

Our Reference: A 1187681

25 November 2024

The Members
Ōreti Catchment Liaison Committee



Notice of Meeting

The **Annual General Meeting of the Ōreti Catchment Liaison Committee** will be held on **Monday 25 November 2024** in the **Salvation Army Hall, Winton from 1.00 pm - 3.00 pm**. Afternoon tea will be served following the meeting.

Agenda

1. Welcome
2. Apologies
3. Terms of Reference (attached) for noting Page 2
4. Co-Chairs report
5. Confirmation of Minutes of the 4 April 2024 meeting (attached) Page 5
6. Matters arising
7. Catchment report (attached) Page 15
 - Anticipated river works, fairway spraying and land drainage
 - Is the river works budget enough
 - Stopbank inspections – worse areas identified and actions taken
 - New stop banking Winton to Benmore
 - Climate resilience projects update
 - Asset Inspections/defects update
 - Gravel Update All Page 19
8. Financial report – 2023/24, update on 2024/25, and proposed 2025/26 (attached) Page 28
 - Update on rating review
 - Explanation of LTP rating system changes
 - Discussion of Catchment or regional budget and the use of differentials?
 - Use of Oreti Lease reserves following submission to ES Long term plan
 - i. Used only in our catchment?
9. Appointment of Committee and Membership -- see list of members (attached)
10. Any other general business:

Co-Chairs

David Marshall Mobile 0272 205 1895

David Rose Mobile 0274 142 573

After the meeting, Environment Southland Staff will be available to discuss matters of interest. We also want your feedback and value your continued support.

Terms of Reference

Oreti Catchment Liaison Committee

Reporting to

The Community

The Regional Services Committee, Southland Regional Council (or "the Council")

Objective

To be a connection between the catchment community, its rating district and the Council to effectively manage the catchment's natural resources, and assist the Council to maintain better communications.

Catchment Liaison Committees role:

1. be an advisory group that provides a leadership role in integrated catchment management, developing and supporting projects with agreed principles and structures through which competing interests in natural resources can be discussed.

Areas of opportunity are in: water quality and quantity, soil health, river management, land drainage, land management that affects water and flood planning;

2. report to the Council on project initiatives and budgets for projects and maintenance works, including advice on the financial overview of budgets and reserves;
3. make recommendations on behalf of the community to maintain and improve the state and management of the catchment and its environment, with any decisions resting with the Regional Council in terms of its statutory obligations;
4. provide advice to the Council on behalf of the rating district for the annual work programme for these projects, including long-term work programmes, maintenance works, river and flood planning and special projects;
5. provide advice to the Council on the development of any plan or strategy in their catchment;
6. reflect the opinion of the whole catchment, complaints or other matters relating to individual ratepayers must be redirected to the Council.

Standard operating Procedures (16/09/2020)

Membership

Public membership is limited to ratepayers including lessees (or their representative) who own land within the catchment. Membership of industry, non-government-organisations and government organisations that do not own land in the catchment is limited to scope of work.

A Sub-committee or Technical Advisory Group may be appointed at the AGM to deal with specific matters and feedback on financial expenditure when required.

The larger membership and the Sub-committee/Technical Advisory Group have the ability to co-opt and are generally open to any ratepayer.

Representation from interest groups and industry groups where appropriate.

Environment Southland will appoint its own representative with the agreement from the committee.

Appointment process

Nominations are to be sought at the Annual General Meeting.

Key considerations will be ensuring Committee interest and geographic balance to enable productive dialogue to occur.

Each committee member reflects the interests of a wider group within the community and preferably have the skills, experience and knowledge to relay information between the Oreti Catchment Liaison Committee and different sectors within the community.

Governance

Chairperson

The group will select a Chair and/or Co-Chairs from amongst its members. The Chair will ensure a fair and equitable group process and be responsible for fostering an atmosphere of respect, open mindedness and group learning.

Quorum

A quorum shall include the Chair or Deputy Chair and a total of at least three normal committee members. The size of each quorum can change at an Annual General Meeting. At 1 November 2020 the following applied:

Oreti Catchment Liaison Committee quorum - 4

Meeting Frequency

Meet with the relevant Environment Southland staff and/or Councillors when necessary with one Annual General Meeting and workshops and additional meetings as required.

The Chair and/or Co-Chairs will represent their committee at combined liaison meetings and workshops.

Collaborative Decision-making

A credible commitment to the collaborative decision making process by the individuals and organisations involved is required. Decisions will be based on majority voting but consensus should be sought where possible, with the Chair/Co Chairs holding a casting vote.

Principles of Participation

All members of the committee agree to participate in the following ways:

- contributions are made without prejudice – i.e. nothing said within the group may be used in subsequent planning or legal processes except for any recommendations or agreements reached by the group;
- members to show respect for others views and avoid promoting discord within the group;
- any public statements by the group are to be agreed by the group and made through an agreed spokesperson;

- members of the group are expected to support decisions and recommendations reached by consensus by the group in subsequent public discussions;
- the Chair is responsible for fostering the principles of participation and is expected to be respected as a leader in their role.

**Minutes of the Oreti Catchment Liaison Committee
Annual General Meeting, held at Salvation Army Hall,
7 Dejoux Road, Winton on Tuesday,
4 April 2024, at 1.00 pm.**



Present:	Mr D Rose	Co-Chair
	Mr D Marshall	Co-Chair
	Mr L McCallum	
	Mr G Hubber	
	Mr W Currie	
	Mr J McDougall	
	Mr L McGregor	
	Mr L Gerrard	
	Mrs J Gerrard	
	Mr S McEwan	
	Mr T Dunnagh	
	Mr J McKenzie	
	Mr W Nelson	
	Mr H English	
	Mr A Baird	
	Mr J Erb	
	Mr R MacPherson	
	Ms A English	
	Mr J McDougall	
In Attendance:	Chairman Horrell	Environment Southland
	Cr M Rodway	Environment Southland
	Mr P Pollard	Environment Southland
	Mr G Gerrard	Environment Southland
	Ms E Lawton	Environment Southland
	Mr P Hulse	Environment Southland
	Mr R Bird	Environment Southland
	Mr R Beal	Environment Southland
	Mrs T Hawkins	Environment Southland
	Mrs A Flynn	(Personal Assistant – Minutes)

1 Welcome and Chairman’s Report (*Haere mai*)

The Chairs welcomed all attending the meeting. Mr Rose and Mr Marshall presented their co-chairs report, which is appended as Appendix 1.

Resolved:

Moved Mr D Rose, seconded Mr D Marshall that the co-chairs report for the 2024 Oreti Catchment Liaison Committee Annual General meeting be accepted.

Carried

2 Apologies (*Nga Pa Pouri*)

Resolved:

Moved Mr D Rose, seconded Mr L McGregor, that apologies for absence be recorded on behalf of Mr G Milligan, Mr B Todd, Ms E Stevens, Mr D McGregor, Mr J Adamson, Mr T Dawkins, Ms R Dawkins, Mr C Senior, Mr C Smith, Mr H Swale, Mr P Thomson, Ms C Officer, Ms S Thorne, Ms A McDonald.

Carried

3 Confirmation of Minutes of Meeting of 21 February 2023

It was noted that the wording of the previous resolution in item 6, Financial Report was to be changed to say "...that the Oreti catchment liaison committee agreed to the proposed 2023/2024 budget increase of 4.5%".

Resolved:

Moved Mr H English, seconded Mr L McGregor, that the minutes of the Oreti Catchment Liaison Committee Annual General Meeting held on 21 February be confirmed as a true and accurate record once above amendments have been made.

Carried

4 Matters Arising

There were no matters arising from the previous minutes.

5 Catchment Report

Mr G Gerrard and Mr P Pollard presented the catchment report with a focus on stopbanks and in particular those in the worst areas.

- Have resurveyed the lower reaches of the river and with the data received, the plan is to apply for a resource consent to start removing some of the gravel in the near future
- Andersons quarry is currently the only operating quarry that there is in the Oreti and Aparima catchments, work has been done there to bring it up to scratch
- Flooding last year caused a few issues up and down the catchment, one of the worst hit areas was a partial flooding of the Irthing stream

- Willows cause problems particularly when they are close to townships. There is also the problem of smoke if they are being burned. DT Kings will take them away to chip
- Gallagher Road – the river has been eating into the riverbank on the east side of the river and every time it does that it flows down Gallagher Road and cuts access to houses. There has been a collaboration between ES, SDC and landowners to find a solution. The plan is to open up a dry cut and create a river diversion. The landowner is paying for these costs, ES has added some design input and assisted with the resource consent
- Problems with willows at Wallacetown causing erosion along Larg Street – this is technically in the Oreti catchment, this is a work in progress.
- Floodbank defects on the Oreti river right up to Mossburn – 645 open as of 1 July 2023, 474 open as of 3 April 2024. We have managed to close of 171 and we are prioritising the ones that are most severe and could result in a breach of the flood banks
- Mr Pollard spoke to the slides and highlighted the different levels of defects from a series of photographs
- There was a question raised regarding the high priority defects (marked as priority 1) and how many there are, Mr Pollard answered saying there are 118.
- Longstanding historical issues – can we look at some trial work around how to put them right? And maybe these are the types of things that we can use our lease reserves on. **Action:** Mr Pollard to look at some examples to bring back to the group to look into
- There was also a suggestion to change the name of flood banks to something that reflects the severity of the situation if they fail
- The government needs to tighten up legislation on the management of grazing and the stacking of bailed (the areas where it is safe to do so). Mr Hulse intervened to advise that all bylaws are reviewed every ten years (with the most recent review in 2020). There are pretty stringent controls with anything to do with stopbanks either side so it is not a defunct bylaw but there is always room for improvement. It is possible for Council to look at an early review but this would rely on feedback from staff and catchment liaison committee members. Winter grazing rules should apply to flood banks but they don't
- The committee would like to be kept informed about any breaches of the flood banks and areas that need to be fixed.

6 Oreti Branxholme gravel extraction trial – report on Moxy river crossing trial - 15 February 2024

Mr McEwan spoke to a presentation about the river crossing trial on 15 February 2024:

- The trial was considered to be a great success with very little impact on the environment
- Data that was captured related to the suspended sediment, it started high at 110 and ended at 80
- There were 22 crossings in total and they got better with each one. Samples were taken all the way through to provide the data
- The emissions released when transporting via the road were three times as much as via the river
- The consents process will begin in the next two weeks
- A question was raised as to how much sediment was moved in the recent flood and the response was 172 tonnes/hr

Mrs Hawkins presented the financial report and informed the committee there are three consultation processes going on at the moment.

Mrs Hawkins commenced with the actual budget results from 22/23:

- River works under budget by \$100k
- Structure maintenance over budget
- Stopbank inspections - we have started budgeting for this in each of the catchments
- Flood support costs over budget
- We ended up with a total under budget with a net movement of \$100k into the reserve.

This year's budget 24/25:

- This year's budget is \$1.175
- The 24/25 budget has some changes in it and there are a few numbers missing because it is part of the proposed rate change policy and part of that policy is that the support costs are not charged out directly to the catchment but are grouped together and charged as a regional cost across the whole of southland – sharing the costs differently
- Catchment Manager, Randal Beal wanted to consider a policy change regarding the allocation of staff costs and that it would be a better use staff costs and time if we grouped them together under the 'catchment operations' bucket and put staff where they need to be at any one time, e.g., after a flood which requires more resources. What this means is we will be making a regional budget which will reduce the total rates costs from \$1M to \$998k. This means that the catchment budget doesn't have to pay for it
- Mrs Hawkins clarified that with the proposal, there is no general rate but a targeted rate and instead of it being charged out to the catchment, it will be charged out to everyone in Southland
- Mrs Hawkins confirmed that there are still seven catchment budgets and seven committees but there is one rate (as proposed). The proposal of this budget is that the expenditure goes up with the rate of inflation and the overheads be moved out to the region wide catchment operations budget. This proposal is still draft and still subject to the consultation that is going on
- Mr Rose advised that he and Mr Marshall are struggling with putting this to the vote given that it might not happen and it is open to consultation. Mrs Hawkins advised that with other catchments they have approached it as an approval "subject to..." scenario
- Mr Rose stated that one of the main issues is the matter of the considerably large lease reserves budget and we've had \$30k coming into the budget every year and now that's not coming in under this proposed budget. Mrs Hawkins responded that other catchments have agreed to the proposed budget subject to ES putting those things back and that there is no policy change to the reserves
- A question was raised re staff costs and the response was that staff costs/overheads will go into the catchment operations sub-budget. This

means that the catchment budget ends up funding the direct costs of the work that is done

- Mr Rose suggested that the committee reconvene at a later date (before the end of June 2024) to look at the budget when it is finalised. Mr Rose expressed that he wasn't comfortable adopting the budget for \$998k today when it is different from all the other catchment budgets.

Resolved:

Moved Mr D Rose, seconded Mr J Scully that the draft budget is not approved until after the end of the LTP submissions and the actual budget includes lease reserves.

Carried

Cr McDonald introduced the LTP process and explained that it is a requirement by law to produce one and is a rolling budget. It's a ten-year timeframe and every term Council must update it. The discussion will start with the context around our thinking as a Council, then Mr Beal will talk about the technical aspects, followed by Mrs Hawkins to talk about the financials.

It's clear that for the last 35 years in this region that since all the great work has been done on our flood banks and infrastructure, we have been in a management phase, we've been prepping the committees over a period of time and the time has come now for us to go into a works phase. We knew we wanted a rates review to go along with this.

Mrs Hawkins' presentation will show a flattening of the rates, before we did that, we had to show Council a couple of key assumptions about why we are doing this. We've been in meetings all round the region but what is evident is that this province has changed a lot and everything that makes this province what it is, is reliant on its infrastructure to keep us safe. Now is the time that we're thinking of proposing that we take it to another level but to do that we need a better way to finance it through the rating system. Having 141 catchment rates is just not feasible.

Cr McDonald then invited Mr Beal, catchment operations manager, to talk about the technical aspects:

- Flood bylaw gets reviewed every five years and will be reviewed in May 2024
- Flooding is NZ's most natural hazard so it's very important to the nation's infrastructure that we get this right and is reliant on targeted rates to be maintained
- Last year we talked about climate change and how weather events will become more frequent and assets more tested. Levels of service will reduce
- The regional report is due to be updated
- By the year 2100, it is expected that sea level will have risen about one metre
- The infrastructure strategy is a 30-year document and the Council also has a 30 year budget and it is very similar to what we had last year. We are concentrating on our current assets and focus on improving our stopbanks and improving our flood bank capacity

- We have built a 2D hydrological model for Mataura, Gore and Wyndham and have quotes in to do the Oreti next
- Levels of service – there are two documents in the LTP for consultation for Winton and Lumsden. We are prioritising urban flood protection schemes
- We will be prioritising the defects and maintenance programme (1500 defects)
- We are prioritising improving stopbanks serviceability
- Gravel and vegetation have a huge impact on our flood capacity and this needs to be a priority also
- The issue of gravel management was raised. Mr Rose explained that he is part of the gravel working group and that progress is being made. Mr Beal added that we need to get away from site specific consents
- Another issue was raised regarding the speeding up of the river. Mr Beal talked about the Slow the Flow project and implementing nature-based solutions which are yet to be costed out

Mrs Hawkins was invited to talk through the financial aspects of the LTP:

- With the LTP we are trying to predict ten years and for infrastructure we try to predict 30 years
- There are three consultations underway at this present time, the first one is the revenue and financing policy rate changes – is the 40-year-old system still appropriate to share cost of catchment works?
- The second consultation is on the budget and how much money do we believe we need for the next 12 months?
- The third consultation is on the fees and charges schedule which is going up on estimated inflation.

The rate change proposal aims to remove the 140 different flood protection catchment rates and replace it with one rate and that the bio and land sustainability rate moves from land value to capital value.

We have 36 individual rate levies in the Oreti catchment alone (140 altogether). They were graded to fund the current flood infrastructure, but what do we need now? If we're preparing correctly for the future then we need to spend more regionwide. The classification system is no longer relevant. After many workshops, it became clear that this one proposal was the most equal way to do it.

Committee members expressed a need to have visibility of all the options with the reasoning and discussion behind each one and how Council came to land on the proposal that was chosen. Mrs Hawkins advised that all the workshop material is accessible online and we can have a more technical session if required.

Residential and rural have different profiles for land value, capital value and commercial. The land value rates have historically been paid largely by the rural community (66%). Large capital value properties and small land value properties were paying very little to towards the catchment rates/flood protection and very little towards biosecurity but things have now changed and the policy of the past does not reflect the present in terms of land value rates. The proposal is to restructure the

rates from land value to capital value and it will move the rates around. There will be one rate, seven committees and seven budgets.

The question was raised about control regarding input from the community into budgets. Mrs Hawkins advised that there were several discussions with the Chairs prior to this and that instead of presenting the budget in March that Chairs sit with Council from September and have input in the process from the start. The catchment committees are the closest we have got to community boards and are very important.

Mrs Hawkins spoke to slides that showed how the rates would change for different properties. The policy change is sharing the cake differently and overall.

There are 50,000 properties and the challenge was to impact those properties with as little change as possible. Plus or minus \$40 per year is the impact for most properties but there will be some that are impacted more depending on where they are situated.

As a proposal, it's future proofing the rates going forward. The budget increase is going to fall on a very small group of people.

This catchment as a whole is largely land rate based. The budget change will make more difference to the majority of this catchment than the policy change. There is an opportunity to submit on the budget change and on the policy change but please makes sure you submit an alternative.

This catchment as a whole is going to be more than \$400,000 better off under the policy change.

The LTP document is a way of looking forward to what Southland needs to deliver We need a new budget to allow for inflation, interest costs and infrastructure. The proposal is \$2.3M p/a. It also proposes that we need to be shovel ready, we can't afford to do all the infrastructure work ourselves, we need the government money and to get that money we need to be ready to spend money. We need to spend a bit to get a lot (hopefully). We're assuming that we can get \$130M from the Government if we get the proposal right. All regional councils are wanting to get bids in and are looking from moving from a three-year proposal to a ten-year proposal.

What is the impact of the proposed rate change – for an average property \$450k, there will be an average rate rise of \$65 per year but this is very much dependent on location.

8 Appointment of Committee and membership

Cr Peter McDonald assumed the role of Chair and called for nominations for the Chair of the Oreti Catchment Liaison Committee.

Resolved:

Moved Mr L McGregor, seconded Mr G Hubber that Mr David Rose and Mr David Marshall be elected to the positions of Co-Chairman of the Oreti Catchment Liaison Committee.

Carried

Mr Rose and Mr Marshall resumed their roles as co-chairs at this time.

Resolved:

Moved Mr D Marshall, seconded Mr C Smith that Oreti Catchment Liaison Committee comprise of all members present, those with apologies recorded and those who are listed on the mailing list that was circulated with the agenda of the meeting.

Carried

Resolved:

Moved Mr D Rose, seconded Mr L McCallum that the Oreti Catchment Liaison Committee comprise of all members present and those with apologies recorded and those that were on the circulation list for the agenda of the meeting.

Carried

Resolved:

Moved Mr D Rose, seconded Mr D Marshall that the Technical Group of the Oreti Catchment Liaison Committee comprise of Walter Currie, Hamish English, Roger Hamilton, Grant Hubber, John McDougall Snr, Dave Marshall, Peter O'Callaghan, David Rose, John Ferris, Tim Dawkins, Peter Thomson, Annie English, Lachlan McGregor, Scott Whyte and John McDougall.

Carried

9 Catchment Group Reports

Two group reports were presented to the committee for the lower Oreti catchment group and the greater Dipton catchment group and are appended as Appendix 2 and 3.

10 Showcasing the Oreti Catchment

It was decided that this would be deferred to the end of the meeting if anyone wanted to stay.

11 General Business

It was noted that the intention is to hold another meeting about rates and to get more detail. Committee members were encouraged to get a submission in by 7 May 2024.

12 Meeting close

Mr Rose thanked everyone for their attendance and brought the meeting to a close at 3.52pm.

ACTION SHEET

Action	Responsible	Date completed
Longstanding historical issues – can we look at some trial work around how to put them right? Action: Mr Pollard to look at some examples to bring back to the group to look into.	Paul Pollard	TBC

Oreti Catchment Rating District 2023/24

(Compiled by Grant Gerrard, Catchment Works Supervisor and Paul Pollard, Team Leader – Catchment)

There was a major flood event in September 2023 which got to 1,324 cumecs at Wallacetown and was the third biggest flood recorded. It was a relatively short event and didn't cause a significant amount of damage apart from a partially breached flood bank on the Irthing Stream and a wood stave culvert at Benmore which was damaged by debris and had to be replaced.

Works Activity

1. Anticipated River Works

During the year erosion repair work of either rock, live willow, or a combination of both, was carried out at 15 sites at a cost of \$864,413. However, this figure is offset by recoveries of \$95,617 (see the Oreti Rating District income), covering items such as rock sales and jobs carried out for other entities such as Southland District Council and landowners who are not in the rated areas of the catchment.

There was a considerable amount of rock used in the Upper Oreti out of the quarry at Mossburn along with sales to contractors in other areas and the decision was made to blow the quarry which generated approx. 8,000 tonne of large rock, 2,000 tonne of rubble and 1,500 tonne of overburden which is available for future works as required. This work accounted for approx. \$97K of the expenditure.

2. Fairway Spraying

410 ha aerial and 14 km ground based - 50 hrs

The aerial spraying work concentrated on the mid-sections to upper sections of the river, including the Irthing stream, along with some follow-up work along the "Round the Mountains" cycle trail and Oreti flood banks.

As part of the Southland Biosecurity Interagency Group relationship, the Department of Conservation continues to manage the Upper Oreti from the Windley river confluence to Mt Nicolas Station Road bridge. Environment Southland and Land Information New Zealand (LINZ) have an arrangement where Environment Southland staff now directly manage the LINZ sections of Southland rivers and then invoice LINZ for the work. This was previously looked after by LINZ contractor, Boffa Miskell.

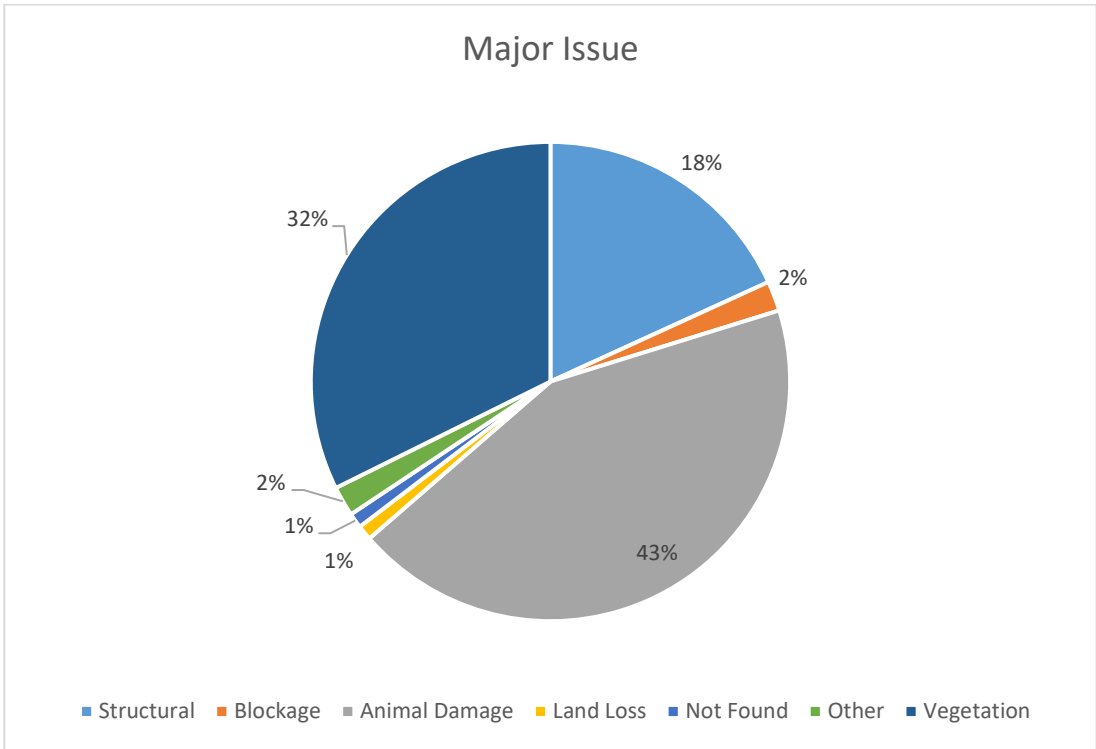
The expenditure is detailed in a separate report "Riverbed Vegetation Control Programme 2023/24".

3. Land Drainage

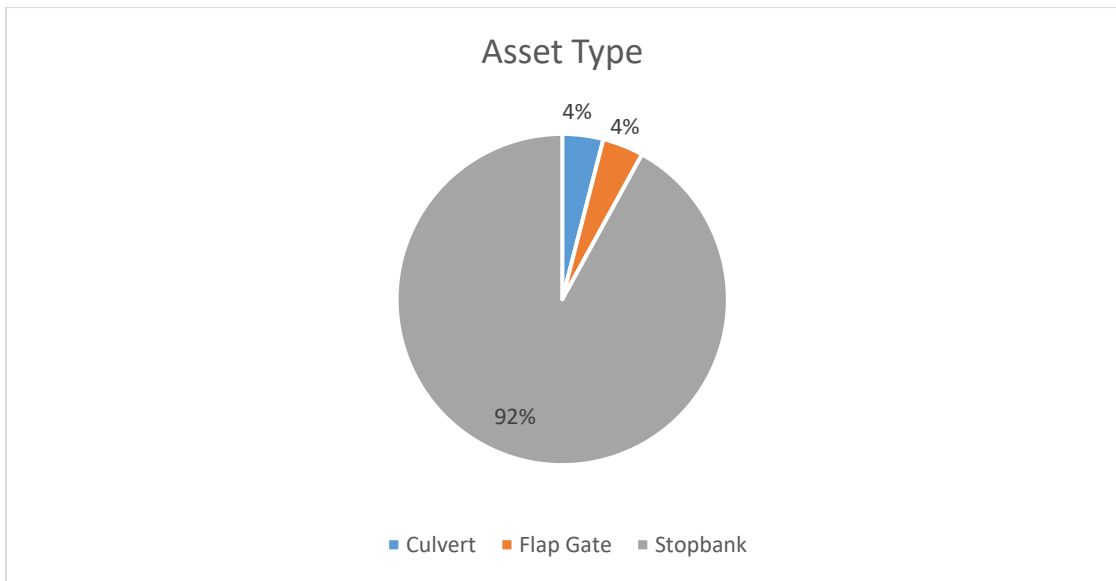
Maintenance work to varying levels was undertaken on 13 of the 21 drains and streams included in the Oreti Land Drainage Rating District.

4. Stopbank Inspections

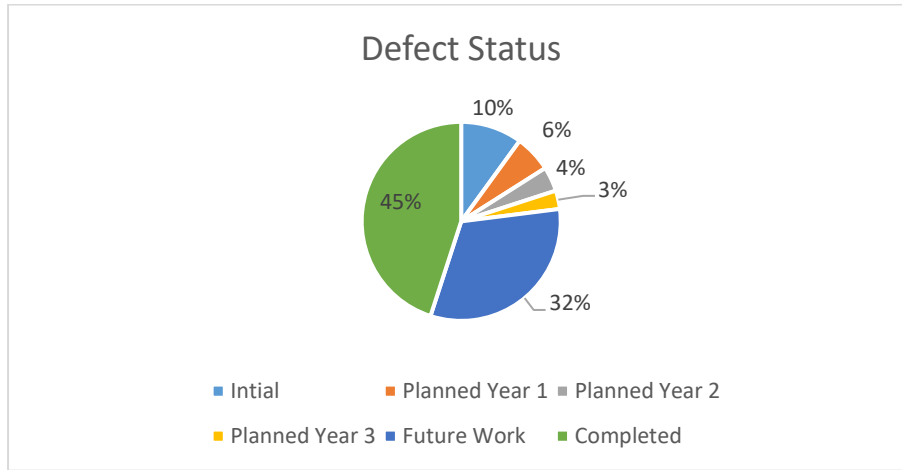
Annual inspections of the rural banks and quarterly inspections of the urban banks have been completed for the 2023/24 financial year. The graphs below provide an overview of the defect information.



The above graph shows the percentage breakdown of defect type. Animal damage on the stopbanks is the largest of the major defects at 43%, followed by vegetation at 32%.



The above graphs show the breakdown of asset type in the Oreti Rating District



The above graph highlights the planned work in terms of priority rating and work programme scheduling.

Expenditure

The district completed the 2023/24 year with a credit works account balance of \$374,586, a decrease of \$113,580 from the previous year's balance

Summary of the Oreti Rating District for Year End 30 June 2024

All sums exclude GST

River Works						
1 July 2023 - 30 June 2024		2022/23	2023/24		2024/25	2025/26
		Actual	Actual	Budget	Budget	Draft Budget
		\$	\$	\$	\$	\$
Revenue	Rates - General	306,150	427,638	345,393	518,290	-
	Rates - Separate	748,945	797,783	795,202	518,291	1,069,584
	Local Contributions Received	65,972	95,617	-	-	-
	Insurance Recoveries	36,813	-	-	-	-
	Investment Income Allocated	(4,275)	(9,656)	-	(1,978)	(1,978)
Revenue total		1,153,605	1,311,382	1,140,595	1,034,603	1,067,606
Expenditure	Cost of Works Insurance	58,604	67,085	60,000	63,074	65,026
	Fairway Spraying	194,045	212,417	194,000	206,800	213,200
	River Works	512,475	864,413	666,306	688,644	709,956
	Channel Maintenance	694	22,428	-	-	-
	Structure Maintenance	105,586	106,228	61,359	63,446	65,410
	Stopbank Inspections	18,038	10,733	18,000	18,612	19,188
	Cost of Works Miscellaneous	507	551	-	-	-
	Depreciation Expense	-	-	16,550	-	-
	Floodwarning	24,972	24,972	24,972	25,821	26,620
	Support Costs	171,551	298,928	133,932	-	-
Expenditure total		1,086,472	1,607,755	1,175,119	1,066,397	1,099,400
Transfer from Oreti Leasehold Reserve		36,959	67,462	34,524	31,794	31,794
Surplus / (Deficit) Transferred to / (from) Carry-Forwards		104,093	(228,911)	-	-	-

River Works Reserves

Carry-Forwards

Opening Balance at 1 July 2023	(\$65,937)
Less balance to carry forward as above	(\$228,911)
Carry-Forward Balance at 30 June 2024	(\$294,848)

Land Drainage						
1 July 2023 - 30 June 2024		2022/23	2023/24		2024/25	2025/26
		Actual	Actual	Budget	Budget	Draft
		\$	\$	\$	\$	Budget
		\$	\$	\$	\$	\$
Revenue	Rates - General	22,444	17,637	26,728	19,245	19,892
	Rates - Separate	244,293	241,317	240,547	173,206	179,029
	Investment Income Allocated	18,966	32,747	19,714	16,623	16,623
	Other External Income	-	225	-	-	-
Revenue total		285,703	291,926	286,989	209,074	215,544
Expenditure	Channel Maintenance	181,869	133,022	168,658	185,728	191,476
	Landscape Maintenance	-	2,866	-	-	-
	Structure Maintenance	337	98	21,200	23,346	24,068
	Cost of Works Miscellaneous	-	895	-	-	-
	Support Costs	42,234	39,714	97,131	-	-
Expenditure total		224,439	176,595	286,989	209,074	215,544
Surplus / (Deficit) Transferred to / (from) Carry-Forwards		61,264	115,331	-	-	-

Land Drainage Reserves	
Carry-Forwards	
Opening Balance at 1 July 2023	\$554,104
Plus balance to carry forward as above	\$115,331
Carry-Forward Balance at 30 June 2024	\$669,435

Lease Area Reserves	
Ferry Road Lease Area Balance	\$2,695,892
Plus Oreti Lease Area Balance	\$854,923
Plus Winton Dam Lease Area Balance	\$212,122
Total Lease Area Balance as at 30 June 2024	\$3,762,937
Disaster Reserve	
Balance Disaster Reserves at 30 June 2023	\$1,630,975
Plus interest received	\$89,704
Disaster Reserve at 30 June 2024	\$1,720,679



**For now &
our future**

Climate Resilience Projects Update

Climate Resilience Projects

- Te Anau - \$500k for improving the integrity of the flood banks and the hydraulic efficiency of the flood fairway (project has 2yr timeline)
- Aparima - \$500k for improving the integrity of the Otautau flood banks and improving the hydraulic efficiency of the flood fairway (project has 1yr timeline)
- Oreti - \$5 million for improving the integrity of the true left flood banks and improving the hydraulic efficiency (project has 3 years' timeline)

Projects

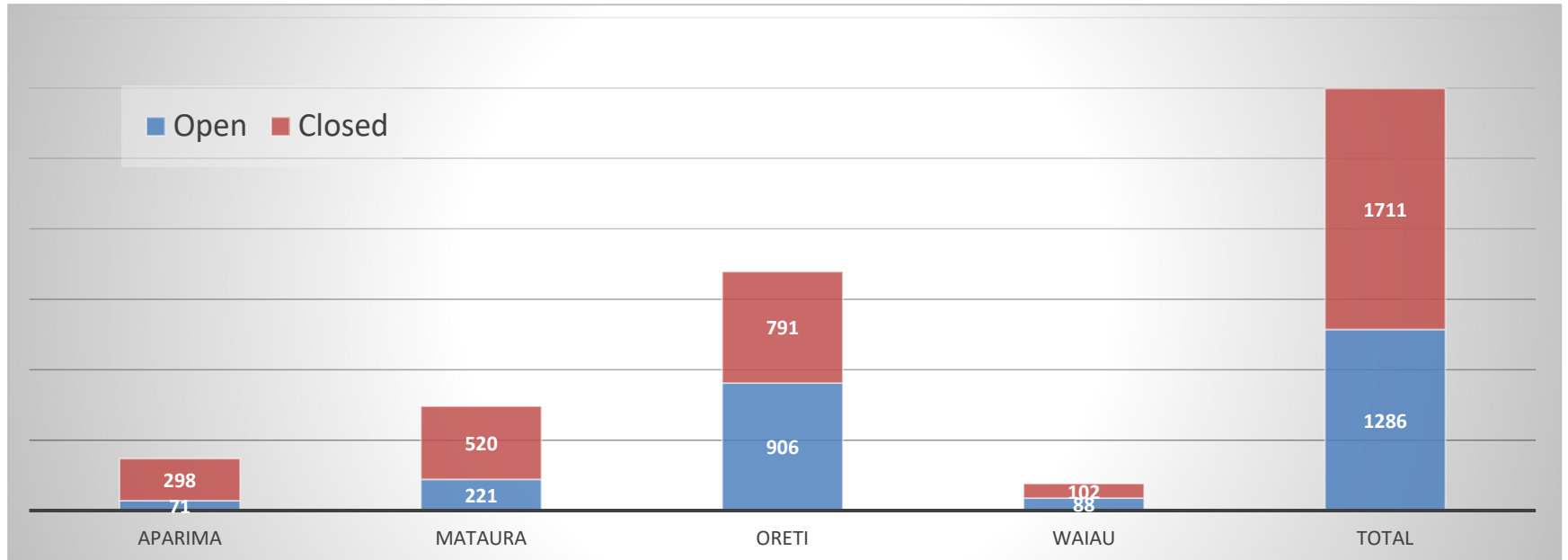
- Mataura Catchment flood bank repair budget \$220k - Mimihaui flood bank at Wyndham.
- Waimumu flood bank west of Mataura township has toe erosion. Looking at options of moving flood bank back and rock lining the toe.
- Oreti Catchment flood bank repair \$330k budget allocated to fix defects.
- Waituna flood bank stabilisation work \$45k budget land-owner to match.
- Invercargill garden/trees/stump removal off banks \$70k.



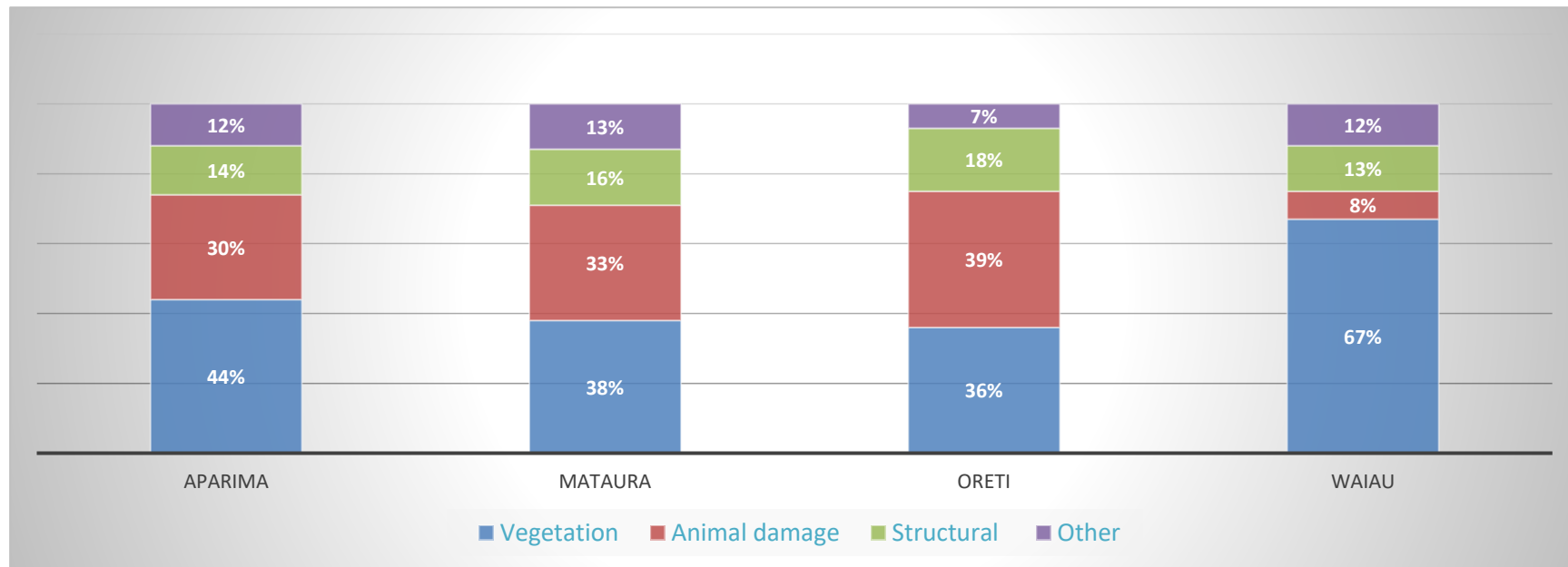
**For now &
our future**

Asset Inspections/Defects Update

Flood bank defects update



Main defect type





**For now &
our future**

Gravel Update

Towards Strategic Gravel Management

- *Towards Strategic Gravel Management* is a technical working report to inform the discussion on Southland's gravel management approach. It 'outlines a series of scientifically led strategic principles and recommendations that should underpin and inform gravel management in Southland's rivers'.
- <https://www.es.govt.nz/environment/hazards-and-protection/gravel-management-in-southland>

Report Recommendation	Environment Southland action to December 2023	Environment Southland (ES) action to November 2024
<p>The need for reliable information on the gravel load of Southland’s rivers to create gravel budgets.</p>	<p>Bathymetric LiDAR has been piloted on the Mataura. Additional funding is needed and has been requested through the 2024-27 Long-Term Plan.</p>	<p>Funding was secured. ‘Southland Rivers Geomorphic Assessments - a framework and Mataura River example’ are due mid-2025, including gravel budgets.</p>
<p>The need for a holistic approach to gravel management.</p>	<p>ES is transitioning work to have an integrated catchment focus. The draft Long-Term Plan suggests the use of Integrated Floodplain Management Plans to understand all possible options for reducing flood risk.</p>	<p>Case studies are being used to engage expertise across different disciplines. The purpose of the case studies are to develop a risk-based approach to flood risk management, which will guide river management options development and analysis.</p>
<p>Further studies on how channels respond to vegetation lock-up in Southland and the viability of using gravel management options intended to ‘unlock’ channels include bar top (beach) skimming.</p>	<p>The report highlights several trials already carried out by ES. Further trials are being planned, including a focus on ecological values.</p>	<p>A consent for a reach on the Lower Oreti is being progressed.</p>
<p>In the long-term, allowing the river room to erode will increase the geomorphic and habitat diversity in the river corridor and improves resilience in the face of increased flood magnitudes.</p>	<p>Floodplain management will create the opportunity to explore options for re-engaging the floodplain.</p>	<p>Re-engaging floodplain is one of the mitigation options being explored through the Murihiku Slow the Flow Project. This mitigation option that could be explored in collaboration with the community.</p>
<p>A collaborative approach to problem-solving.</p>	<p>In early 2024 ES invited the ‘Gravel Working Group’ to recommend steps towards strategic gravel management.</p>	<p>The Gravel Working Group has held four meetings since February. The group includes representatives from ES, Te Ao Mārama, Fish & Game, Department of Conservation, Southland District Council, and Catchment Liaison Committee Chairs.</p>
<p>A phased approach is needed, and communities will need time to appreciate and understand the changes in practice.</p>	<p>Staged approaches are being planned for both freshwater management and the floodplain management plans. Community engagement is fundamental to this approach, and ES is committed to working with the community to identify and implement solutions. <small>Page 27</small></p>	<p>A Gravel Management Strategy will be drafted in 2025 providing short, medium and long-term options for gravel management. The strategy’s first phase will refer to ES’s management options related to flood risk. This will be shared with the community for further discussion.</p>



**For now &
our future**

Funding of Community Resilience Review

Why did we undertake a council wide rates review?

To enable us to more effectively respond to a changing climate

Our compelling case for change

The current catchment rating system did not ;
support co-ordinated investment in regional resilience
allow region wide management of the river network
align with new methods and tools needed

The system of rating was a tool developed in the past to fund past work methods and infrastructure.

The benefits calculated and rated for have changed.

The recent approach is to focus more on overall community outcomes and well beings.

Parts of Flood control and resilience management and rating that we addressed

1. Funding of Riverworks (River Management)

Commitment to the CLC's and the Capacity Building project – 2018
Review the equity/benefits/cost of the classification system

2. Funding of Flood Infrastructure – Kanoa projects

No rating policy in place for new flood infrastructure

3. Funding of increased spend on deferred maintenance – defects program

No rating policy for funding floodbank maintenance

4. Funding of increased investment in staff capability and capacity for planning, managing flood resilience and flood forecasting, modelling, with a region wide approach

5. Funding of ICM, non-structural solutions – Slow the flow, soft engineering solutions

6. Funding of – Biosecurity and Land sustainability, appropriateness of using land value in 2023

We followed the required processes

Investigate and consider per Section 101(3) Funding Needs Analysis Process
Engagement and Consultation
Decision Making Process post hearings
Revenue and Financing Policy
Rates Setting Process

Our approach was guided by our financial principles which suggest our rates are affordable, equitable and certain

Plus, our method of rating needs to be

Transparent
Flexible
Fit for Purpose
Future focused



Funding Safe and Resilient Communities

We concluded with a “Funding Needs Analysis” that includes Flood protection and control as part of council’s significant activity, “Safe and Resilient Communities”.

Our work on Natural Hazards, Climate Change and Emergency Management all sit in this same group.

All but River management and Land Drainage, are funded 100% by General rate

Safe and Resilient Communities

Flood Protection & Control

This activity delivers a range of services designed to protect people, property and livelihoods. These services are:

Catchment Planning.	100% General rate
River Management.	50% general rate / 50% targeted rate moving to 100% capital value rate
Flood Infrastructure Investment. (capital)	100% region wide targeted rate on capital value
Land Drainage.	10% general rate / 90% targeted rate

- Natural Hazards and Climate Change** 100% General rate
 (includes planning, advice and response)

- Emergency Management and Response** 100% General rate

What do the Flood protection rates include now?

Flood Protection & Control

Catchment planning
rate

River management
rate

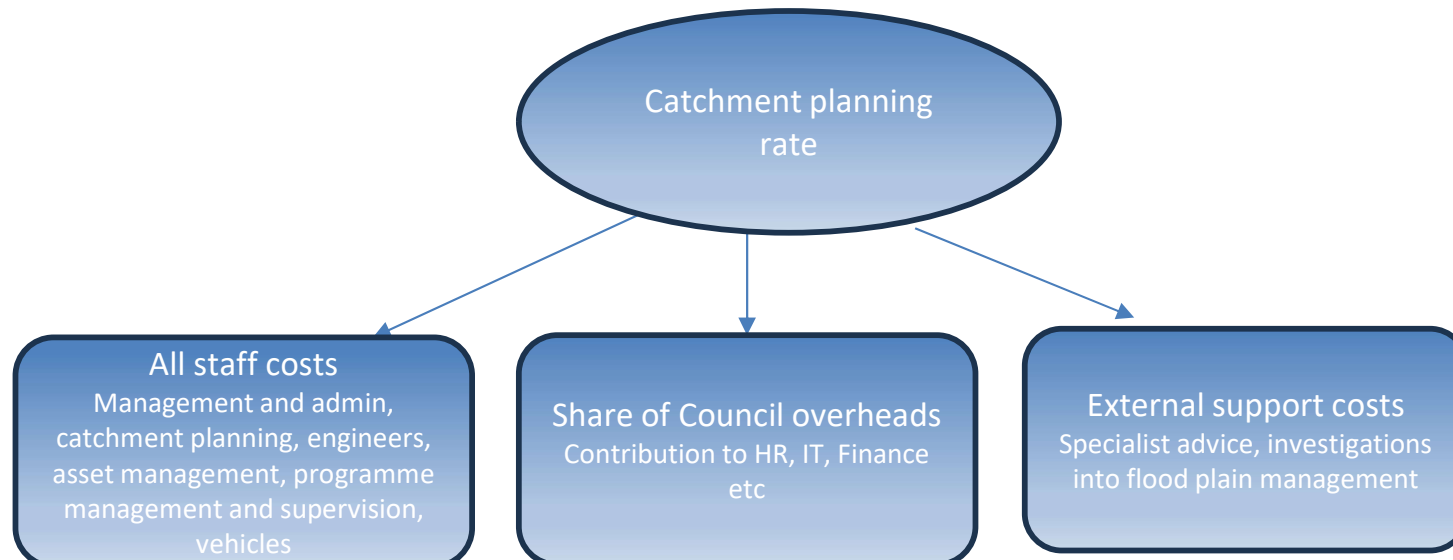
Flood Infrastructure
rate

Land drainage rate

Catchment Planning rate

Implements approaches to the use of land and water resources. It addresses community needs arising from whole of catchment resource use (e.g. gravel), plans and polices and community resilience needs arising from adverse weather.

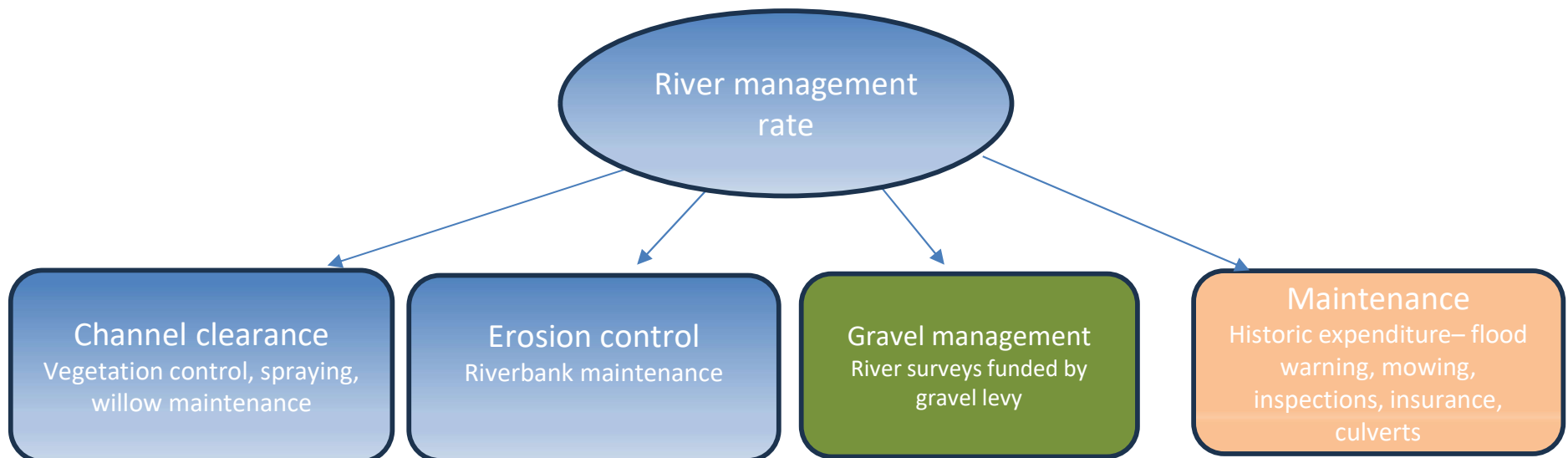
For example, managing the catchment works programmes, planning future mitigation, nature based solutions, asset management, and supporting Catchment Committees.



River Management rate

Operations services designed to maintain rivers to protect people, property and livelihoods.

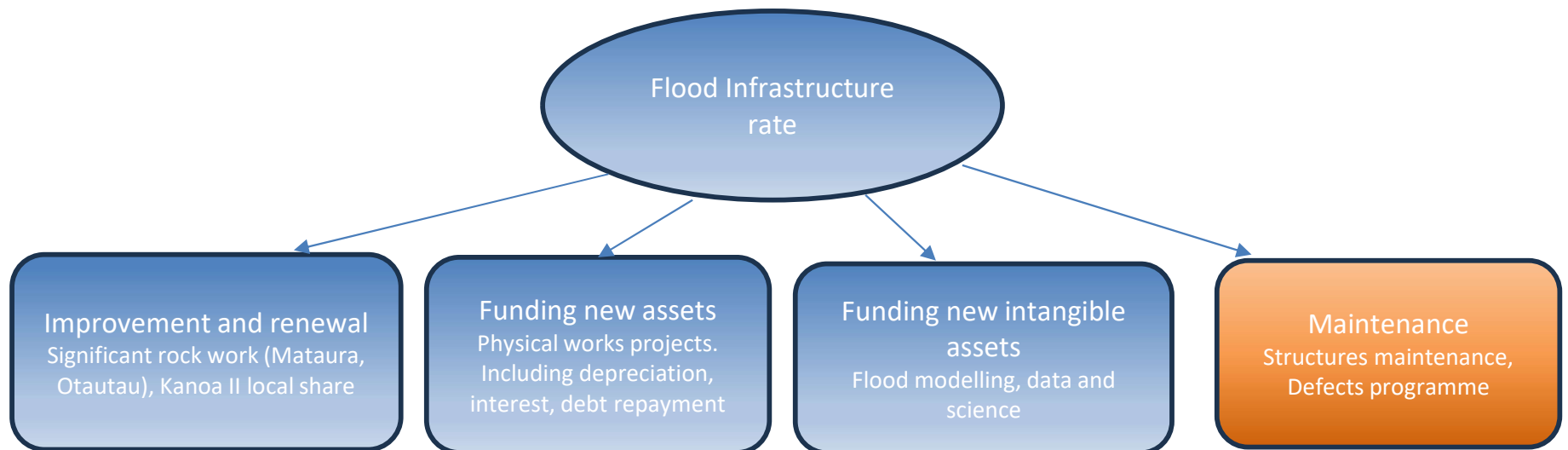
The services include routine maintenance to ensure adequate fairway width, enhancement work to improve access and monitoring stability and alignment of rivers, through river cross section surveys, gravel surveys etc.



Flood Infrastructure Investment rate

Activity delivers new and improved “assets” to mitigate consequences of adverse weather events.

Flood infrastructure investment delivers new construction, the improvement and renewal of existing assets and the maintenance of flood protection assets



We ended up with the following decisions (page 126 LTP Revenue & Financing Policy)

1. Funding of Riverworks (River Management)

Agreed on capital value basis, increased gen rate % share, Waiau remains same
delayed completion until further consultation in 2024.25



2. Funding of Flood Infrastructure – Kanoa projects

Agreed new region wide rate on capital value – Flood Infrastructure
Investment rate – partly funded by Leasehold land surpluses



3. Funding of increased spend on deferred maintenance – defects program

Included in new Flood Infrastructure rate – partly funded by reserves in
first 4 years



4 Funding of increased investment in staff capability and capacity for planning, managing flood resilience and flood forecasting, modelling, with a region wide approach

All staff and overheads included in Catchment Planning activity, 100% general rate



5. Funding of ICM, non-structural or soft engineering solutions

Included in Catchment Planning activity, 100% general rate



6. Funding of – Biosecurity and Land sustainability

Agreed to transition to capital value over 2 years



What were the important outcomes we achieved ?

Valuable discussions across the community on the importance of flood resilience

Significant increase in funding for flood resilience through the LTP

- increased investment in staff capacity and capability

- \$500k per annum funding for deferred flood bank maintenance, increasing over time

- \$1.2m per annum (3 years)for flood modelling to inform Floodplain Management design

- \$8m of capital investment in Years 2 & 3

New rating policies to support the above were developed and agreed.

- The new rating policies “share the cost of integrated flood plain management” more evenly across the region.

Council responded to the cost of living crisis and requests from submitters, by using reserves to reduce the proposed rate increase and implementing a transitional rate change policy over 2 years.

The final rates impact by rates category

Land use	Increase rate % proposed in CD	Final rate % increase
Residential	27%	17%
Rural	12%	6%
Commercial	65%	32%
	23%	13%

Councils' decision during deliberations, to use reserves to reduce rates, resulted in a rate increase of 13% vs the proposed 23%.

The introduction of a transition proposal for the rate policy changes, reduced the impact on ratepayers with higher capital values, those not paying catchment rates and those paying very little for land sustainability and biosecurity.

The final rates impact by rating districts

Rating districts	Increase rate % proposed in CD	Final rate % increase
1745 - Aparima Rating District	13%	7%
1750 - Invercargill Rating District	27%	15%
1755 - Makarewa Rating District	16%	8%
1765 - Mataura Rating District	13%	7%
1770 - Oreti Rating District	12%	9%
1775 - Te Anau Rating District	24%	18%
1800 - Waiau Rating District	31%	16%
No River Rate	51%	25%
Grand Total	23%	13%

The rural rating districts, already paying substantial rates for catchment, land sustainability and biosecurity rates, saw lower overall increases.

Ratepayers outside current catchments, “No River Rate”, had a rate increase of 25% overall, compared to the proposed rate increase of 51% for the same group.

The final rates impact by capital value across the region

All ratepayers Environment Southland					
Property value	% of properties	Average total rates 2024.25	Average increase \$	Average per week \$ incr	Average increase %
<\$450,000	55%	\$ 290	\$ 14	\$ 0.27	5%
\$450,000 - \$649,000	20%	\$ 425	\$ 59	\$ 1.13	16%
\$650,000 - \$849,000	9%	\$ 540	\$ 87	\$ 1.68	19%
\$850,000 - \$1,049,999	4%	\$ 655	\$ 123	\$ 2.36	23%
\$1,050,000 - \$1,249,999	2%	\$ 773	\$ 148	\$ 2.85	24%
> \$1,250,000	10%	\$ 3,114	\$ 377	\$ 7.26	14%
	100%	\$ 647	\$ 73	\$ 1.41	13%

- 84% of all properties had a rate increase of < \$1.68 per week
- The median property, \$450,000 had a rate increase of \$0.63 cents per week
- Individual rate changes varied dependent on location and land value /capital value

Council decisions impacting catchment rates, surpluses and reserves

1. The movement of staff and overhead costs from River Management and Land Drainage activities to Catchment Planning, removed \$1.3m of annual costs from targeted rates.

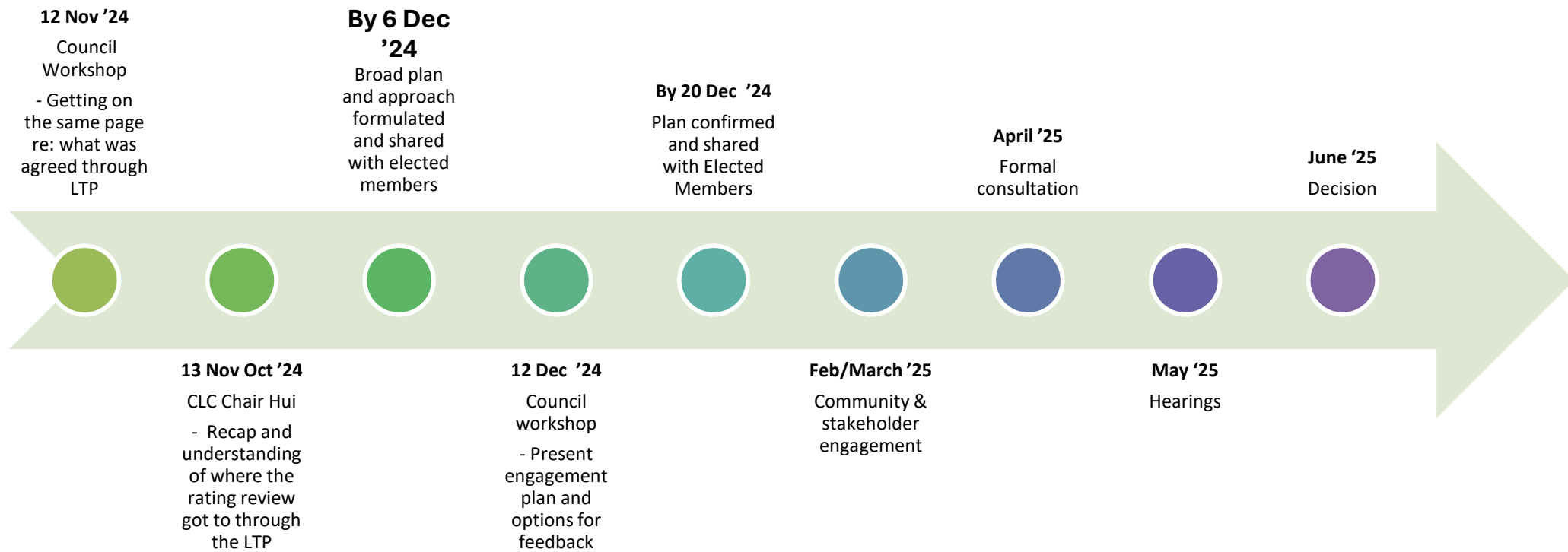
2. Council resolved to use \$450,000 per annum of leasehold surpluses to partly fund the new Flood Infrastructure activity.

3. Council resolved to clarify that river and drainage reserves generated within a catchment would remain in that catchment.

4. After consultation with Catchment Liaison committees, council resolved to use Lease hold reserves as shown, within the first 4 years of the LTP.

Table 1: Reserve use in Years 1 to 4 of the Long-term Plan					
Reserve type	Proposed use in \$000k (variance from Consultation Document)				
	Year 1	Year 2	Year 3	Year 4	Total
Lease Area Reserves					
Ferry Road	300	275	200	75	850
Ōreti		100	100	75	275
Mataura	220	300	250	100	870
Waihōpai			100	50	150
Otepunī			100	100	200
Accumulated Surpluses					
Biosecurity	200	200	200	100	700
Land sustainability	200	200	200	100	700
Asset Reserve	6	237	186	374	803
TOTAL	926	1,312	1,336	1,074	4,548

Phase 2 Rating Review – Proposed timeline



Oreti Catchment Liaison Committee as at July 2024

Name
David Marshall & David Rose Co-Chairs, Oreti Catchment Liaison Committee
John Adamson
Allan Baird
Warren Currie
Rebecca Dawkins
Timothy Dawkins
Maurice Dodd
Tony Dunnage
Annie English
Hamish English
James English
Louis English
Jason Erb
John Ferris
Lindsay Gerrard
Nigel Gilkison
Roger Hamilton
Clarence & Tanea Hawkins
James Hazlett
Nicol Horrell (Chairman)
Grant Hubber
Brian & Margaret Lawton
Alistair MacDonald
David MacGregor
Russell & Carol MacPherson
Lloyd McCallum
John E McDougall
John W McDougall
Duncan McGregor
Grant McGregor
Lachlan McGregor
Hunter McHugh
Jim McKenzie
Graham Milligan
Wally Nelson
PJ O'Callaghan
Lynden Prebble
Maurice Rodway (Councillor)
John Scully
Chris Senior
Colin Smith
Sally-Anne Smith
WJ Swale
Peter Thomson
Scott Whyte