approve the Agreement.

*Advantages:*

- Allows time to seek changes.

*Disadvantages:*

- May delay or weaken regional collaboration.
- Would not comply with the statutory deadline.

## **CONSIDERATIONS**

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

- [20] The Agreement enables ORC to progress its strategic priorities in collaboration with Otago's Councils.

### **Financial Considerations**

- [21] There are no direct financial implications arising from this decision. Any future costs associated with specific joint work would be considered separately.

### **Significance and Engagement**

- [22] This decision is assessed as low significance under Council's Significance and Engagement Policy.

### **Legislative and Risk Considerations**

- [23] Ratifying the Agreement ensures compliance with section 15 of the Local Government Act 2002.

### **Climate Change Considerations**

- [24] This decision has no direct climate change impacts. The Agreement provides a platform for ongoing regional collaboration on climate-related matters.

### **Communications Considerations**

- [25] The Agreement will be publicly released once ratified by all Otago Councils.

## **NEXT STEPS**

- [26] The attached Otago Local Authorities Triennial Agreement was reviewed at the Otago Mayoral Forum on 5 December 2025. Forum members agreed that it should be referred to Otago's Councils for ratification. Council is invited to ratify the Agreement at today's meeting.
- [27] All elected members and staff involved in cross-council activities have a role to play in implementing the Agreement.
- [28] Information on proposed regional focus areas will be shared once available, ahead of the Otago Mayoral Forum workshop on 6 March 2026.

## **ATTACHMENTS**

1. Otago Local Authorities Triennial Agreement 2026 29 proposed for ratification [9.4.1 - 7 pages]



## Otago Local Authorities' Triennial Agreement 2026–29

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### Preliminaries

1. The parties to the Agreement are Queenstown Lakes District Council, Central Otago District Council, Waitaki District Council, Dunedin City Council, Clutha District Council, and the Otago Regional Council (the Parties).
2. Under section 15 of the Local Government Act 2002, every local authority in a region must enter into a triennial agreement by 1 March following local body elections.
3. The purpose of this Agreement is to confirm how Otago's councils will communicate, coordinate, and collaborate during the triennium.
4. This Agreement confirms the Parties' shared commitment to working together for the benefit of Otago's people, places, and natural environment.

### Benefits of working together

5. The Parties recognise that communication, coordination and collaboration enables them to:
  - a. Build strong relationships between councils, Kāi Tahu ki Otago, and other partners;
  - b. Share information and resources, and reduce duplication of effort;
  - c. Coordinate responses to issues and opportunities that cross boundaries; and
  - d. Strengthen collective advocacy for Otago.

## Otago's cross-council partnership framework

6. Otago's local authorities work together through various arrangements, including the Otago Mayoral Forum, Otago Chief Executives Forum, Hui for Otago, joint committees, governance-level working groups and advisory groups, and staff working groups. Collectively, these arrangements comprise Otago's cross-council partnership framework.
7. Each group and meeting differs in its role, membership, mandate, statutory requirements and support needs. All Otago cross-council arrangements are part of a connected framework, with governance and executive groups providing strategy and oversight, and staff groups providing support, expertise and practical advice.
8. Otago's cross-council partnership framework complements the work of each council and does not impinge on the right for each of Otago's local authorities to decide policy, agree resourcing and govern its own area as appropriate.
9. At all levels, cross-council groups within the framework:
  - a. Can identify and progress opportunities in councils' shared interest, within given mandates;
  - b. Must ensure appropriate communication with councils; and
  - c. Cannot make binding decisions, unless agreed to by individual councils.
10. Through the cross-council framework, the Parties may pursue shared outcomes through joint work programmes, co-commissioning of studies, policy development and other agreed work. The Parties may explore options to identify, deliver and fund facilities and services of significance to more than one district, as envisaged by the Act.

## Forums, meetings, committees and working groups

11. Otago's cross-council partnership framework includes a number of groups, committees and other arrangements. This section describes each group, its role, responsibilities, and how it is supported.

### ***Otago Mayoral Forum***

12. The Otago Mayoral Forum brings together Otago's Mayors and the Otago Regional Council Chair to provide shared leadership, coordination, and advocacy for the region.
13. The Otago Mayoral Forum will be responsible for:

- a. Confirming regional focus areas and a direction of travel for each.
  - b. Receiving advice and reports from the Otago Chief Executives Forum on progress towards regional focus areas, opportunities for collaboration, work programmes, or collaborative projects.
  - c. Overseeing a regional response to the focus areas through Otago's cross-council partnership framework, escalating to Otago's Councils as needed.
  - d. Formalising shared positions through letters of support, submissions and/or public statements as appropriate.
14. The Otago Mayoral Forum will operate in accordance with a terms of reference approved by members. The Forum receives advice and support from a secretariat hosted by Otago Regional Council.

### ***Hui for Otago***

15. The Parties may convene a 'Hui for Otago' as needed, bringing together all of Otago's mayors and councillors on topics of shared interest. Hui for Otago provide an opportunity for broader engagement on matters affecting the region. A Hui for Otago could be standalone or part of a series, depending on the issue or opportunity.
16. Hui for Otago will be supported by the Otago Mayoral Forum secretariat.

### ***Otago Chief Executives Forum***

17. The Otago Chief Executives Forum is an established partnership between Otago's six local authority chief executives. The Otago Chief Executive Forum enables the Otago cross-council partnership framework at the executive level, particularly with regards staff resourcing and funding.
18. The Otago Chief Executives Forum will be responsible for:
- a. Supporting the Otago Mayoral Forum to prioritise regional focus areas and a direction of travel for each.
  - b. Providing advice and reports to the Otago Mayoral Forum on progress towards regional focus areas, opportunities for collaboration, work programmes, or collaborative projects.
19. The Otago Chief Executives Forum operates under a terms of reference to be agreed by its members. The Forum receives support and advice from the Otago Mayoral Forum secretariat.

### ***Joint committees***

20. The Parties recognise the role of joint committees including statutory joint committees established for specific purposes in supporting regional coordination and collaboration. At the time of signing, the following joint committees operate within Otago:
- a. **Otago Civil Defence Emergency Management (CDEM) Group Committee**, responsible for approving the Otago CDEM Group Plan and providing guidance on civil defence implementation.
  - b. **Otago Regional Transport Committee**, responsible for preparing the Otago Regional Land Transport Plan.
  - c. **Otago Central Lakes Regional Deal Negotiation Committee**, responsible for providing direction to inform the negotiation of a Regional Deal between partner councils and Central Government.
21. Joint committees may be established from time to time and will be considered when collaborative activity is likely to involve some or all of: dedicated strategic oversight from more than one Otago council, significant cross-council funding, stakeholder interaction, and/or strong public interest.
22. Joint committees will operate in accordance with their establishing legislation, council resolutions, governing agreement, or terms of reference as applicable.

### ***Governance-level advisory and working groups***

23. The Parties recognise the role of governance-level advisory and working groups within Otago. These can operate at a regional or sub-regional level, and may involve central government, iwi or wider stakeholders. Advisory and working groups are less formal than joint committees and can be a useful mechanism for sharing information and working towards shared goals.
24. Current examples of governance-level advisory and working groups include the Dunedin Transport Working Group, Queenstown Transport Working Group, and the Grow Well Whaiora Partnership.

### ***Staff working groups***

25. Council staff across Otago are encouraged to discuss issues of shared interest or concern with one another.

26. Staff may form cross-council working groups to discuss regional issues and, where relevant, progress joint work programmes or collaborative projects. These groups also enable staff to share knowledge and expertise across councils.
27. Established cross-council staff working groups include:
- a. Otago Regional Economic Development Working Group,
  - b. Otago Waste Network,
  - c. Otago Biodiversity Forum,
  - d. Otago Climate Officers' Group, and
  - e. Otago Strategy Managers' Group
28. All cross-council working groups will have terms of reference defining their purpose, membership, key objectives and outcomes. The terms of reference will be reviewed periodically by the Otago Chief Executives Forum and not less than every 18 months. Participation in such working groups is made possible with the support of participants' employers.
29. The Otago Mayoral Forum secretariat provides support and advice for working groups and collaborative activity as needed.

## **Partnership with Kāi Tahu ki Otago**

30. Te Rōpū Taiao Otago is the formal structure supporting the partnership between Kāi Tahu ki Otago and Otago's councils. Te Rōpū Taiao Otago operates under a separate charter.
31. Through Te Rōpū Taiao Otago, Otago's councils and Kāi Tahu ki Otago representatives build regional relationships, identify shared priorities and share information. Meetings are typically scheduled alongside those of the Otago Mayoral Forum.
32. This partnership complements the many other iwi relationships and agreements maintained by individual councils.

## **Support and resourcing**

33. The Parties acknowledge that Otago's cross-council framework depends on the participation and commitment of mayors, councillors and staff across all Otago councils. The rewards from working together increase with participation and engagement.

34. The Otago Regional Council hosts a permanent secretariat to support and advise the Otago Mayoral Forum, Otago Chief Executives Forum, Te Rōpū Taiao Otago and cross-council working groups, and to facilitate collaboration across Otago's local authorities as needed. The secretariat also holds a small discretionary budget to facilitate the Forums' work.
35. The Parties recognise the value of dedicated regional support roles, including the Otago Regional Waste Officer and other jointly-funded positions as may be established from time to time.

## **Section 16 of the Local Government Act 2002**

36. A triennial agreement must include a statement of the process by which the local authorities will comply with section 16 of the Local Government Act 2002 in respect of proposals for new regional council activities. This section fulfils this requirement.
37. If a regional council or a regional council-controlled organisation proposes to undertake a significant new activity AND one or more territorial authority is/are already undertaking the significant new activity or have notified their intention to do so in their long-term plans, the following process will apply:
  - a. The regional council will advise all territorial authorities of the proposal and its reasons.
  - b. Territorial authorities may provide comments or objections.
  - c. The councils will seek to reach agreement through discussion.
  - d. If agreement is not reached, either party may seek mediation by an agreed mediator or, if needed, by a process specified by the Minister of Local Government.
  - e. If mediation is unsuccessful, either party may ask the Minister to make a binding decision.
38. New activity does not include an activity authorised by or under an enactment. Section 16 does not apply to a proposal by a regional council to establish, own, or operate a park for the benefit of its region; or a proposal to transfer responsibilities; or a proposal to transfer bylaw-making powers; or a reorganisation under Schedule 3 being 'reorganisation of local authorities'; or a proposal to undertake an activity or enter into an undertaking jointly with the Crown.

## Variation and Review

39. This Agreement remains in force until it is replaced by a new Otago Local Authorities Triennial Agreement following the next local elections.
40. It may be varied at any time by agreement between the Parties.
41. The Agreement will be reviewed by the Otago Chief Executives Forum and Otago Mayoral Forum at the conclusion of the triennium, and a new Otago Local Authorities Triennial Agreement proposed for consideration following the next local elections.

## Signatories

42. This Agreement is signed by the following on behalf of their local authority:

Council and signatory	Signature	Date
<b>Mayor Tamah Alley</b> Central Otago District Council		
<b>Mayor Jock Martin</b> Clutha District Council		
<b>Mayor Sophie Barker</b> Dunedin City Council		
<b>Chair Hilary Calvert</b> Otago Regional Council		
<b>Mayor John Glover</b> Queenstown Lakes District Council		
<b>Mayor Melanie Tavendale</b> Waitaki District Council		

## 9.5. Strategic Events Programme 2025-28

<b>Prepared for:</b>	Council
<b>Report No.</b>	S&C2606
<b>Activity:</b>	Partnerships and Engagement
<b>Author:</b>	Daniel Basubas, Senior Advisor - Strategic Engagement; Ian Telfer, Manager Partnerships and Engagement
<b>Endorsed by:</b>	Amanda Vercoe (General Manager Strategy and Customer)
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Chair Calvert and Cr Laws, Strategy and Customer

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### PURPOSE

- [1] The purpose of this report is to seek Council feedback and approval for a strategic events programme for the triennium.

### EXECUTIVE SUMMARY

- [2] Otago Regional Council (ORC) staff ran a pilot strategic events programme in 2025 to better spread our presence and target our engagement at community events throughout the region.
- [3] The pilot was successful, engaging more than 3,100 people with ORC's work and with a high level of public satisfaction (average satisfaction rate of 94%) across all surveyed events.
- [4] Councillors and staff represented ORC at various events throughout the region, engaging with communities on key issues such as pest management, planting, water management, impact of land-use activities, public transport and science.
- [5] The pilot has helped staff identify a number of improvements for the structure of the calendar, and how ORC should participate in future events.
- [6] An ongoing programme of core and targeted events is proposed for the rest of the Council triennium, based on a two-tier structure, and a set of operating principles.

### RECOMMENDATION

*That the Council:*

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

## BACKGROUND

### ORC participation at community events

- [7] ORC has a commitment to build trust with our communities through open communication and engagement, as outlined in He Mahi Rau Rika: Significance, Engagement and Māori Participation Policy<sup>1</sup> and ORC's Engagement Approach: A Guide to Connecting with the Community<sup>2</sup>.
- [8] One way ORC meets this mandate is through participation in community events. At these events, staff set up stalls that draw people in with activities and have a discussion/kōrero about key issues facing the region, such as water quality or pest management. Examples of community events include the Wānaka A&P Show, Otago University Students Association Tent City and South Otago A&P Show.
- [9] Council participation at community events provides direct engagement with communities that may not always be achieved through reports or online channels. It enables ORC to reach a wide range of people and creates a space for open conversation where staff and councillors can listen to the public, people can ask questions, raise concerns and share ideas in an accessible setting. These conversations help refine our strategies and work programmes.
- [10] Participating in community events is a cost-effective way to reach communities because it allows us to make use of the infrastructure and audience already in place for the event. Although attending these events requires resourcing, such as staff time, event planning, rental equipment, these costs are relatively small compared to the potential impact of engaging with large, diverse audiences in established settings.

### Strategic events programme piloted in 2025

- [11] Prior to 2025, ORC did not have a strategic approach for deciding which community events to attend and why. In November 2024, Council endorsed the pilot strategic events programme for 2025 to establish a more planned and logical approach to council participation in community events.
- [12] The strategic events programme categorised community events into three tiers:

Event Tier	Description	Event Examples
<b>Tier 1:</b> Strategic 'all of Council' events	Region-wide events with high council representation. Events are selected based on strategic criteria.	<ul style="list-style-type: none"> <li>• Otago Polyfest</li> <li>• Wānaka A&amp;P Show</li> </ul>
<b>Tier 2:</b> Other regional events	Council participation is led by specific teams based on relevance to their work. Events include local A&P shows, summits and community events.	<ul style="list-style-type: none"> <li>• South Dunedin Street Festival</li> <li>• Maniototo A&amp;P Show</li> </ul>

<sup>1</sup><https://www.orc.govt.nz/media/12644/he-mahi-rau-rika-significance-engagement-and-maori-participation-policy.pdf>

<sup>2</sup> This document is an internal guide to engagement and was endorsed by Council in June 2024.

<b>Tier 3:</b> Ad-hoc, engagement focussed events	Region- or location-specific events and community gatherings.	<ul style="list-style-type: none"> <li>Community engagement at OUSA Sustainability Week</li> </ul>
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[13] Note that the strategic events programme is not a standalone project with its own budget. Rather, it is a coordinated approach to how ORC teams participate in community events.

## DISCUSSION

### Review of the pilot strategic events programme

[14] During 2025, a range of ORC teams represented council at five tier 1 events: North Otago A&P Show, Wānaka A&P Show, Wild Dunedin Festival (NatureDome), Otago Polyfest and South Otago A&P Show. There was no council representation at four tier 1 events due to various resource and administrative constraints (i.e. being unable to secure an attendance place): Dunedin Thieves Alley, Queenstown Multicultural Festival, Alexandra Blossoms Festival and Tokomairiro A&P Show.

[15] ORC teams also represented council at a number of other events, including OUSA Tent City, NZ International Science Festival and Maniototo A&P Show.

[16] The teams representing council at events included Partnerships and Engagement, Environmental Implementation (Biosecurity and Catchment Advisors), Science, Natural Hazards, Emergency Management, Strategy, Transport and more.

[17] The table below summarises the data collected from the tier 1 events:

Tier 1 Event	District	Estimated Headcount*	Satisfaction Rating**	Estimated total cost ***
Wānaka A&P Show	QLDC	1,800^	94% positive	\$18,000
Otago Polyfest	All of Otago	440	94% positive	\$500
Wild Dunedin Festival	DCC	370	94% positive	\$300
South Otago A&P Show	CDC	260	Not recorded	\$700
North Otago A&P Show	WDC	250	97% positive	\$1,200
		<b>Total</b>	<b>Average</b>	<b>Total</b>
		3,120	94% positive	\$20,700

\*Headcount is the estimated number of people who visited an ORC stall.

\*\*Data was collected using the 'Happy or Not' customer service survey.

\*\*\*Cost includes stall fees, accommodation, rental equipment, and internal vehicle charges. It does not include staff time.

^The headcount figure previously reported to auditors was 174. The difference in estimated headcount is because a different methodology was used for this event which significantly undercounted visitor interactions.

[18] The strategic events programme enabled broader geographic coverage across the Otago region than had been achieved previously. Council was represented at tier 1

events in every district except Central Otago. However, staff did attend other events in Central Otago, including the Mt. Bengier A&P Show and Maniototo A&P Show.

- [19] Total attendance at ORC stalls at tier 1 events was more than 3,100 people, with a high satisfaction rate of 94%. Feedback from staff and community members indicated council representation at these events created valuable opportunities for face-to-face conversations that helped the community better understand the council’s work.
- [20] The Wānaka A&P Show cost about \$18,000 due to it being a multi-day event, the cost of rental equipment, accommodation and vehicle costs. The cost to attend the North Otago A&P Show, Wild Dunedin Festival, Otago Polyfest and South Otago A&P show was relatively low, ranging from \$700 to \$1,200 each.
- [21] One lesson from the pilot is that there were insufficient resources to attend all ten tier 1 events, and that a more strategic approach to deciding tier 1 events is needed. It is proposed to have one tier 1 event that serves the population of each district in Otago, as well as an event with strong Māori and Pasifika representation. This proposal provides council with greater flexibility to attend tier 1 and tier 2 events as resources allow. It does not exclude council representation at any individual event.
- [22] Another lesson is that some ORC teams had limited activities and experiences for people at the stalls. Investment in developing more engaging, participatory experiences would help attract and retain both children and adult visitors, leading to increased face-to-face interaction and more conversations with community members. The Partnerships and Engagement team intends to work with ORC teams to develop more hands-on activities that can be used at a range of events.
- [23] The intended longer-term benefits of the strategic events programme, such as enhanced social license, stronger relationships and building trust, cannot be shown by a one-year pilot. Nevertheless, feedback from staff and communities indicate that participating in events generated meaningful engagement and can deliver significant value for ORC and communities.

**Proposed strategic events programme for the 2025-2028 triennium**

- [24] Staff recommend that Council agrees to a strategic events programme for the triennium that builds on the experiences and lessons from the 2025 pilot.
- [25] The objectives of the strategic events programme are proposed to be:

Objective	Description
<b>Objective 1:</b> Increase council visibility	To strengthen ORC’s presence in the community and foster familiarity and trust, while actively listening to what matters most to people and ensure their voices help shape our work.
<b>Objective 2:</b> Raise community awareness	To provide a platform to educate the public about council work programmes and initiatives.

<b>Objective 3:</b> Improved feedback channels	To create opportunities for meaningful interactions with the community, allowing us to better understand their priorities and needs, and gather feedback to shape and enhance council initiatives.
<b>Objective 4:</b> Engage a diverse demographic	To increase participation in cultural events that strengthen relationships with all demographics and with good geographical spread across the Otago region.
<b>Objective 5:</b> Take a strategic approach	To establish a consistent and coordinated approach to event attendance that conveys the importance of event participation and how it aligns with the ORC Strategic Directions.

[26] The strategic events programme would categorise events into tier 1 core events and tier 2 targeted events, which are distinguished using the core event criteria.

<b>Event Categories</b>	<b>Description</b>
<b>Tier 1: Core events</b>	<ul style="list-style-type: none"> <li>• Events must meet the core event criteria (below)</li> <li>• Staff expect to attend these events every year</li> <li>• Coordination is led by the Partnerships &amp; Engagement team</li> </ul>
<b>Tier 2: Targeted events</b>	<ul style="list-style-type: none"> <li>• Events do not meet the core event criteria but remain important for our participation</li> <li>• Events are generally targeted toward specific demographics, communities or issues</li> <li>• Event coordination is led by individual teams attending the event</li> </ul>
<b>Core event criteria</b>	
<b>Regional representation:</b> Tier 1 events should collectively have an inclusive and fair representation of the entire Otago region, balancing events in larger cities and smaller, rural areas.	
<b>Attendance and accessibility:</b> Tier 1 events should have a strong track record of attendance over a wide demographic range (e.g. ages, location, accessibility needs, incomes) to maximise community reach and impact.	
<b>Alignment with objectives:</b> Tier 1 events should have appropriate engagement opportunities that contribute to the objectives.	
<b>Complexity and cross-coordination:</b> Tier 1 events are more complex because they involve multiple teams and therefore require a whole-of-organisation approach to coordination.	

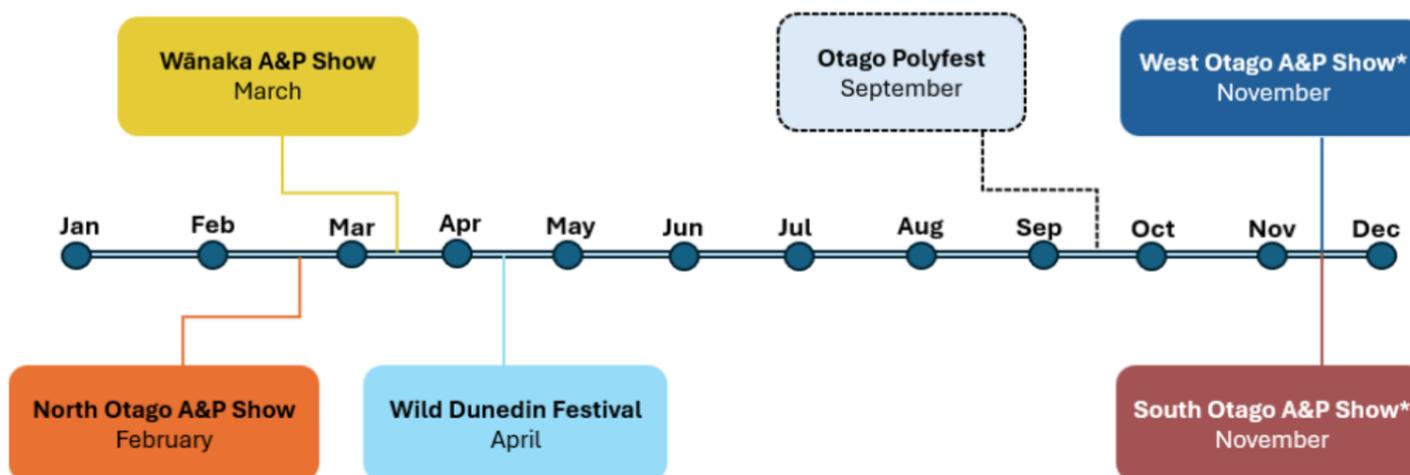
- [27] The strategic events programme has two guiding principles which aim to improve operational and resource efficiency.

<b>Guiding principles</b>
<ul style="list-style-type: none"> <li>• Events should fit well within the council’s operational calendar and not overlap with other critical council activities.</li> <li>• Resource allocation for events should be proportionate and based on what is practical, available and strategic. We aim to use resources efficiently and may choose not to attend events if costs become unreasonable or if other events better meet our objectives.</li> </ul>

- [28] The strategic events programme has six tier 1 core events for the council triennium 2025-2028. We expect to attend five tier 1 events every year, while rotating annually between the West Otago A&P Show and South Otago A&P Show. This rotation is necessary because the two events occur within a short timeframe in the Clutha district.

<b>Tier 1 Event</b>	<b>Description</b>	<b>District</b>	<b>Expected Attendance</b>	<b>2026 Date</b>
North Otago A&P Show	Oldest A&P show in the South Island with animals, food stalls, craft and entertainment	WDC	5,000	28 Feb
Wānaka A&P Show	Large A&P show with livestock, industry and entertainment	QLDC	45,000	13-14 Mar
Wild Dunedin Festival	Nature festival with crafts, music and entertainment	DCC	28,000	11 Apr
Otago Polyfest	Multi-day cultural festival celebrating Māori and Pasifika culture with performances from young people	Otago	25,000	7-11 Sep
West Otago A&P Show	A&P show with animals, food stalls, craft and entertainment	CDC	5,000	21 Nov
South Otago A&P Show	A&P show with animals, food stalls, craft and entertainment	CDC	5,000	Not attending in 2026 (rotation with West Otago)

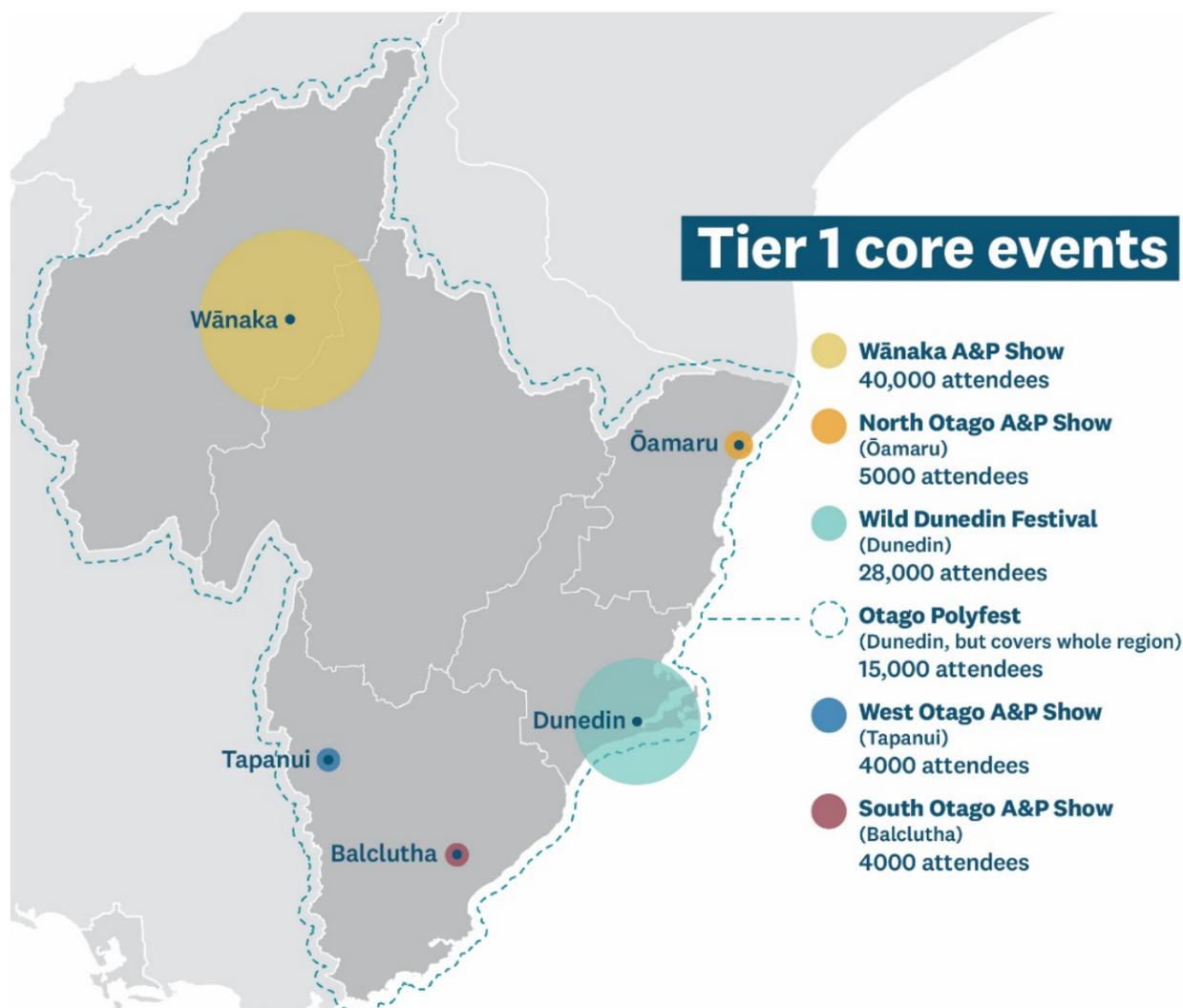
### Tier 1 Core Events



\*ORC will attend these events in alternating years

[29] The proposed strategic events programme does not currently feature a tier 1 event in the Central Otago District. Many residents from the district, however, attend the Wānaka A&P Show, and ORC usually attends other events in the area, such as the Central Otago and the Maniototo A&P shows. Staff will further investigate opportunities for a potential tier 1 event in Central Otago.

[30] The six tier 1 events enable a strong representation over the whole of Otago, as shown in the map below.



[31] The projected total cost of council representation at five tier 1 events for 2026 is \$23,000, with the main cost being the Wānaka A&P Show. These costs will be met

within existing budgets for the 2025-26 Annual Plan and the proposed 2026-27 Annual Plan.

- [32] Staff have developed a robust framework to evaluate council representation at community events. In addition to headcount and satisfaction rating, staff will also record qualitative indicators, such as key topics raised by community members. Staff feedback on the operations of each event will also be collected to support continuous improvement.
- [33] Staff will continue to attend other events in line with the objectives and guiding principles above. Some examples include:

<b>Dunedin City:</b> NZ International Science Festival, OUSA Tent City, Thieves Alley Market, Strath Taieri A&P Show, Moana Nui Pacific Festival, Santa Parade, South Dunedin Street Festival
<b>Queenstown Lakes:</b> Lake Hayes A&P Show, WAO Wānaka Summit, Queenstown Multicultural Festival
<b>Clutha District:</b> Tokomairiro A&P Show
<b>Central Otago District:</b> Central Otago A&P Show, Maniototo A&P Show
<b>Waitaki District:</b> Palmerston and Waihemo A&P Show

- [34] Staff may also be involved with other external events which fall outside the scope of the strategic events programme, such as:
- Enviro-schools hui
  - School gatherings
  - Hui at marae on environmental topics
  - Event sponsorship
  - Primary Industry events
  - Free bus travel to events
  - Creating and launching ORC events

- [35] Councillor participation in ORC strategic events, especially tier 1 events, will continue to be important to provide visible, democratic leadership to Otago’s communities and a unified approach to community engagement alongside staff.

## OPTIONS

- [36] **Option A (Recommended):** Council approves the strategic events programme through the triennium.
- [37] **Option B:** Council does not endorse the strategic events programme. Staff would attend community events on an ad hoc basis.

## CONSIDERATIONS

### Strategic Framework and Policy Considerations

- [38] The strategic events programme directly strengthens the Communities strategic direction, Otago has cohesive and engaged communities that are connected to the environment and each other. It also supports all functions of ORC and, therefore,

supports the organisation to make progress towards the goals of the 2024-2034 Strategic Directions.

#### **Financial considerations**

- [39] No new expenditure. The programme will be funded from within existing operational budgets as approved through Annual Plans.

#### **Significance and Engagement**

- [40] The significance of this work is considered Low significance as assessed against He Mahi Rau Rika: Significance, Engagement and Māori Participation Policy.
- [41] There has been no engagement specifically with mana whenua or external stakeholders for this work. This work is not subject to any legislative requirements to engage or consult.

#### **Legislative and Risk Considerations**

- [42] This decision will not expose Council to litigation, regulatory non-compliance, or breach of policy/legislation.
- [43] There is moderate risk that the decision could impact Council's reputation or community trust if poorly implemented.
- [44] This decision is unlikely to result in community resistance, stakeholder conflict, or inequitable impact.
- [45] There are no significant funding uncertainties or risk of cost overruns, and there are no ongoing financial implications that have not yet been budgeted.

#### **Climate Change Considerations**

- [46] The impacts of climate-related risks (e.g. flooding, drought, extreme winds, coastal erosion, wildfires) on this work is assessed as minimal.
- [47] The implications of this work on organisational or regional greenhouse gas emissions not been assessed.

#### **Communications Considerations**

- [48] ORC can capitalise on the marketing and advertising budgets of existing community events, rather than holding our own events. We will continue to advertise our attendance at these events via our existing and free platforms (e.g. Facebook, ORC website).

#### **NEXT STEPS**

- [49] Pending Council approval, staff will confirm stall bookings for tier 1 core events in 2026 and beyond. Note bookings for the North Otago A&P Show and the Wānaka Show are already underway due to the lead time required to organise ORC attendance.

#### **ATTACHMENTS**

Nil

## 9.6. eInvoicing

<b>Prepared for:</b>	Council
<b>Report No.</b>	FIN2602
<b>Activity:</b>	Finance
<b>Author:</b>	Sarah Munro, Group Financial Controller
<b>Endorsed by:</b>	Nick Donnelly, General Manager Finance
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Cr Malcolm and Cr Gardner, Finance

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### PURPOSE

- [1] This paper outlines Council position on eInvoicing and prompt payment practices following a request from the Minister for Local Government for Council's to adopt eInvoicing and prompt payment practices.

### EXECUTIVE SUMMARY

- [2] A letter from the Minister of Local Government was received in October 2025 requesting Councils adopt government procurement rules around eInvoicing and prompt payment practices.
- [3] ORC processes supplier payments electronically through the accounts payable module of the Datascape financial system. This process uses system generated purchase orders and the CAAPS automated invoice receipting system to ensure accurate, secure, and timely invoice processing. CAAPS performs key fraud checks, including verification of supplier name, GST number, and bank account details, with enhanced bank validation planned for 2026.
- [4] Around 90% of invoices are processed automatically with payment occurring in the next bank payment batch. Supplier payment batches are processed on a weekly basis which ensures compliant invoices are paid the week following receipt. Delays in payment may arise when invoices lack purchase orders or when goods receipts remain unapproved.
- [5] While both Datascape and CAAPS can support eInvoicing, adopting it would not resolve existing delays and would introduce additional costs and risks, including processing unmatched invoices. The existing system and processes already deliver the benefits promoted for eInvoicing.
- [6] Staff do not intend implementing eInvoicing at this time and consider Council's current prompt payment practices meet the expectations outlined in the Minister's letter. Current practices are ensuring suppliers are paid the week following receipt of a valid invoice while minimising the risk to Council of invalid payments and fraud.
-

## RECOMMENDATION

*That the Council:*

- 1) **Notes** this report.
- 2) **Notes** that Otago Regional Council's current payment practices meet the intent of the request received from the Minister's office.
- 3) **Notes** staff will respond to MBIE outlining Council's current prompt payment practices.

## BACKGROUND

### Request from the Minister

- [7] Council received a letter from the Minister for Local Government and Minister of Small Business and Manufacturing in October 2025. This letter is included as Attachment 1.
- [8] The letter notes that under Government Procurement Rules, more than 100 government agencies will be required to use eInvoicing. Councils are not required to follow these rules but are encouraged to do so and the letter notes the Ministers expectation is that Councils do follow the rules.
- [9] Further to this staff have attended an online briefing from MBIE on 26 November 2025. This provided further context on current payment practices and the rules.
- [10] eInvoicing removes the need for a physical invoice (currently invoices are mainly received as an emailed PDF) and relies on an electronic data file to lodge the invoice details directly into the accounts payable system.
- [11] The Minister's letter notes accounting systems like Xero and MYOB are eInvoicing enabled however staff interactions with suppliers indicate most SME's using these systems still prefer generating PDF invoices rather than wanting to use the eInvoicing functionality.

### Current Accounts payable process at ORC

- [12] ORC's accounts payable process requires all supplier invoices to include a valid purchase order (PO), which identifies the authorised staff member and approved requisition. Purchase orders are generated automatically in Datascape once a requisition has been approved by a staff member with the appropriate financial delegation.
- [13] Upon receipt, invoices containing a PO are forwarded to ORC's automated invoice-processing system, CAAPS (Complete Automated Accounts Payable Solution). CAAPS performs several fraud-prevention checks using invoice data and supplier information stored in Datascape, including verification of:
- a. Supplier name against the supplier master file.
  - b. GST number against the supplier's registered GST number.
  - c. Bank account number against the supplier master file.

- [14] From Quarter 2 of 2026, CAAPS will also validate supplier bank accounts against external banking records to confirm that the account matches the supplier name — a feature currently available in personal but not business banking in New Zealand.
- [15] Once these checks are cleared, invoices are automatically loaded into Datascape. CAAPS then creates a goods receipt and notifies the staff member who ordered the goods or services, requesting approval for payment. Currently, approximately 90% of invoices progress automatically to the approval stage through CAAPS.

## DISCUSSION

### Current Issues with ORC accounts payable process

- [16] There are two issues that currently can result in a valid supplier invoice not being paid on time.
- a. A supplier invoice is received without a valid purchase order (meaning that we are unable to identify the requisition of the service/goods and not complete a goods receipt).
  - b. The good receipt that is created by the system isn't always immediately accepted by the ORC staff member who ordered the service/goods as they have not been completed or the value is not what was agreed. It is common for some suppliers to forward date invoices in advance of service which results in invoices being held for payment until the service it relates to has been received.
- [17] Weekly payment runs are completed to minimise the impact of these delays and ensure prompt payment once invoices are validated.

## OPTIONS

### eInvoicing and ORC

- [18] Both the ORC finance system Datascape and CAAPS accounts payable system are capable of accepting and sending eInvoicing invoices with adjustments to configuration and additional ongoing licensing fees for the additional PEPPOL (Pan-European Public Procurement On-Line) portal service required to run this service.
- [19] If ORC was to adopt eInvoicing the two main reasons for delays in paying supplier invoices noted above would still exist and would not improve supplier payment times. Due to the fraud controls already running in the CAAPS system it is unlikely any fraudulent invoices would be processed for payment.
- [20] ORC does not need to adopt eInvoicing to produce supplier payment information (reporting to MBIE is requested in the letter). Reports are already set up in CAAPS and are available to publish as part of the standard product.
- [21] There is a major issue in implementing eInvoicing at ORC in addition to increased financial costs. You cannot mandate the requirement to add purchase orders to eInvoiced invoices, which would mean that ORC may be sent and have processed

into our systems invoices that are for services and goods that we have not requested. This would result in these invoices needing to be rejected and sent back to the supplier.

[22] There is currently no benefit to the supplier or ORC in implementing an eInvoicing system and it will result in additional ongoing costs to ORC. Additionally, suppliers may be reluctant to initiate eInvoicing if the majority of their invoices are still PDF based and they increase their administrative time and cost.

[23] Any benefits as outlined by MBIE in their letter (top paragraph page two) to ORC includes reduced paper, manual data entry, accuracy and security are already being achieved (and have been in place for 18 months) through the adoption of CAAPS. We also receive additional fraud checks with CAAPS that are not obtained through eInvoicing.

## **CONSIDERATIONS**

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

[24] Not applicable.

### **Financial Considerations**

[25] Additional costs would be incurred if Council implemented eInvoicing. These costs have not been quantified at this point.

### **Significance and Engagement**

[26] Not applicable.

### **Legislative and Risk Considerations**

[27] Not applicable.

### **Climate Change Considerations**

[28] Not applicable.

### **Communications Considerations**

[29] Not applicable.

## **NEXT STEPS**

[30] Staff will respond to MBIE outlining Council's current prompt payment practices and inform Council of any further developments related to this request.

## **ATTACHMENTS**

1. Ministers Watts and Penk - Letter to councils on e Invoicing [9.6.1 - 2 pages]

## Hon Simon Watts

Minister of Climate Change  
Minister for Energy  
Minister of Local Government  
Minister of Revenue

## Hon Chris Penk

Minister for Building and Construction  
Minister for Land Information  
Minister for Small Business and Manufacturing  
Minister for Veterans  
Associate Minister of Defence  
Associate Minister of Immigration



22 October 2025

### **Strengthening local government leadership in invoicing and prompt payment practices**

Dear chief executives,

Together with Hon Chris Penk, Minister for Small Business and Manufacturing, I am writing to reinforce the importance of invoicing, prompt payment practices, and the Government's expectation that councils actively adopt them.

On 9 October 2025, Hon Nicola Willis, Minister for Economic Growth, announced a new edition of the Government Procurement Rules (Rules). Under the Rules, more than 100 mandated government agencies will:

- Be capable of sending and receiving invoices by January 2026 (provided they send or receive more than 2,000 domestic trade invoices annually).
- Require their large suppliers to send them invoices from January 2027.
- Pay 95% of domestic trade invoices within 5 business days and other domestic trade invoices within 10 business days from January 2026.
- Report quarterly to MBIE on payment times, with results published publicly.

While councils are encouraged to follow the Rules, my expectation is that councils **do** follow those listed above in particular.

These rules are designed to improve cash flow for suppliers – especially small businesses – and to set a high standard for financial efficiency and transparency across the public sector. The publication of agency performance data also reinforces accountability and provides a clear signal to suppliers about expected payment behaviour.

Local government collectively spends over \$13.7 billion annually, much of it with small businesses. However, only five of New Zealand's 78 councils have adopted invoicing, and there is limited visibility of invoice payment performance across the sector. This creates inconsistency and limits the benefits to small businesses that rely on timely and efficient payments.

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand | +64 4 817 6814 | s.watts@ministers.govt.nz  
| +64 4 817 6816 | c.penk@ministers.govt.nz

eInvoicing is a secure, digital exchange of invoice information directly between buyers' and suppliers' financial systems. It eliminates the need for paper or emailed PDF invoices, reduces manual data entry, and significantly improves accuracy, security, and processing speed.

Many of your small and medium-sized suppliers use Xero or MYOB to send eInvoices, which they can provide to you at no cost to them.

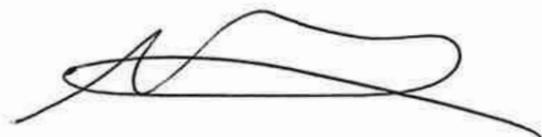
Therefore, we **are** expecting councils to adopt the new eInvoicing and prompt payment rules.

We acknowledge the leadership of the councils that have already adopted eInvoicing and commend their commitment to improving financial processes.

For others, we ask your Chief Financial Officer or Finance Manager to email the Ministry of Business, Innovation and Employment's eInvoicing team at [einvoicing@mbie.govt.nz](mailto:einvoicing@mbie.govt.nz) with your plans for adopting eInvoicing and prompt payment practices.

We intend to review uptake and impact after six months. Should progress remain limited, we will consider taking other steps to improve uptake.

Yours sincerely



Hon Simon Watts  
**Minister of Local Government**



Hon Chris Penk  
**Minister of Small Business and  
Manufacturing**

## 9.7. Rates Strike Collection

<b>Prepared for:</b>	Finance Committee
<b>Report No.</b>	FIN2603
<b>Activity:</b>	Finance
<b>Author:</b>	Sarah Munro, Group Financial Controller
<b>Endorsed by:</b>	Nick Donnelly, General Manager Finance
<b>Date:</b>	25 February 2026
<b>Portfolio Leads:</b>	Cr Malcolm and Cr Gardner, Finance

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### PURPOSE

- [1] This report provides an update on rates struck for the 2025/26 financial year including rates paid by 31 October 2025 and penalties charged on 1 November 2025.

### EXECUTIVE SUMMARY

- [2] For the 2025/26 rating year, Council struck \$78.894 million (including GST) in rates and issued 127,722 rates notices. Rates collection performance remained in line with previous years with 84% of rates paid by the 31 October 2025 due date. A 10% penalty, applied on 1 November 2025 to unpaid rates, generated penalties equal to 1.90% of rates struck, reducing to 1.60% after write-offs for unallocated payments, corrections, and remissions.
- [3] Rates affordability concerns continue to be a theme among rate payers. Council's direct debit options and payment arrangements remain important in managing hardship and maintaining collection levels. Mortgage recovery processes for arrears due 31 October 2024 will commence in March 2026, following a final round of reminder letters.
- [4] There were two rating adjustments identified after the rates invoices were issued. The first was a University of Otago building which became non-rateable for the 2025/26 year and resulting in the University querying their 2024/25 rates which had been paid the previous year. This property should have been amended to non-rateable in 2024/25 and rates of \$84,410 (excluding GST) should not have been charged.
- [5] The second adjustment was a subtotal error which resulted in an additional \$5,272 (excluding GST) being charged for part of the Lower Taieri flood protection rate. This affected 5,830 invoices with an average additional rates amount of \$0.90 (excluding GST). It is recommended this is corrected in the current financial year as permitted under section 119 of the Local Government (Rating) Act 2002.

- [6] We have continued to develop service improvements, including pre-due-date email reminders. Adoption of the Datascape rating system has enabling greater accuracy, timely property updates, consolidated invoices for major ratepayers, and improved communication with new and existing ratepayers.

## RECOMMENDATION

*That the Council:*

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

## RATES COLLECTION AND PENALTIES

- [7] For the 2025/26 rating period, Council struck rates of \$78,894,224 including GST (2024/25: \$74,709,450), due on 31 October 2025. A total of 127,722 rates notices were issued on 6 September 2024 (2024/25: 126,003).

### Rates Paid on Due Date

- [8] The percentage of rates collected by the due date (31 October 2025) was 84%, consistent with the prior year (2024/25: 84%). This percentage includes fully paid accounts, direct debits, and formal payment arrangements, all of which are recognised as paid for calculation purposes.

### Penalties

- [9] All outstanding balances as at 1 November 2025 (excluding direct debit and formal payment arrangements) were charged a 10% penalty.

Date	Total Penalty Amount	Percentage of 1 September Rates Balance
<b>Nov 2025</b>	\$1,475,517	1.90%
<b>Nov 2024</b>	\$1,365,333	1.80%
<b>Nov 2023</b>	\$1,169,669	1.82%
<b>Nov 2022</b>	\$975,683	1.79%
<b>Nov 2021</b>	\$763,616	1.65%

- [10] The amount for 2025 reduced to \$1,293,627 or 1.60% after penalty write offs that have been made for:
- a. Unallocated payments made before 31 October but unable to be matched due to incorrect or missing references (this accounts for the majority of adjustments).
  - b. Administration errors due to missed sales notices.
  - c. Other reasons approved under ORC penalty remission policy.

**Ability to Pay**

- [11] As in previous years, several ratepayers have indicated difficulty in meeting higher rates. Council continues to offer weekly, fortnightly, and monthly direct debit options, along with payment arrangements where needed.

**Debt Collection Procedures for Overdue Rates**

- [12] It is planned that mortgage collection procedures on arrears will commence in March 2026 for arrears rates that were originally due on the 31 October 2024. Reminder letters have been sent to all ratepayers in February 2026 before mortgage debt collection procedures are commenced giving ratepayers 3 weeks to contain us to either pay their rates or make a payment plan to avoid mortgage debt collection procedures.

**Rate strike adjustments**

- [13] Two adjustments have been identified after the rates invoices were issued. The two adjustments are as follows:

**University Otago hall of residence reclassification to non-rateable**

- [14] A University of Otago building became non-rateable for the 2025/26 year and resulted in the University querying their 2024/25 rates which had been paid the previous year.
- [15] Otago Regional Council uses the QV rating base to provide data for our rates resolution and final rates invoice calculation. The rates resolution must be completed before 30 June to meet the requirements of legislation. At the time of completing the 2024/25 this property was recorded as rateable in the rating base.
- [16] For the 2024/25 period, a property status change subsequently occurred to the QV rating base and a University of Otago building moved from "under construction" (rateable) to a completed hall of residence (non-rateable under Schedule 1, Part 1, Section 6 of the Local Government Rating Act 2002).-rateable under Schedule 1, Part 1, Section 6 of the Local Government Rating Act 2002).
- [17] As a result this property should have been non-rateable in 2024/25 and rates of \$84,410 (excluding GST) should not have been charged. This has been written off in the 2025/26 year.

**Lower Taieri Flood Protection**

- [18] A subtotal error has been identified that resulted in an additional \$5,272 (excluding GST) being charged for part of East part (EF1-EF13) of the Lower Taieri flood protection rate. This affected 5,830 invoices with an average additional rates amount of \$0.90 (excluding GST). Individually 5,741 (98.5% of the additional amount is under \$2.50 per property and only 9 properties are more the \$10.00. The largest individual amount to correct is \$55.04 on a property with a CV of \$46.2 million.
- [19] The error resulted in the rates resolution showing a rate in the dollar of 0.0003203 instead of 0.00003066 for those properties.

- [20] It is recommended this is corrected in the current financial year as permitted under section 119 of the Local Government (Rating) Act 2002. Correcting the adjustment in the 2026/27 year was considered however as Dunedin will have new rating values applied for that year it is better to correct in the current year using the same rating base values.
- [21] Section 119 of the Rating Act allows Council to reset the rates to correct an error in the same year providing the correction doesn't result in higher rates being paid by any rating unit.
- [22] The procedure under section 119 is relatively straight forward as all amended assessments are receiving a credit. Council has to give 14 days' notice of its intention to reset rates and comply with Standing Orders around revoking the original rates resolution. The new rate in the dollar would then be approved via an updated rates resolution.
- [23] Any amounts already overpaid would be refunded to the person who paid those rates as per section 41 of the Rating Act. This would be in the form of a credit to future payments if full payment had not been received or to future years. Ratepayers can request repayment of the refund if they want, however that would be unlikely given the small amount involved.

## **SERVICE INITIATIVES**

- [24] Service initiatives from prior years were continued this year including the rates brochure and email reminders for those registered to receive their invoice by email. We have also outlined some new initiatives which are available in our new rating system Datascape and will provide additional benefits to our ratepayers.

### **Email Reminder**

- [25] In the current year we continued to send a reminder notice to all ratepayers who had an outstanding balance 2 weeks before the due date and received their rating information via email. This was positively received and resulted in some ratepayers avoiding a penalty that may have otherwise been received. This is not a service that is commonly offered by Councils.

### **New service initiatives planned from new rates system Datascape**

- [26] In November 2025 ORC adopted a new rating system Datascape. As part of this system new initiatives, which were not possible in our old rating system are going to allow us to connect with ratepayers and provide additional services. Including:
- a. ORC is now processing all sales and purchase agreements ourselves which means that we are receiving the information on a timely basis and in the future we can ensure that all sale and purchase agreements are processed before we send our rates notice.
  - b. We are developing a welcome pack for new ratepayers (sales) to inform them of ORC rates, what we do and when rates will be sent.

- c. We are sending a quarterly statement to all ratepayers on an arrangement to pay (if they have an email contact which the majority do) informing them of the rates balance that is left to pay.
- d. Large ratepayers are going to receive a consolidated rates notice which outlines the total of all of their properties to allow easy payment processing for large ratepayers. For example, a property developer would receive one consolidated invoice for all properties in a subdivision instead of individual notices for each property.
- e. We have sent the November penalty notice and are planning on sending the 2026/27 rates notice directly via the Datascape system. Datascape has created a PDF notice based on the information in the system and attached this to each rates account, prepared the PDF which is ready for print. This is different from our previous rating system which produced an excel extract that had to be translated into a PDF notice by our print house. This reduces costs of invoice preparation for printing however these cost reductions have been absorbed by the increased postage cost to send rates.

## **CONSIDERATIONS**

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

[27] There are no strategic or policy considerations associated with this report.

### **Financial Considerations**

[28] There are no financial considerations other than those already outlined in the report.

### **Significance and Engagement Considerations**

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

### **Legislative and Risk Considerations**

[30] There are no legislative and risk considerations associated with this report.

### **Climate Change Considerations**

[31] There are no climate change considerations associated with this report.

### **Communications Considerations**

[32] There are no communications considerations associated with this report.

## **NEXT STEPS**

[33] If endorsed the section 119 correction will be initiated with the required public notice being placed prior to the revocation and new rates resolutions being presented to Council.

## **ATTACHMENTS**

Nil

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

- 1.1 2025.12.09 PE Minutes of Council
- 3.1 Decision on Electric Charging Depot in Queenstown

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

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

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

**It will also be moved that:**

*Edward Guy (Rationale) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the Electric Charging Depot in Queenstown. This knowledge, which will be of assistance in relation to the matter to be discussed, and relevant to that matter having knowledge of the Indicative Business Case.*

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

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