



Otago
Regional
Council

Pre-election Report 2025

For voters and potential candidates
in the 2025 local body elections



Otago Regional Council

July 2025

Cover photo: Glendhu Bay from Roys Peak

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About this report

What is this report?

This pre-election report provides you with a snapshot of the important work the Otago Regional Council has been undertaking and the challenges we face in the years to come. It outlines our financial performance over the past three years, the key projects currently underway, and what's on the horizon for the next three years. We also outline how we plan to fund these initiatives, ensuring that we continue to make smart, sustainable decisions for the long-term benefit of Otago.

The future of the Otago region is in your hands — it's shaped by the decisions made by the elected members of the Otago Regional Council.

Why vote?

Council decisions will impact our environment, our waterways, land use and management, public transport, and the wellbeing of our communities.

In October 2025, you have the opportunity to influence these decisions. Whether by casting your vote for candidates who align with your values or considering standing for election yourself, your participation matters. The Council needs individuals with enthusiasm, capability, and a commitment to the region's wellbeing.

For more information on standing as a candidate or to enrol to vote, visit the Otago Regional Council's election page.

Your vote is your voice — use it to help steer Otago towards a sustainable and thriving future.

The financial information in this report is taken from audited documents including the Long-Term Plan 2024-34 and annual reports. These documents, along with annual plans, can be found at: orc.govt.nz/plans-and-strategies



Key dates for local elections



Nominations open
Friday, 4 July 2025



Nominations close
Friday, 1 August 2025
(12 noon)



Election day
Saturday, 11 October
2025



Final results by
17-19 October 2025
(estimated)

Welcome from our Chief Executive

Tēnā koutou katoa

Wherever people live in Otago, the work of Otago Regional Council plays an important role in their lives.

The air we breathe, the water we swim in, the food we grow, how we travel, and the impacts of climate change all influence and are influenced by the regional council's work.

This pre-election report highlights the challenges and opportunities facing Otago Regional Council, the work we're doing, and the council's financial position.

Otago Regional Council's strategic direction sets a vision for our environment and communities to be healthy and connected ki uta ki tai (from the mountains to the sea). We have plans to achieve this over the next 10 years through work programmes aligned to six focus areas: partnership with mana whenua, communities, environment, resilience, climate and transport. You can read more about this in the Strategic Directions section.

The upcoming Council triennium will be a busy and formative time for Otago Regional Council. The organisation has gone through a period of growth to ensure we are able to meet both our legislative requirements and the expectations of our community. Recently councillors have requested that staff focus on efficiency, and ensuring that following this period of growth, the organisation continues to deliver the best value for our ratepayers.

We continue to maintain core services in the areas of pollution response, environmental regulation through consenting and compliance, environmental monitoring and reporting, and biosecurity and pest management. ORC delivers public transport in Queenstown and Dunedin and is investigating the feasibility of services connecting other parts of our region. There is also a critical role for ORC in developing regional plans in the areas of land and water, air and Otago's coast.

We also investigate risks from natural hazards, such as flooding and erosion, maintain flood protection infrastructure and deliver critical civil defence functions to ensure Otago is prepared in the event of emergencies. Our Harbourmaster function promotes safe use of our waterways, and we work closely with our mana whenua partners, key stakeholder groups and the community to support positive environmental change throughout Otago.

ORC has a wide range of responsibilities, and our councillors play a key role across governance in all these areas, providing direction, strategy, and

oversight, leading a partnership with mana whenua founded in the Te Tiriti o Waitangi/Treaty of Waitangi, and engaging with Otago's communities.

Key functions undertaken by Otago Regional Council are also facing a period of significant reform, with a number of legislative changes on the horizon. New legislation to replace the Resource Management Act is expected later this year, a new national policy statement for freshwater management is also expected and changes are proposed to the Local Government Act. We will need to ensure we are well placed to respond to these changes while maintaining the high standard of service our community expects from our business-as-usual functions.

More detailed information on our work and estimated costs can be found in several of our published documents, including the 2024–34 Long-Term Plan and the 2023–24 Annual Report. These can be found on our web site at orc.govt.nz/plansandstrategies.

We're working together to build a stronger future for Otago. We have big plans for how to achieve this and there's no doubt the years ahead will be busy as we work towards our vision.



Richard Saunders
Chief Executive

Setting the scene

Otago at a glance

Mean annual sunshine hours
1590 | **2042** | **1913**
Dunedin | Alexandra | Queenstown

Mean annual rainfall (mm)
809 | **356** | **900**
Dunedin | Alexandra | Queenstown

12%
of NZ's land mass

**Queenstown
Lakes** Fastest-growing district

4 papatipu rūnaka in Otago + 3 with interests in the region

Land area
32,000 km²

Population*
257,200
↑ Up **1.2%** from a year earlier

GDP per capita*
\$72,499
Lower than NZ average of \$78,453

Clutha District
Highest agricultural employment in Otago

NZ's largest catchment
Clutha River/Mata-Au
21,960 km²

Clutha River/Mata-Au
338 km
Second longest river in NZ | **Highest volume**

Dunedin
Largest population

23%
of NZ's total lake surface

480 km
of coastline

Top five industries by GDP*



Construction



Professional, scientific and technical services



Rental, hiring and real estate services



Health care and social assistance

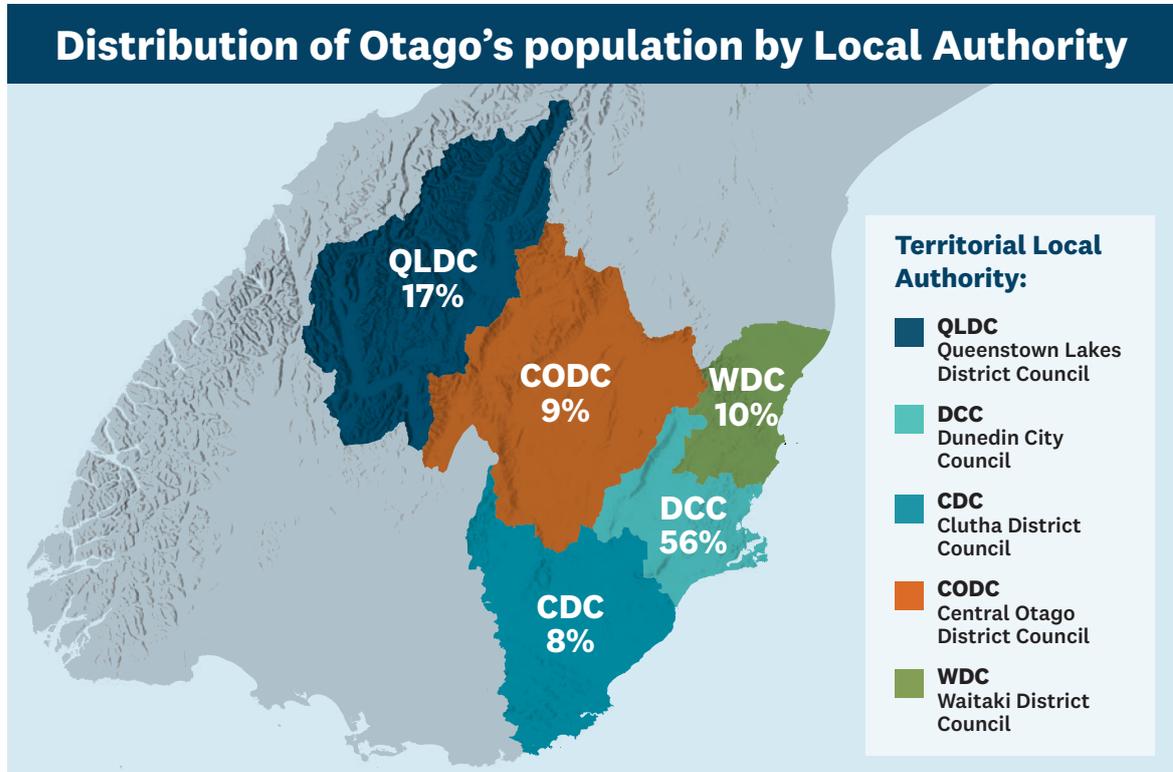


Agriculture, forestry and fishing

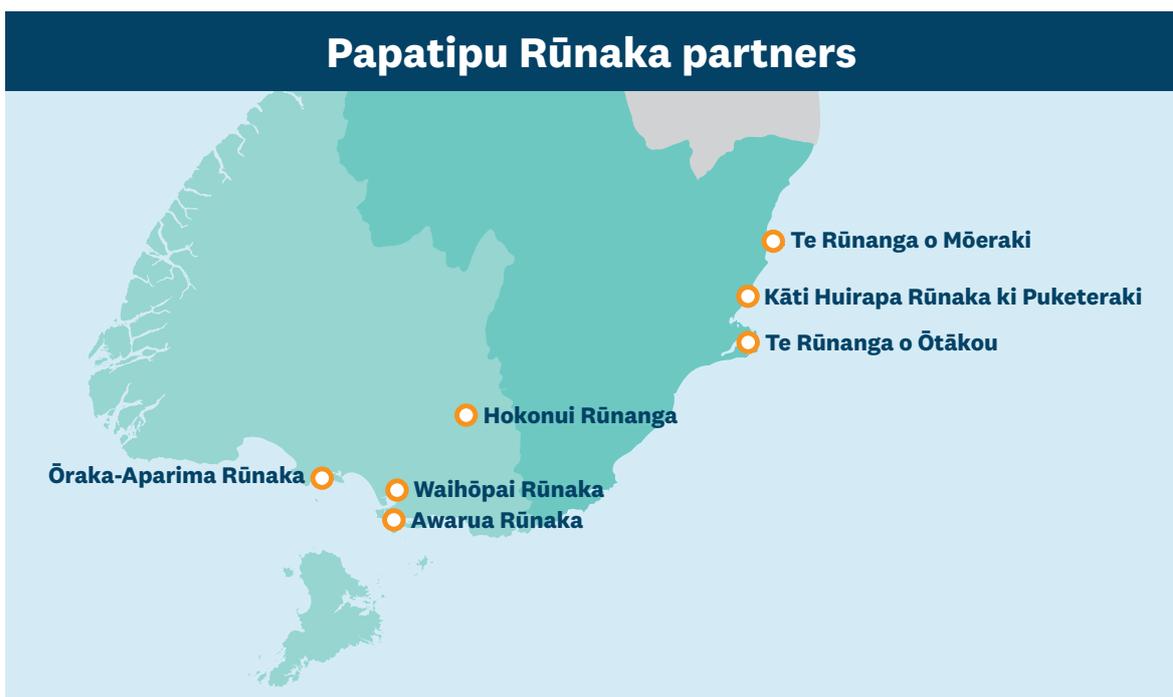
*2024

Our people

There are five territorial authorities in Otago: Dunedin City Council (DCC), Queenstown Lakes District Council (QLDC), Waitaki District Council (WDC), Central Otago District Council (CODC) and Clutha District Council (CDC).



There are four Kāi Tahu ki Otago Rūnaka, including: Te Rūnanga o Mōeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou and Hokonui Rūnanga. In addition, three Ngāi Tahu ki Murihiku rūnaka also have interests in the region: Awarua Rūnaka, Waihōpai Rūnaka and Ōraka-Aparima Rūnaka.



Our Role in the Region

Otago Regional Council's activities are arranged into five groups:



- **Governance and Community Engagement**
- **Regional Planning**
- **Regulatory**

Our Regional Leadership work supports informed decision making and an engaged community. Our democratic decision-making process and community-elected councillors ensure everyone's voices around Otago are heard. Our regional plans set out objectives, policies and rules for the sustainable use of natural and physical resources in Otago, and our regulatory work supports the sustainable management of water, land, air and coast. We also need organisational and functional strategies and plans to support regional regulation and implementation, promote regional wellbeing and build community capacity and resilience.



- **Land and Water**
- **Biodiversity and Biosecurity**
- **Air**

Environmental management is at the heart of what Otago Regional Council does. We have a responsibility to lead and work with communities in our natural environment. We facilitate the sustainable use of water, land, air and coasts. We do this in part by protecting our unique biodiversity, managing pests and monitoring the state of the environment. We are also reviewing our regional plans and transitioning towards an integrated catchment management approach to protect freshwater, land, coastal environment, and ecosystems.



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

Risk management and building resilience is a key focus for Otago Regional Council. We identify and monitor natural hazards and work to support communities to understand the implications of risk and to make informed decisions. We are working to better understand the climate change challenges and risks to the region – this supports adaptation planning. Our flood protection schemes help protect people and properties from floods, and our drainage schemes help maintain the productive capability of the land and waterways. We also respond to flood events and support Otago Civil Defence and Emergency Management.



- **Regional Transport**
- **Public Passenger Transport**

Otago Regional Council is responsible for public transport in Otago, and through contracted operators, we provide public passenger transport services in Dunedin and Queenstown. We also provide a region-wide ‘Total Mobility Scheme’ to assist eligible people who are unable to use public transport. We facilitate wider transport projects in Otago and prepare a Regional Land Transport Plan.



- **Internal Services**
- **Port Otago**

Our 'Council Organisation' activity ensures that all the other external-facing Council activity has support for specific business needs to deliver their work efficiently and effectively. Internal Services includes information management; financial management and reporting; operational buildings; human resources, health and safety and the vehicle fleet. Council holds 100% ownership of Port Otago and considers it a strategic asset held on behalf of the Otago community. Each year, Port Otago pays dividends to ORC, which help reduce general rates required from ratepayers — effectively sharing the financial benefits of ownership across the region.

Partnering with mana whenua

What does this mean?

The Otago Regional Council values our relationship with Te Rūnanga o Ngāi Tahu and our partnership with our Papatipu Rūnaka. We also continue to work collaboratively with our regional environmental entities to give effect to Te Tiriti o Waitangi and align with the strategic goals of ORC's partnership approach. 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 acknowledges the significant value that engagement with Māori brings, particularly in the sharing of knowledge and wisdom as takata whenua.

Steps to achieve this

The Otago Regional Council has processes and initiatives in place that give effect to the principles and requirements outlined in national legislation. These support the participation of **Kāi Tahu** and **Papatipu Rūnaka** and contribute to building their capacity to engage meaningfully in regional decision making.

Key partnership initiatives include:

- **Mana-to-Mana Governance Hui** — regular meetings between Kāi Tahu ki Otago Rūnaka, Ngāi Tahu ki Murihiku representative and ORC Councillors to discuss shared governance priorities.
- **Iwi Representation in Governance** — we have mana whenua-appointed representatives on our Environmental Strategy and Planning Committee, including one who serves as co-chair. Mana whenua are also represented on the Environmental Delivery Committee.
- **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 (2016)** — 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, including the Land and Water Regional Plan.
- **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.
- The Whare Rūnaka project, currently underway in partnership with Aukaha Ltd., reflects our shared aspiration to embed mana whenua narratives, identity, and presence into the design of ORC's new Dunedin office.
- The recently updated ORC website, developed in partnership with Aukaha, reflects a strong partnership approach, ensuring the region's cultural narratives, iwi voices and aspirations are visible, accessible and meaningfully represented in how we present and share our work.



Strategic Directions 2024–2034

In 2023, councillors and mana whenua participated in a programme of work to revise the organisation's strategic directions. Both global and local trends, as well as existing enduring priorities, were taken into consideration as part of the process. As a result, our vision for Otago has been defined as:

Our environment and communities are healthy and connected ki uta ki tai (from the mountains to the sea)

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



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.

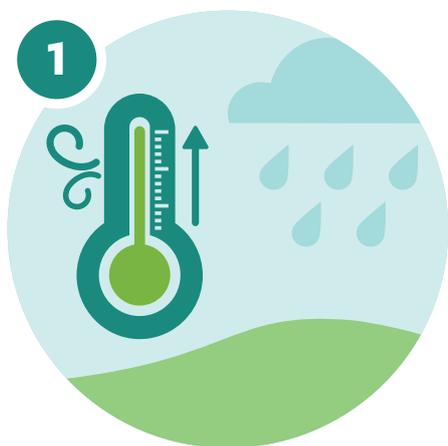
Progress

We are already making good progress towards achieving some of these goals, but for others, future decisions on resource allocation may be required. We can't do this on our own, and so will draw on support from within and beyond our organisation and the Otago region to ensure we have the right teams in place to address specific challenges and opportunities. Effective collaboration and relationship management will, therefore, be key to making this possible.

Over the next 10 years, we will monitor progress towards achieving our goals and adjust our work programmes accordingly. Being agile in our approach will be important to ensure we can respond to changing circumstances and/or new challenges and opportunities. We are continuously improving our broader framework for defining, measuring and reporting ORC's performance. This includes developing a suite of indicators to monitor progress against each goal.

Looking Forward

Key challenges



Climate change

Climate change is one of the greatest threats to New Zealand's security, prosperity, and wellbeing, and Otago will continue to be impacted by the effects of climate change. Our region is particularly vulnerable to flooding, coastal erosion, water quality and quantity issues, wildfire and droughts. Resulting issues are wide ranging:

- Changes to the climate are impacting how land can be used and what crops can be grown.
- Water cycle changes are putting pressure on our communities.
- Native biodiversity is at risk.
- Natural hazard events are increasing in frequency and intensity.
- Consumer choices are changing, affecting businesses. This also creates opportunities for businesses to adapt to changing consumer preferences.

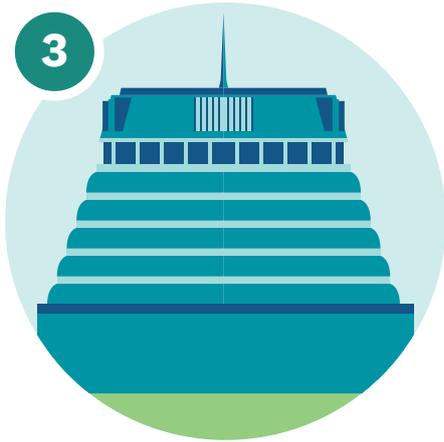
Climate change may exacerbate current inequities as well as create new ones. Food production may be an area of significant change in coming years, with food producers needing to be more agile and adapt innovative practices. There will be some new opportunities with fewer frosts, but increased threat of new pest incursions and less water availability. This will impact our region's food growers and their supporting communities.

Climate change is a worldwide issue requiring action at regional and local levels. We know that we can't fix climate change, but we can reduce its impacts and we have a responsibility to do so for the future generations.



Environment

Otago's environment is facing challenges around water quality and availability, soil and air quality, soil erosion and runoff, biodiversity loss, biosecurity threats and impacts on the coastal environment. Changes to our land and water have impacted how mana whenua carry out cultural practices, such as mahika kai and mātauraka. A healthy environment is also important for our economy. We need to protect, manage and use our natural resources in a planned and considered way, and operate more within the biophysical limitations of our natural environment.



Government reform

There is significant government reform underway that will impact the role of local government, our communities and how we manage environmental outcomes. The Government has announced it will repeal the Resource Management Act 1991 in 2026 and replace it with two new acts: a Planning Act addressing land use (particularly in urban areas), and a Natural Environment Act addressing the use, protection and enhancement of the natural environment. We anticipate that the Government will continue to repeal and replace various policies that ORC has been working under. The more proactive we can be in preparing for this change, the better placed we will be.



Cost of living

Geopolitical instability, overseas conflicts, diminishing natural resources, a tight labour market, persisting global supply chain challenges and rising global energy prices are all driving high inflation. This is increasing the cost of living, and households across Aotearoa New Zealand are facing increasing financial pressure. It also reduces consumer purchasing power, which will likely result in declining visitors and discretionary spending in the short term. These pressures are causing disruption and uncertainty for businesses, communities, and households throughout Otago, especially those on lower incomes who are less able to accommodate increased costs.



Communities

We are facing a range of significant trends that present challenges for our communities. These include challenges around inequality, social division and a lack of trust in public institutions. Our communities are at the heart of our decision making and our work. There is opportunity to reconnect and improve how we engage with our communities, to ensure they feel listened to, and to support them to better interact and engage with one another.

Key priorities and projects for the next triennium

REGIONAL LEADERSHIP

- Implement and monitor the Regional Climate Change Strategy and the Regional Biodiversity Strategy.
- Jointly deliver future development strategies under the National Policy Statement on Urban Development with Tier 2 district councils.
- Conduct a community survey to understand regional views and priorities.
- Educate and ensure compliance with regional and national environmental rules.
- Respond to, investigate, and enforce actions on environmental incidents.
- Partner with mana whenua and engage meaningfully with our communities.
- Complete an Air Strategy.
- Receive and process resource consent applications in accordance with the Resource Management Act and within statutory timeframes.

ENVIRONMENT

- Develop a draft Land and Water Regional Plan to align with new national direction.
- Deliver the large-scale environmental fund.
- Progress the Coast Plan for a notification target of 2028.
- Review the Regional Pest Management Plan, to be completed in 2028.
- Support community groups and partners through ECO Fund and government grants.
- Develop and implement a regional indigenous biodiversity ecosystem monitoring programme consistent with National Policy Statement for Indigenous Biodiversity.
- Monitor and report on ambient air quality.
- Finalise the Regional Plan — Air by June 2027.
- Develop and implement a marine biosecurity programme.
- Develop a Citizen Science Strategy to support community involvement in environmental monitoring.

CLIMATE CHANGE AND RESILIENCE

- Deliver priority hazard management and climate adaptation programmes in Clutha Delta, Head of Lake Whakatipu and South Dunedin.
- Carry out core river management functions including control of channel erosion, willow maintenance, vegetation control, removing obstructions, and repairing key erosion works.
- Maintain, renew and continue to develop flood and drainage infrastructure to support community resilience.
- Conduct flood and tsunami modelling with focus on Leith/Lindsay catchments and the lower Taieri to increase understanding for effective response plans.

TRANSPORT

- Maintain delivery of public transport services in Dunedin and Whakatipu basin.
- Continue to implement the Total Mobility Scheme across the region.
- Progress the Wānaka/Upper Clutha public transport business case.
- Investigate opportunities for regional connectivity in Ōamaru, Balclutha and Central Otago.

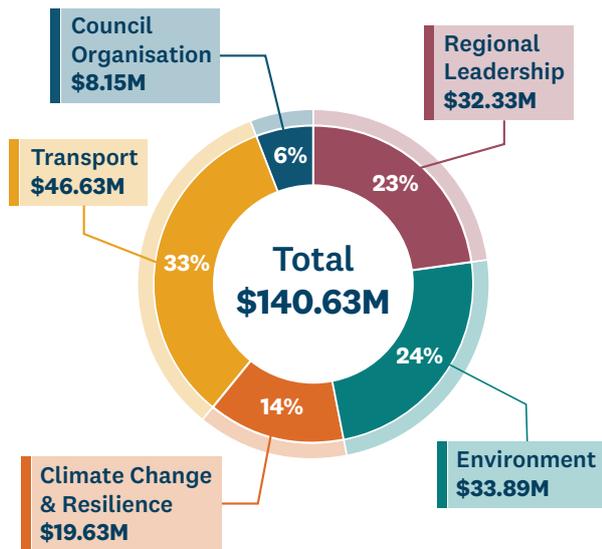
COUNCIL ORGANISATION

- Implement the IRIS NextGen project: an upgrade to the national IT regulatory system to enhance functionality and ensure continued regulatory compliance.

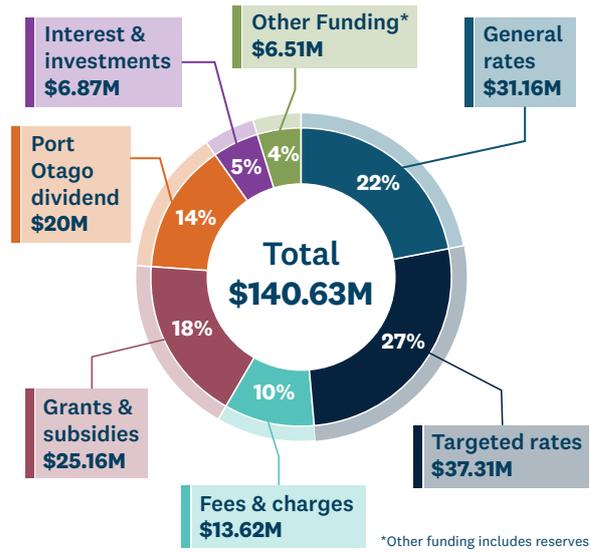
Financial Overview

This information is from our Annual Plan 2025-26 which includes a total operating expenditure of \$140.63 million and capital expenditure of \$20.56 million. 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 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	Interest & investments	Other funding*	
Regional Leadership	26,240	883	4,643	77	0	0	488	32,331
Environment	17,744	10,557	0	2,830	0	0	2,759	33,891
Climate Change & Resilience	4,349	11,628	337	1,753	0	0	1,561	19,627
Transport	4,358	14,237	8,642	20,503	0	0	-1,104	46,637
Council Organisation	-21,531	0	0	0	20,000	6,871	2,808	8,148
TOTAL FUNDING	31,160	37,306	13,621	25,162	20,000	6,871	6,513	140,634

*Other funding includes reserves

There are different kinds of rates - **general rates** fund work that provides benefits across the whole region and is 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. The overall rates increase for 2025-2026 is 5.5% (\$3.57 million); 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.

Financial Information and Performance

The financial information in this report includes:

- Actual figures from the 2022–23 and 2023–24 Annual Reports audited.
- Estimates for the 2024–25 financial result. The 2024–25 estimated financial result is based on May 2025 financial result extrapolated for 12 months (the Balance Sheet is based on the May 2025 position). This is not audited.
- 2025–26 Annual Plan (non audited)
- Projected figures for future years based on the audited 2024–34 Long-Term Plan (LTP). The estimated data from the LTP has not been reforecasted.

Financial strategy

The Council's financial strategy can be found in the 2024–34 Long-Term plan and sets out how Council will manage its finances over the next 10 years. It outlines the financial direction Council wishes to take on levels of future rating, borrowings and investments and discusses factors that influence those areas. These matters have a significant influence on council's ability to deliver against the six focus areas defined in our Strategic Directions 2024–2034, including the community outcome aspirational statements and associated goals. The 10-year work programme that delivers progress against our strategic intent must be implemented in consideration of what is affordable to the community. This financial strategy sets out a path for prudent and sustainable funding.

Over the past years, the council expanded its work to meet central government rules and community expectations. This led to noticeable increases in rates. The new 10-year plan (2024–34) continues this work and identifies areas that require further investment— especially in public transport and infrastructure. To keep things affordable and sustainable, the Council has reviewed how it funds project and sets rates.

Key changes include:

- Spreading the cost of large projects over a longer time
- Borrowing more to help pay for these projects
- Updating how rates are set and funded, with several changes explained in the Revenue and Financing Policy

In the past, the Council used reserves to cover rising costs, especially in public transport. Going forward, the Council aims to 'balance the budget' and pay for the costs as they happen, rather than using reserves.

What's changing and why

Over the next 10 years, the key financial challenges and how Council is proposing to address them in this financial strategy are:

- **More investment:** big projects in public transport and infrastructure are planned. These will be funded using a mix of rates, borrowing (debt) and reserves.
- **Long-term borrowing:** instead of paying off large projects quickly, the Council will now spread the cost over 30 years — matching the life of the assets.
- **Debt levels:** borrowing is expected to rise from \$25 million to \$95 million to help fund reserve shortfalls and new projects.
- **Fixing past deficits:** public transport services ran at a loss in recent years. These shortfalls will be paid off over the first five years of the plan. From now on, we aim for public transport costs to be fully paid each year.
- **Fairer rates:** a major review of how rates are set led to some changes:
 - New catchment management rate: to support biosecurity and land management across the region.
 - Flood and drainage rates: now applied more consistently and fairly across all areas.
 - Public transport rate: a 20% general rate allocation has been introduced.
 - Navigational safety: a new uniform rate for areas where Harbourmaster services are provided.
 - Farm monitoring: a new rate will begin in year 2 to replace the current dairy monitoring rate.
- **Simpler and fairer system:** district-based general rates have been removed. Instead, targeted rates are being used to more clearly fund specific activities.
- **Port Otago dividends:** the Council plans to use higher dividends from Port Otago to help reduce the need for big rate increases— starting at \$18 million in 2024–25 and rising to \$20 million from 2025–26 onwards.

Rate information and borrowing

The information in the following section shows Council's actual performance for 2022–23 and 2023–24 and forecast performance for 2024–25 against the key financial limits and targets specified in ORC's financial strategy.

		Annual Report		Forecast
		Actual	Actual	Estimate
		2022/23	2023/24	2024/25
KEY FUNDING AND FINANCING PARAMETERS				
Rates Income (\$million)	Limit	60	60	77
	Actual	47	56	65
Rates increases	Limit	18%	12%	17%
	Actual	18%	14%	16%
Borrowing (group debt to revenue)	Limit	175%	175%	175%
	Actual	110%	99%	96%

Return on Investments

Council holds 100% ownership of Port Otago Limited and an investment managed fund.

The following information compares the return on investments with the quantified targets identified in the Financial Strategy – for the three years from 2022–23 to 2024–25.

Port Otago Limited Shares

The return on investment is expressed as the amount of dividend received for each year.

The following table summarises the return for the three-year period:

	Annual Report		Forecast
	Actual	Actual	Estimate
	2022/23	2023/24	2024/25
PORT OTAGO LIMITED SHARES			
\$000s			
Targeted dividend	14,000	15,000	18,000
Actual dividend	14,000	16,000	18,000

Managed funds

Managed funds comprises a portfolio of interest-bearing and equity investments.

	Annual Report		Forecast
	Actual	Actual	Estimate
	2022/23	2023/24	2024/25
MANAGED FUND			
\$000s			
Targeted return	750	750	750
Actual return	899	1,008	930

Funding Impact Statement

The council is required to include Funding Impact Statement in its annual reports in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

	Annual Report		Forecast	Annual Plan	Long Term Plan		
	Actual	Actual	Estimate	Budget	Budget	Budget	Budget
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
\$000s							
Sources of Operating Funding							
General rates, uniform annual general charge, rates penalties	24,253	29,379	29,129	31,160	34,438	36,167	38,005
Targeted rates	24,168	27,571	35,973	37,306	45,832	47,807	51,025
Subsidies and grants for operating purposes	26,187	30,401	22,345	25,162	27,068	26,779	27,333
Fees and charges	4,286	4,365	12,134	13,621	4,873	4,952	5,105
Interest and dividends from investments	19,477	25,637	27,536	27,587	26,472	25,972	26,014
Local authorities fuel tax, fines, infringement fees and other receipts	7,255	10,735	4,460	3,066	13,238	13,139	13,831
Total Sources of Operating Funding	105,626	128,088	131,577	137,903	151,921	154,815	161,314
Applications of Operating Funding							
Payments to staff and suppliers	101,304	113,570	112,733	132,095	144,600	146,838	152,430
Finance costs	5,203	9,274	8,105	5,464	6,603	6,395	6,699
Other operating funding applications	46	27	0	0	79	80	82
Total Applications of Operating Funding	106,553	122,871	120,838	137,559	151,282	153,314	159,211
Surplus (deficit) of operating funding	-927	5,217	10,739	344	639	1,501	2,103
Sources of Capital Funding							
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-
Increase (decrease) in debt	10,000	-	13,567	24,700	15,000	10,000	10,000
Gross proceeds from sale of assets	874	874	5,112	5,846	524	535	547
Lump sum contributions	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-
Total Sources of Capital Funding	10,874	874	18,680	30,546	15,524	10,535	10,547
Applications of Capital Funding							
To meet additional demand	-	-	-	-	-	-	-
To improve level of service	2,581	2,956	689	1,211	1,771	1,321	1,678
To replace existing assets	1,516	3,330	11,007	19,345	12,019	10,142	8,724
Increase / (Decrease) in reserves	5,850	-195	21,585	-9,613	2,373	573	2,248
Increase / (Decrease) in investments	-	-	-	19,947	-	-	-
Total Applications of Capital Funding	9,947	6,091	33,280	30,890	16,163	12,036	12,650
Surplus / (Deficit) of Capital Funding	927	-5,217	-14,601	-344	-639	-1,501	-2,103
Funding Balance	0						

Summary Statement of Financial Position

The balance sheet shows a summary of what the council owns (its assets) and what it owes (its liabilities) at the end of the financial year.

	Annual Report		Forecast	Annual Plan	Long Term Plan		
	Actual	Actual	Estimate	Budget	Budget	Budget	Budget
\$000s	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
CURRENT ASSETS							
Cash and cash equivalents	14,830	13,604	17,868	4,069	4,705	4,534	6,037
Trade and other receivables	18,192	17,139	20,080	18,812	18,170	18,164	18,159
Other financial assets	25,262	27,284	29,411	31,619	32,787	34,541	36,389
Current related party receivable	-	38,480	34,483	38,480	-	-	-
Property held for sale	3,350	3,350	-	-	-	-	-
Borrower notes	-	-	125	-	-	-	-
Other current assets	1,433	1,559	1,784	3,350	1,433	1,433	1,433
TOTAL CURRENT ASSETS	63,067	101,416	103,752	96,330	57,095	58,672	62,018
NON-CURRENT ASSETS							
Shares in subsidiary	723,890	732,720	732,720	790,878	839,931	871,512	904,310
Property, plant and equipment	93,994	96,011	103,995	138,705	126,626	134,495	141,069
Intangible assets	820	558	179	-	1,519	1,087	655
Non current related party receivable	125,088	75,198	92,832	106,850	150,088	150,088	150,088
Investment property	16,795	16,850	16,850	-	17,479	17,653	17,830
Borrower notes	500	500	500	2,258	500	500	500
TOTAL NON-CURRENT ASSETS	961,087	921,837	947,076	1,038,691	1,136,143	1,175,335	1,214,452
TOTAL ASSETS	1,024,154	1,023,253	1,050,828	1,135,021	1,193,238	1,234,007	1,276,470
CURRENT LIABILITIES							
Trade and other payables	22,594	20,280	22,281	21,278	22,594	22,594	22,594
Borrowings	58,878	48,359	44,623	48,355	74,378	76,378	78,378
Employee entitlements	2,716	3,293	2,948	2,628	2,716	2,716	2,716
Other financial instruments	-	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	84,188	71,932	69,852	72,261	99,688	101,688	103,688
NON-CURRENT LIABILITIES							
Borrowings	91,438	90,528	107,832	135,733	128,438	136,438	144,438
TOTAL NON-CURRENT LIABILITIES	91,438	90,528	107,832	135,733	128,438	136,438	144,438
TOTAL LIABILITIES	175,626	162,460	177,684	207,994	228,126	238,126	248,126
NET ASSETS	848,528	860,793	873,144	927,027	965,112	995,881	1,028,344
EQUITY							
Reserves	747,994	758,326	114,817	795,554	839,309	843,050	901,996
Public equity	100,534	102,467	758,328	131,473	125,803	152,831	126,348
TOTAL EQUITY	848,528	860,793	873,144	927,027	965,112	995,881	1,028,344

The revaluation of shares in subsidiary is unknown at the time of completing this report and the estimate made in the 2024—2025 Annual Plan has been used in the Summary Statement of Financial Position in the table above.

Supporting Information

Dunedin office – Philip Laing House

Monday to Friday, 8am to 5pm

Closed on public holidays

Level 2

144 Rattray Street

Dunedin 9016

Queenstown office

Monday to Friday, 8am to 4.30pm

Closed on public holidays

Terrace Junction

1092 Frankton Road

Queenstown 9300

Private Bag 1954, Dunedin 9054

0800 474 082

customerservices@orc.govt.nz

www.orc.govt.nz

Source documents and Otago Regional Council links:

Annual Plan 2025-26

Our most recent Annual Plan, which outlines key projects, budgets and levels of service for the year ahead.

Long-Term Plan 2024-34

Our current Long-Term Plan prioritises and allocates council resource over the next 10 years to achieve broader overarching goals.

Annual Report 2023-2024

Our most recent Annual Report, this is a snapshot of what the council has done over the past year, including the services we've delivered and how we've spent your rates against the Annual Plan for that year.

Otago Regional Council Candidate Handbook

This handbook provides essential information for anyone standing in local government elections, including how to apply, campaign rules, key dates, and what the role involves.

Infrastructure Strategy

Our current Infrastructure Strategy sets out how we plan to manage flood protection, drainage and river systems over the next 30 years in response to expected challenges.

Otago Regional Policy Statement

This sets the overall direction for how Otago's natural and built resources are managed to support the wellbeing of people and the environment now and into the future.

ORC's Local Government Statement

This explains how the Council operates, supports local democracy, and meets its obligations under the Local Government Act 2002.

Other information is available on our website, including agendas and minutes of meetings; news and media releases; strategic directions and plans and strategies.

Further information about Local Government in NZ and the Local Elections:

Vote 2025 Local Elections for more information about standing as a candidate

Local Government New Zealand

Local Government in New Zealand – Local Councils

Promoting Local Democracy

How do I stand?

The Otago Regional Council needs people with enthusiasm, capability and commitment to the wellbeing of their community and region, and with a positive vision for the future. Will you stand to represent your fellow Otago residents and lead our region to a sustainable future? If you know someone with these qualities, please encourage them to put their hand up.

There is an opportunity to make a genuine difference for the place that you care about. Information on how to stand as a candidate can be found on the VoteLocal website — information for candidates and our website- Do you want to stand?

How do I enrol?

To receive your voting papers by mail, you must be enrolled by 1 August 2025.

The **last day to enrol is Friday 10 October 2025** to vote for your local government elections.

If you are already enrolled, you should have received your enrolment information in the mail from the Electoral Commission. Check that your details are correct. If your details are not correct, put the right information on the form and send it back in the enclosed envelope.

If you haven't received anything, you can pick up an enrolment pack from a Post Shop, library, or council service centre; or visit the website vote.nz; or freephone 0800 36 76 56.

How do I vote?

Local government elections will be held in **October 2025**. This is your chance to help choose who will represent your community on the Otago Regional Council for the next three years.

The Council is made up of **12 councillors**, elected from four constituencies. After a recent review, there have been some changes to how many councillors each area has:

- Dunedin — 5 councillors
- Dunstan — 4 councillors
- Molyneux — 2 councillors
- Moeraki — 1 councillor

You will receive your voting papers in the mail in September 2025, and you can vote by post or by dropping them off at designated locations. Your voting papers will include instructions and information about the candidates standing in your area.

Every vote matters — make sure your voice is heard!



