

Regional Council

NOTICE IS GIVEN

that the next meeting of the **Regional Council** will be held in **Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga** on:

Thursday, 20 February 2020 commencing at 9.30 AM

Fiona McTavish
Chief Executive
12 February 2020



Council

Membership

Chairperson	Chairman Doug Leeder
Deputy Chairperson	Cr Jane Nees
Members	All Councillors
Quorum	Seven members, consisting of half the number of members
Meeting frequency	Six weekly or as required for Annual Plan, Long Term Plan and other relevant legislative requirements

Purpose

- Enable democratic local decision-making and action by, and on behalf of, Bay of Plenty communities.
- Meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- Set the overarching strategic direction for Bay of Plenty Regional Council as an organisation.
- Hold ultimate responsibility for allocating financial resources across the Council.

Role

- Address Local Electoral Act matters and Local Government Rating Act matters.
- Oversee all matters relating to identifying and contributing to community outcomes.
- Consider and agree on matters relating to significant new activities or areas of involvement such as infrastructure which are not the responsibility of a specific committee.
- Provide regional leadership on key issues that require a collaborative approach between a number of parties.
- Review and decide the Council's electoral and representation arrangements.
- Consider issues of regional significance which are not the responsibility of any specific standing committee or that are of such regional significance/high public interest that the full Council needs to decide on them.
- Adopt Council's Policy on Significance and Engagement Policy.
- Develop, adopt and implement the Triennial Agreement, Code of Conduct and Standing Orders.

- Consider and agree on matters relating to elected members' remuneration.
- Appoint the Chief Executive, and review their contract, performance and remuneration at least annually.
- Approve all delegations to the Chief Executive, including the authority for further delegation to staff.
- Oversee the work of all committees and subcommittees.
- Receive and consider recommendations and matters referred to it by its committees, joint committees, subcommittees and working parties.
- Approve membership to external bodies and organisations, including Council Controlled Organisations.
- Develop, adopt and review policies for, and monitor the performance of, Council Controlled Organisations.
- Monitor and review the achievement of outcomes for the Bay of Plenty Community.
- Review and approve strategic matters relating to the sale, acquisition and development of property for the purposes of meeting Council's organisational requirements and implement Regional Council policy.
- Address strategic corporate matters including property and accommodation.
- Consider and agree on the process to develop the Long Term Plan, Annual Plan and Annual Report.
- Adopt the Long Term Plan, Annual Plan and budgets variations, and Annual Report.
- Adopt Council policies as required by statute (for example Regional Policy Statement and Regional Land Transport Strategy) to be decided by Council or outside of committee delegations (for example infrastructure policy).
- Develop, review and approve Council's Financial Strategy and funding and financial policies and frameworks.
- Institute any proceedings in the High Court that are not injunctive proceedings.
- Exercise the powers and duties conferred or imposed on Council by the Public Works Act 1981.

Delegations from Council to committees

- Council has a role to monitor the functioning of all committees.
- Council will consider matters not within the delegation of any one Council committee.
- Council may at any time, revoke or modify a delegation to a Council committee, either permanently, for a specified time or to address a specific matter, if it considers there is good reason to do so.
- The delegations provided to committees may be further delegated to subcommittees unless the power of further delegation is restricted by Council or by statute.
- It is accepted in making these delegations that:
- The committees, in performing their delegated functions, powers or duties, may, without confirmation by the Council, exercise or perform them in a like

manner and with the same effect as the Council itself could have exercised or performed them.

- The delegated powers given shall at all times be subject to their current policies and principles or directions, as given by the Council from time to time.
- The chairperson of each committee shall have the authority to exercise their discretion, as to whether or not the delegated authority of the committee be used where, in the opinion of the chairperson, circumstances warrant it.

Powers that cannot be delegated

Under Clause 32 Schedule 7 of the Local Government Act 2002, Council must make the following decisions:

- Make a rate.
- Make a bylaw.
- Borrow money or purchase or dispose of assets, other than in accordance with the long-term plan.
- Adopt the long-term plan, annual plan, or annual report.
- Appoint a chief executive.
- Adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
- Adopt a remuneration and employment policy.

Public Forum

1. A period of up to 15 minutes may be set aside near the beginning of the meeting to enable members of the public to make statements about any matter on the agenda of that meeting which is open to the public, but excluding any matter on which comment could prejudice any specified statutory process the council is required to follow.
2. The time allowed for each speaker will normally be up to 5 minutes but will be up to the discretion of the chair. A maximum of 3 public participants will be allowed per meeting.
3. No statements by public participants to the Council shall be allowed unless a written, electronic or oral application has been received by the Chief Executive (Governance Team) by 12.00 noon of the working day prior to the meeting and the Chair's approval has subsequently been obtained. The application shall include the following:
 - name of participant;
 - organisation represented (if any);
 - meeting at which they wish to participate; and matter on the agenda to be addressed.
4. Members of the meeting may put questions to any public participants, relevant to the matter being raised through the chair. Any questions must be asked and answered within the time period given to a public participant. The chair shall determine the number of questions.

Membership

Chairman:	D Leeder
Deputy Chairman:	J Nees
Councillors:	N Bruning, W Clark, S Crosby, T Iti, D Love, M McDonald, S Rose, P Thompson, L Thurston, A von Dadelszen, T White, K Winters
Committee Advisor:	T Nerdrum-Smith

Recommendations in reports are not to be construed as Council policy until adopted by Council.

Agenda

E te Atua nui tonu, ko mātau ēnei e inoi atu nei ki a koe, kia tau mai te māramatanga ki a mātau whakarite mō tēnei rā, arahina hoki mātau, e eke ai te ōranga tonu ki ngā āhuatanga katoa a ngā tangata ki tō mātau rohe whānui tonu. Āmine.

“Almighty God we ask that you give us wisdom in the decisions we make here today and give us guidance in working with our regional communities to promote their social, economic, environmental and cultural well-being. Amen”.

- 1 Opening Karakia**
- 2 Apologies**
- 3 Public Forum**
- 4 Acceptance of Late Items**
- 5 General Business**
- 6 Confidential Business to be Transferred into the Open**
- 7 Declarations of Conflicts of Interests**
- 8 Previous Minutes**
- 8.1 Regional Council Minutes - 12 December 2019** **15**

Please note amendments to pgs. 5-6 of the minutes.

9 Presentations

9.1 Regional Council Summer Students

A 10 minute PowerPoint presentation by Regional Council summer students.

9.2 10.00am - Quayside Holdings Ltd (Public Excluded)

Quayside Holdings Ltd Quarterly Presentation at 10.00am in the Public Excluded Section.

Reason for confidentiality: To carry out commercial activities

Public Section - Continued

10 Reports

10.1 Chairman's Report 33

10.2 Chief Executive's Report 37

10.3 Arotake Tuarua 2019/20 - Performance Monitoring Report Quarter Two 41

APPENDIX 1 - Arotake Tuarua 2019-20 Quarter Two 45

11 Public Excluded Section 75

Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
11.1 Public Excluded Regional Council Minutes - 12 December 2019	Please refer to the relevant section of the minutes	Good reason for withholding exists under Section 48(1)(a)
11.2 Financial Framework Review leading to the Financial Strategy	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
11.3 Ōpōtiki Harbour Transformation Update	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a)
11.4 Arotake Tuarua; Confidential Appendix 2	To carry out commercial	Good reason for withholding exists under

Bancorp Monthly Treasury Report - January 2020	activities	Section 48(1)(a)
11.5 Arotake Tuarua: Confidential Appendix 3 Quayside Holdings Toi Moana Fund Quarterly Update	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
Presentation by Quayside Holdings Ltd – Quarterly Update – 10.00am	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)

11.1 Public Excluded Regional Council Minutes - 12 December 2019	77
11.2 Financial Framework Review leading to the Financial Strategy	85
11.3 Ōpōtiki Harbour Transformation Update	91
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APPENDIX 2 - 2020-01-24 Letter to Minister Shane Jones - BOPRC Funding support	99
11.4 Arotake Tuarua 2019/20: Confidential Appendix 2 Bancorp Monthly Treasury Report - January 2020	103
11.5 Arotake Tuarua 2019/20: Confidential Appendix 3 Quayside Holdings Toi Moana Fund Quarterly Update	111
12 Confidential Business to be Transferred into the Open	
13 Readmit the Public	
14 Consideration of Late Items	
15 Consideration of General Business	
16 Closing Karakia	

Previous Minutes

Minutes of the Regional Council Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Thursday, 12 December 2019 commencing at 9.30 a.m.

Present:

Chairman: D Leeder

Deputy Chairman: J Nees

Councillors: L Thurston, P Thompson, D Love N Bruning, W Clark, S Crosby, K Winters, M McDonald, S Rose, T Iti, T White

In Attendance: Bay of Plenty Regional Council: Fiona McTavish – Chief Executive, Mat Taylor – General Manager Corporate, Namouta Poutasi – General Manager Strategy & Science, Sarah Omundsen – General Manager Regulatory Services, Chris Ingle – General Manager Integrated Catchments, Graeme Howard – Corporate Planning Lead, Claire Gordon – Finance Support Team Leader, Andy Dixon – Accounting Team Leader, Debbie Hyland – Finance and Transport Operations Manager, Donna Llewellyn – In-House Legal Counsel, Bruce Crabbe – Rivers and Drainage Operations Manager, Kirsty Brown – Rivers and Drainage Assets Manager, Toni Briggs – Project Manager, Yvonne Tatton – Governance Manager, Tone Nerdrum-Smith – Committee Advisor

Others: David Prentice – Chair of the Interim Climate Change Committee

Apologies: A von Dadelszen (whole meeting) and T White (late arrival)

1 **Karakia**

Provided by Cr Thurston.

2 **Apologies**

Resolved

That the Regional Council:

- 1 **Accepts the apologies from A von Dadelszen (whole meeting) and T White (late arrival) tendered at the meeting.**

**Winters/Bruning
CARRIED**

3 **Public Forum**

Nil

4 **Acceptance of Late Items**

Nil, however the following was noted:

- Meeting would adjourn between 1.00pm and 2.00pm for a Councillors only workshop
- At 2.00 pm there would be a recognition of the award for the Kopeopeo Canal Remediation Project by the Australasian Land & Groundwater Association (ALGA)
- At 2.30pm the confidential Ōpōtiki Harbour item would be discussed
- Confidential item 12.7 Rangitāiki Floodway Stage 7 – Contract Award had been withdrawn as a Council resolution was not required.

5 **General Business**

- A letter to be sent to the Chief Executive and Chairman - Port of Tauranga to acknowledge the recent Deloitte Top 200 recognition
- Update: Funding of Local Government
- Award recognition: Kopeopeo Canal Remediation Project.

6 **Confidential Business to be Transferred into the Open**

Nil

7 **Declaration of Conflicts of Interest**

Nil

9.33 am – Cr Thurston **withdrew** from the meeting.

8 **Previous Minutes**

8.1 **Regional Council Minutes - 26 November 2019**

Resolved

That the Regional Council:

- 1 **Confirms the Regional Council Minutes - 26 November 2019 as a true and correct record.**

**Winters/Nees
CARRIED**

8.2 **Regional Council Minutes - 26 September 2019 – For Information Only (Final Meeting of the 2016-19 Triennium)**

Resolved

That the Regional Council:

- 1 Receives the Regional Council Minutes - 26 September 2019.

Leeder/Rose
CARRIED

9 Reports

9.1 Chairman's Report

Resolved

That the Regional Council:

- 1 Receives the report, Chairman's Report.

Leeder/Crosby
CARRIED

9.2 Chief Executive's Report

Fiona McTavish – Chief Executive - Key Points

- Staff were continuing to support Whakatāne District Council staff following the eruption at Whakaari/White Island
- Chief Executives and Mayors in the Bay of Plenty were meeting to determine if the SmartGrowth workshop scheduled for the morning of 18 December 2019 regarding UFTI was still required
- Would provide an update to the Councillors on the alignment between TCC and BOPRC with regards to public transport and infrastructure.

Key Points – Members

- First meeting of CDEMG for the 2019-22 triennium would take place in Whakatāne on Monday 16 December 2019
- Consenting of structures around the Rotorua Lakes had caused significant concern and would be discussed by Rotorua Te Arawa Lakes Strategy Group and the Lakes Water Quality Society. The concerns mainly related to existing structures that had not been disestablished as anticipated.

9.41 am – Cr Thurston entered the meeting

Resolved

That the Regional Council:

- 1 Receives the report, Chief Executive's Report.

Leeder/Nees

CARRIED

9.3 **Arotake Tuatahi 2019/20 - Performance Monitoring Report Quarter One**

Graeme Howard – Corporate Planning Lead, Claire Gordon – Finance Support Team Leader and Andy Dixon – Accounting Team Leader presented this item.

In Response to Questions

- Clarified the funding contributions towards the Biosecurity/Pest Management Programme
- Council's KPIs were set through the Long Term Plan process and amended on an annual basis (if required)
- Any changes to the current KPIs through the 2020-21 Annual Plan process would have to be included for discussion in the March 2020 workshops.

Key Points – Members

- Complimented the new format of the Monitoring Report, making information clear and accessible
- Recognised the importance of the financial briefings provided by staff
- Noted that the underspend in the Kaituna River diversion project was due to timing and that the opening of the diversion was on track as scheduled.

Resolved

That the Regional Council:

- 1 **Receives the report, Arotake Tuatahi 2019/20 - Performance Monitoring Report Quarter One;**
- 2 **Provides feedback to staff on the new format and content of Arotake Tuatahi 2019/20.**

Love/Bruning
CARRIED

10 **Public Excluded Section**

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
12.7 Arotake Tuatahi	To carry out commercial	Good reason for

2019/20 Attachment - 2 Treasury Report Oct 2019 - confidential	activities	withholding exists under Section 48(1)(a)
12.8 Arotake Tuatahi 2019/20 Attachment 3 - TMT Quarterly report to September 2019 – confidential	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)

Leeder/Crosby
CARRIED

Open Section - Continued

10.1 Annual Plan 2020/21 – Agree on Direction

Debbie Hyland – Finance and Transport Operations Manager and Graeme Howard – Corporate Planning Lead presented this item, supported by Donna Llewellyn – In-House Legal Counsel, Fiona McTavish – Chief Executive and Chris Ingle – General Manager Integrated Catchments.

In Response to Questions

- Phase three of the Public Transport Blueprint review would have a broader scope than the Urban Form and Transport Initiative (UFTI), with alignment between partner councils being a key factor
- Court of Appeal decisions could only be referred to the Supreme Court on a point of law
- ~~\$1.3m~~ \$650,000 was allocated for the Regional Pest Management Plan in the 2020-21 financial year
- The March 2020 Annual Plan workshop would include discussions around engagement with Maori
- Detailed analysis regarding Passenger Transport would be included in the 14 February 2020 Public Transport Committee meeting
- Recognised the importance of alignment between BOPRC's draft Annual Plan and in particular, TCC's draft Annual Plan for consultation purposes.

Key Points – Members

- The purpose of the Annual Plan was to allocate and prioritise resources, rather than to set policy
- Emphasized the need for the Annual Plan consultation and communication/engagement strategy to align with UFTI
- Concerned that the Plan Change process leading to the Motiti Island decision had not been communicated sufficiently to all affected parties, causing a level of misconception in the community.

11 Public Excluded Section

Resolved

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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:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
Annual Plan 2019/20 – Agree on Direction – Awatarariki Fanhead Update	Legal professional privilege	Good reason for withholding exists under Section 48(1)(a)

Thompson/Thurston
CARRIED

Open Section – Continued

11.1 Annual Plan 2120/21 – Agree on Direction - *Continued*

Resolved

That the Regional Council:

- 1 Receives the report, Annual Plan 2020/21 - Confirmation of direction given at 3 December 2019 Council Workshop ;
- 2 Notes the following draft real rates revenue increases prior to including the financial implications from the key issues:
 - a. Forecast total real rates revenue increase of approximately 4.0%
 - b. Forecast real general rates increase of 5.1%, (approximately \$12 per household.
 - c. Forecast real targeted rates increase of 3%.
- 3 Notes the draft budget for Annual Plan 2020/21 will be updated following this meeting and an updated draft Annual Plan budget will be provided to Council in March 2020. Notes that Council may decide to budget for increased expenditure and the use some of its reserves to fund specific work in order to reduce the amount of rates collected and therefore lessen the impact on the ratepayer.
- 3a Agrees that BOPRC staff will work with TCC and WBOPDC regarding the communication, alignment and integration of Transport matters.
- 4 Agrees to include the following additional expenditure in the next draft Annual Plan 2020/21 budget as set out in section 2.2 of this report.
 - a. \$0.65 million additional expenditure for the proposed Regional Pest Management Plan.
 - b. \$0.18 million additional expenditure to prepare for implementing Government’s actions for Healthy Waterway’s package
 - c. \$5 million contribution to the Awatarariki Fanhead Managed Retreat
 - d. ~~\$0.45 million~~ \$45,000 for Climate Change Fund development.

- 5 **Agrees to a revised budget to fund a \$5 million contribution to the Awatarariki Fanhead Managed Retreat from the Regional Fund and delegates to the Chief Executive to approve payments including early release of funds in 2019-20, if required, as circumstances have changed that require such decision to be made.**
- 6 **Agrees for the draft budget to include \$0.45 million from the Civil Defence Emergency Management Reserve in 2020/21 to partially offset the increased Emergency Management Activity expenditure of \$1.1 million, which has shifted from local Councils to Regional Council.**
- 7 **Agrees that pursuant to section 95 2A of the Local Government Act (2002), these variances are not considered to be significant or material enough to require a full special consultative procedure (SCP).**
- 8 **Agrees that Council will prepare for a formal consultation process in a manner that gives effect to the principles of consultation set out under s82 of the LGA 2002.**
- 9 **Directs staff to prepare a consultation document for the Annual Plan 2020/21 to address the following consultation topics:**
 - a. **Passenger Transport – noting that consultation questions will be refined by staff and considered through the Passenger Transport Committee on 14 February.**
 - b. **Regional Climate Change fund – focusing on ‘What should the focus and purpose of the fund be’ and ‘Where should the funding come from?’.**
- 10 **Agrees that Resource Management Act Section 36 Fees and Charges will be fixed following a special consultative procedure separate from the Annual Plan 2019/20 process.**
- 11 **Confirms that the decision has a low level of significance.**

Crosby/Love
CARRIED

10.55 am – The meeting **adjourned**.

11.07 am – The meeting **reconvened**.

11.2 **Presentation – David Prentice – Chair of the Interim Climate Change Committee (ICCC)**

Refer PowerPoint Presentation Objective ID A3445664 [David Prentice - Presentation](#)

Key Points of Presentation

- Low Emission Future
- Agenda
- Climate Change is Not New
- The Stark Reality

- Interim Climate Change Committee
- The Zero Carbon Act
- Work of ICC
- Committee-to-Commission transition
- Climate Commission – proposed functions
- Which possible pathways to achieve targets
- Targets – Budgets
- Emission budgets over time
- Budgets – Plan + Emissions Trading Scheme
- Other climate work in the central government
- What we'd like to hear from you.

Key Points

- An announcement regarding the appointments to the new Commission was expected next week
- Most of Europe had signed up to the 'net zero' pact for carbon emission goals
- Initiatives, such as genetically modified grass, could have a positive impact on emission, but had not yet been approved for use in New Zealand.

11.3 **Flood Repair Costs for the Waioeka-Otara and Whakatāne-Tauranga Rivers Schemes**

Chris Ingle – General Manager Integrated Catchments and Bruce Crabbe – Rivers and Drainage Operations Manager presented this item.

In Response to Questions

- There were a number of funding reserves within the River Scheme that could be accessed for this purpose
- The methods applied for allocation to the funding reserves was a Long Term Plan consideration.

Key Points – Members

- Queried the lack of tangata whenua and mana whenua considerations in the report and sought that this be included in future reports
- Noted that significant engagement had taken place with the local tangata whenua and Council's Māori Policy team
- A suite of options with regards to funding of the rivers scheme should be considered as part of the Long Term Plan preparations.

Resolved

That the Regional Council:

- 1 Receives the report, Flood Repair Costs for the Waioeka-Otara and Whakatāne-Tauranga Rivers Schemes;**
- 2 Approves expenditure of \$1,282,000 for the high priority flood repair sites utilising existing scheme Works Reserve balances (works reserves balances are \$849k in Waioeka-Otara and \$678k in Whakatāne-Tauranga schemes).**
- 3 Notes that there are lower priority flood erosion sites that will not be repaired this financial year.**

**Iti/Rose
CARRIED**

11.4 **Floodway and Drainage Bylaw Review Progress**

Kirsty Brown – Rivers and Drainage Assets Manager and Toni Briggs – Project Manager presented this item.

In Response to Questions

- There was general support within the community for the bylaw and the proposed changes
- Increased public knowledge of the bylaw and its purpose was a key factor
- Informal consultation had included high level maps, however more detailed maps were still to be produced for the formal consultation process
- Classification of areas as ‘floodways’ would not have an adverse impact on the levels of service provided by Council.

Key Points – Members

- Important that the rationale and science underpinning the proposed changes were well explained in the consultation documents.

Resolved

That the Regional Council:

- 1 Receives the report, Floodway and Drainage Bylaw Review Progress;**
- 2 Notes the key proposed changes to the Bylaw;**
- 3 Notes that staff have undertaken informal engagement with affected parties and key stakeholders on the proposed changes to the Floodway and Drainage Bylaw as part of the Local Government Act 2002 review;**
- 4 Notes that staff will evaluate all feedback received on the proposed Bylaw and make appropriate amendments to the Bylaw document. This will form the Draft Floodway and Drainage Bylaw 2020 to be adopted by Council for public consultation.**

**Bruning/Crosby
CARRIED**

11.5 **Bay of Plenty Civil Defence Emergency Management Alternate Group Controller Nomination**

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Civil Defence Emergency Management Alternate Group Controller Nomination;**
- 2 Endorses the nomination of Sarah Omundsen, General Manager Regulatory Services, Bay of Plenty Regional Council as a Civil Defence Emergency**

Management alternate Group Controller under Section 26(2) of the Civil Defence Emergency Management Act 2002.

**Leeder/Thompson
CARRIED**

11.6 **Triennial Agreement 2019 - 2022**

Yvonne Tatton – Governance Manager and Fiona McTavish – Chief Executive responded to questions for this item.

In Response to Questions

- The Agreement had been in place relatively unchanged for a number of years and accompanied the different work programmes for the respective Councils
- It was anticipated that the Agreement would be reviewed during the first year of the triennium..

Key Points – Members

- Queried whether the provisions within the Agreement were applicable in today's local government environment.

Resolved

That the Regional Council:

- 1 Receives the report, Triennial Agreement 2019 - 2022;**
- 2 Notes that the Local Government Act 2002 requires not later than 1 March after each triennial general election of members, all local authorities within each region to enter into a triennial agreement covering the period until the next election.**
- 3 Approves the Bay of Plenty Triennial Agreement 2019-2022 with administrative changes to be implemented as appropriate.**

**Love/Crosby
CARRIED**

Cr Thompson **opposed** the motion

11.7 **Acting Chief Executive**

Resolved

That the Regional Council:

- 1 Receives the report, Acting Chief Executive;**
- 2 Appoints Sarah Omundsen, General Manager Regulatory Services, as Acting Chief Executive for the period 21 December 2019 to 19 January 2020, during a period of leave for the Chief Executive.**

Winters/Thompson
CARRIED

11.8 **Local Government Funding Agency (LGFA) Limited - Annual Report 30 June 2019**

Resolved

That the Regional Council:

- 1 Receives the report, Local Government Funding Agency (LGFA) Limited - Annual Report 30 June 2019;
- 2 Notes the Annual Report 2018/19 and supporting material.

Leeder/Nees
CARRIED

12 **Consideration of General Business**

- Funding of Local Government - Update provided by Cr Crosby.

12.32 pm – The meeting **adjourned** to allow for a Councillor only session to take place. Cr White **entered** the meeting at 1.00 pm.

2.00 pm – The meeting **reconvened**.

Consideration of General Business – Continued

- Recognition of staff for Council's award for the Kopeopeo Canal Remediation Project by the Australasian Land & Groundwater Association (ALGA).

12.1 **Public Excluded Section**

Resolved

Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

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General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
12.1 Public Excluded Regional Council Minutes - 26 September 2019	Refer to the relevant minutes	Good reason for withholding exists under Section 48(1)(a)
12.2 Regional Property Update	To prevent improper gain or advantage	Good reason for withholding exists under Section 48(1)(a)
12.3 Infrastructure Insurance Renewal	To protect the commercial position of an individual	Good reason for withholding exists under Section 48(1)(a)
12.4 Opotiki Harbour Transformation Update	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
12.5 Urban Form and Transport Initiative Multi-Party Funding Agreement	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
12.6 Engineering Services Panel Contract Renewals	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
<i>Rangitaiki Floodway Stage 7 - Contract Award (possible late report) – ITEM WITHDRAWN</i>	<i>To carry out commercial activities</i>	<i>Good reason for withholding exists under Section 48(1)(a)</i>

THAT Jason Hall - Investment Director and Jocelyn Mikaere - Principal Regional Advisor, Bay of Plenty, Ministry of Business, Innovation and Employment, and Bruce Roberson - Independent Deputy Chairperson, Risk and Assurance Committee be permitted to stay after the Public has been excluded for agenda item 12.4 Opotiki Harbour Transformation Update.

Leeder/Winters
CARRIED

12.2 Confidential Business to be Transferred Into the Open

Engineering Services Panel Contract Renewals

Resolved

That the Regional Council:

- 1 Receives the report, Engineering Services Panel Contract Renewals;
- 2 Approves the Engineering Services Panel Contract Renewals as recommended and delegates to the Chief Executive the authority to execute the renewals following acceptance of the terms and conditions of the renewal contracts by the suppliers.
- 3 Agrees to transfer the resolutions into the Open section of the meeting on 12 December 2019.

**Thurston/Winters
CARRIED**

The meeting closed at 3.42 pm

Confirmed DATE

Doug Leeder
Chairman Bay of Plenty Regional Council

Presentations

Regional Council Summer Students

- A 10 minute PowerPoint presentation by Regional Council summer students.

10.00 am - Quayside Holdings Ltd (Public Excluded)

- Quayside Holdings Ltd Quarterly Presentation will be at 10.00am in the Public Excluded Section.

Reason for confidentiality: To carry out commercial activities

Reports

Receives Only – No Decisions



Report To: Regional Council

Meeting Date: 20 February 2020

Report From: Douglas Leeder, Council Chairman

Chairman's Report

Executive Summary

Since the preparation of the previous Chairman's Report (for the 12 December 2019 Council meeting) I have attended and participated in a number of meetings and engagements as Chairman on behalf of the Bay of Plenty Regional Council.

This report sets out those meetings and engagements, outside of Council, Committee and Sub-Committee meetings, and highlights key matters of interest that I wish to bring to Councillors' attention.

Recommendations

That the Regional Council:

- 1 Receives the report, Chairman's Report.**

1 Purpose

The purpose of this report is to update Council on meetings and engagements, outside of Council, Committee and Sub-Committee meetings, I have attended and participated in as Chairman. Also to highlight key matters that will be of interest to Councillors.

The following section summarises these meetings and engagements. I will provide further detail at the meeting in response to any questions you may have.

2 Meetings and Engagements

Date	Meeting/Engagement	Comment
5 December 2019	Local Government New Zealand National Council Strategy Day – <i>Wellington</i>	Recapped the current Local Government New Zealand Business Plan Strategy and discussed direction for the draft 2020 Business Plan Strategy.

Date	Meeting/Engagement	Comment
6 December 2019	Local Government New Zealand National Council Meeting – <i>Wellington</i>	Attended.
11 December 2019	SmartGrowth Leadership Group Workshop - <i>Tauranga</i>	Extended Invitation to all Elected Members. Discussed the Urban Form and Transport Initiative Interim report to be considered by the Senior Leadership Group on 18 December 2019.
13 December 2019	Induction Workshop for Regional Sector Chairs and Mayors - <i>Wellington</i>	Covered our local government roles, our key support networks, and support for our development journey towards being effective community leaders.
16 December 2019	Teleconference with Hon Minister Eugenie Sage – <i>Tauranga</i>	Discussed the Kaimai Mamaku Pest Control Project Proposal. Councillor Bruning was also in attendance.
17 December 2019	Public Transport discussion with Tauranga City Council Mayor and Chief Executive – <i>Tauranga</i>	Attended with Councillors von Dadelszen and Thurston, and Fiona McTavish.
18 December 2019	SmartGrowth Leadership Group Meeting – <i>Tauranga</i>	Considered the Urban Form and Transport Initiative Interim Report.
21 December 2019	Opening Ceremony of 'Papa Taonga' (College Road green-space) - <i>Edgecumbe</i>	A community open space developed on College Road where BOPRC purchased the homes most impacted by the April 2017 flood.
2 January 2020	Lake Rotoiti Community Association Annual General Meeting – <i>Rotorua</i>	Attended.
22 January 2020	Regional Sector Water Sub-Group Meeting – <i>Wellington</i>	Discussed the: Essential Freshwater Package - significant policy issues and update, and the National Regulations and Farm Plans.
23 January 2020	SmartGrowth Partnership Informal Discussion – <i>Tauranga</i>	Discussed the year ahead.
27 January 2020	Lakes Water Quality Society Annual General Meeting – <i>Rotorua</i>	Attended.
28 January 2020	Hangar Facilities Visit: Tauranga Helicopter Rescue Service - <i>Tauranga</i>	Invited to visit the Hangar facilities. This community service is in need of, and is looking for some support.

Date	Meeting/Engagement	Comment
31 January 2020	UNISA Mayors and Chairs Meeting – <i>Auckland</i>	The UNISA Triennial Agreement 2019-2022 and Work Programme was discussed and signed. Updates provided on the: Upper North Island Supply Chain Study (UNISCS) and the Inter-regional Marine Pest Management Pathway Plan.
31 January 2020	UNISA Mayors and Chairs meeting with Ministers Twyford and Jones, and Ministry of Transport officials - <i>Auckland</i>	Discussed 'next steps' in regards to the Upper North Island Supply Chain Strategy.
4 February 2020	Regional Sector/Primary Sector Meeting – <i>Wellington</i>	Discussed Essential Freshwater Package and Freshwater Farm Plans.
10 February 2020	Local Government New Zealand National Council Meeting – <i>Wellington</i>	Attended.

Doug Leeder
Chairman

for Council Chairman

5 February 2020

Receives Only – No Decisions



Report To: Regional Council

Meeting Date: 20 February 2020

Report From: Fiona McTavish, Chief Executive

Chief Executive's Report

Executive Summary

This report provides Council with an update on progressing Council's strategic challenges and identifies the related Council papers in the agenda.

Recommendations

That the Regional Council:

- 1 Receives the report, Chief Executive's Report.

1 Purpose

The purpose of this report is to provide Council with a regular update on progressing council strategic challenges as well as identifying the related Council papers in this agenda.

This is the last report in this format as changing operating environment reports will now go to the Strategy and Policy Committee.

2 Strategic Issues Update

Strategic Challenge	Update
Climate Change – Implications for our Natural Resources, our Communities and our Role	Five internal working groups continue to progress work on the Climate Change Action Plan priority actions: <ul style="list-style-type: none">• Completing the initial baseline data for the Toitū "Carbonreduce" (formally "CEMARS") certification in December 2019.• Finalising our emissions reduction and management plan through the Toitū Carbonreduce accreditation programme that will outline the further steps we need to take to meet our carbon reduction target.• Establishing an engagement plan to engage with our TAs

Strategic Challenge	Update
	<p>around the updated climate change impacts for the region from NIWA and revisions to our coastal hazards and climate change guidance report.</p> <ul style="list-style-type: none"> • Finalising research (report due 14 February 2020) into climate change adaptation work being undertaken by government agencies, LGNZ, science organisations, commercial bodies and local authorities. This is essential to ensure BOPRC led adaptation is focused in the right areas. • Developing a series of BOP regional risk assessment workshops. <p>Nationally:</p> <ul style="list-style-type: none"> • Staff provided a submission on the Government's proposed changes to the Emissions Trading Scheme through the Climate Change Response (Emissions Trading Reform) Amendment Bill. • Staff also provided input on the draft National Climate Change Risk Assessment interim report, which identified 49 priority risks that will feed into the second stage of the risk assessment. These will be narrowed down to between five and ten key risks which will form the basis of the National Adaptation Plan.
<p>Natural Resource - Limitations and Implications</p>	<p>We are still awaiting direction on the final detail of the Proposed NPS-FM which is anticipated to be gazetted in July 2020. The current NPS-FM implementation work programme will need to change and given that a number of other Plan Changes underway (Geothermal, OSET and RPS Change 5 Kaituna River) are also underway we will need to ensure that we consider and align these with the new work programme. We will need to deliver more, faster and ensure that we have clear decision making processes in place.</p> <p>Consents and Compliance need to prepare to deliver the NES Freshwater regulations from July 2020.</p>
<p>Transport Planning and Urban and Sub-Regional Growth</p>	<p>The Urban Form and Transport Initiative (UFTI) Interim Report was released 20 December for informal feedback. Intensive work will occur to produce the Final Report for April 2020.</p> <p>The SmartGrowth partners continue to work together collaboratively on the near-term priorities outside of UFTI, with particular focus on Te Papa peninsula, Cameron Road (to 17th Ave), and Hewletts Road.</p>

Strategic Challenge	Update
<p>Māori Engagement – Complex Landscape</p>	<p>Māori Engagement and Relationship Strategy: A Māori Relationship and Engagement Strategy is being prepared to support implementation of the proposed NPS-FM 2019/20.</p> <p>Based on the principles and objectives of He Korowai Mātauranga, the strategy has been tailored to meet the notification deadline of 2023 proposed by the Minister. A number of options have been proposed to enable a targeted approach to engagement and building relationships. The strategy is also cognisant of the levels of understanding concerning the NPS-FM within Māori communities and organisations noting sub-regional areas that are likely to require more attention than others. The Strategy has been designed to be flexible to adapt to local conditions. It is expected that a final version will be submitted to senior management by late February 2020.</p> <p>This landscape is complex with freshwater focussed Treaty settlements (Te Whānau a Apanui) into the Deed of Settlement stage, pending Environment Court decisions (Ngāi Te Rangi Declarations); a By-law to address flooding and drainage, gravel extraction, PC9 mediation, and government responses to recent Waitangi Tribunal recommendations, a joined up approach across council is likely to be required. Building sustainable relationships with tangata whenua will be critical to ensure that Council's programmes of work can be efficiently delivered.</p>
<p>Regional Development – the Role that Council Plays</p>	<p>We continue to provide leadership and support for sustainable and inclusive economic growth in our region that benefits all our communities by supporting the co-ordination, funding and participation of regional economic development events and forums, linkages to BOPRC, advocacy to central government, and co-ordinating and joining-up of regional economic development discussions.</p> <p>A verbal update will be given on the discussion at the recent triennial meeting.</p>
<p>Finances – Managing in a Strategic and Sustainable Manner</p>	<p>The Arotake Tuarua 2019/20 - Performance Monitoring Report Quarter Two is in this agenda, and provides Council with an overview of the financial and non-financial performance for the second quarter of the 2019/20 financial year (October – December 2019).</p>

Fiona McTavish
Chief Executive

11 February 2020



Receives Only – No Decisions

Report To: Regional Council

Meeting Date: 20 February 2020

Report From: Mat Taylor, General Manager, Corporate

Arotake Tuarua 2019/20 - Performance Monitoring Report Quarter Two

Executive Summary

This report provides an overview of Council's performance and the progress of our work for the first six months of 2019/20 with a particular focus on the second quarter of the 2019/20 financial year (October – December 2019). This report has *Arotake Tuarua 2019/20 October to December 2019*, included as Appendix 1 to this report.

For the six months ending 31 December 2019, Council is forecasting a year end operating deficit of \$7.3 million which is \$2.4 million lower than the budgeted deficit of \$9.7 million.

Our total investment portfolio is \$212.5 million plus \$50 million from the on-lending with Quayside Holdings Limited (Quayside). Council has borrowed \$191 million from the Local Government Funding Agency. Confidential Appendix 2 Bancorp Monthly Treasury Report and Confidential Appendix 3 Quayside Holdings Toi Moana Fund Quarterly Update provide further details of Council's treasury performance.

23 out of 33 performance measures are on track and one measure is not on track as at 31 December 2019. Data is not available for 8 measures as they are reported annually and one measure has no data available due to changes to the activity (Regional Economic Development).

Recommendations

That the Regional Council:

- 1 Receives the report, Arotake Tuarua 2019/20 - Performance Monitoring Report Quarter Two;**
- 2 Notes the performance information set out in the reports**

1 Introduction

This report provides an overview of Council's performance and the progress of our work for the second quarter of the 2019/20 financial year (October - December 2019).

Arotake Tuarua 2019/20 has been included as Appendix 1 of this report and includes the following sections.

- Highlights for the quarter are presented in the 'Community Outcomes in Action' section of the report (pages 6 – 10) with a focus on several 'big rocks' for each Outcome.
- A Financial Performance section (pages 11 – 18) providing an overview of Operating and Capital expenditure, including key variance analysis and an update on Treasury performance.
- Non-financial performance is covered through the Service Delivery Performance section (pages 19 – 22) of the report which includes monitoring of performance measures as set out in the Long Term Plan 2018-2028, from the section. People and Culture and Health and safety updates round out the non-financial information.

Following this Council meeting, the Arotake report will be published on Council's website and the online version of the document will include Hyperlinks (indicated by a dashed box around linked word) helping the reader to quickly gain further context/background on an issue. Arrows at page margins have been included to allow the reader to quickly flick through pages. The embedding of video for future Arotake reports is being investigated.

Staff note that some areas of the Council which may have achieved progress during the quarter, may not necessarily be reported on in detail. The reason is often two-fold: firstly, staff are reporting on a small number of highlights for the quarter (approximately 2-5 per community outcome), and secondly, in some cases a significant project milestone will be coming up which may be more appropriate to report on in the next or future quarter.

2 Arotake Tuarua 2019/20 highlights

Highlights from the Community Outcomes in Action for the quarter include:

- Bay of Plenty Civil Defence Emergency Management (BOPCDEM) Group led the recovery effort after the Whakaari/White Island eruption on 9 December.
- The Local Authority elections were held in October 2019. The Eastern Bay of Plenty and Tauranga General Constituency councillors from the previous triennium were elected unopposed and there was no change in the Western Bay Rotorua constituencies. The Mauao Māori constituency Councillor was returned as the sitting Councillor, and new Councillors were elected to the Kōhī and Okurei Māori constituencies.
- The draft Urban Form and Transport Initiative Interim Report was released 18 December, summarising four options for addressing urban form and transport challenges in the face of significant growth pressures in the western Bay.
- The Kopeopeo Canal Remediation Project has now safely removed contaminated sediment from 5.1 kilometres of Canal and it was awarded "Best

Regional Restoration Project” by the Australasian Land and Groundwater Association.

- Patronage numbers on the Bayhopper Tauranga urban bus network continue to rise and the bike racks installed on the front of the buses were used 1,915 times during the quarter, an 18% increase on the previous quarter. Te Puke and Katikati/Ōmokoroa services set new monthly patronage records of 2,851 and 1,952 respectively.
- Tauranga staff moved from multiple sites across the city into Regional House. This was a major milestone as Council progresses the upgrade of its two offices in Whakatāne and Tauranga.

Additional highlights from the quarter can be found on pages 6 to 10 of Arotake Tuarua.

3 Summary of financial and non-financial performance to 31 December 2019

At the end of quarter two Council is forecasting a year end operating deficit of \$7.3 million which is \$2.4 million *lower* than the budgeted deficit of \$9.7 million.

The significant contributor of this is the Rotorua Lakes Activity which is forecasting an underspend of \$3.8 million, \$3.5 million of this underspend is due to the land use incentives work being expected to be carried over into the 2020/21 financial year (staff are requesting a budget change request from MFE) which also lowers forecast grants and subsidies revenue. As at end of quarter two we are forecasting lower employee costs of \$2.0 million, we anticipate this forecast underspend to significantly reduce on ratification of the CEA.

The year-end capital forecast is \$50.0 million, an underspend of \$9.7 million is due to more Kaituna River redirection works completed in 2018/19 than planned, resulting in a reduced budget requirement in 2019/20 of \$1.2 million, and the adjusted delivery programme to Project Upgrade and change to plans for Wallingford House of \$7.6 million.

As a result, we are forecasting an end of year Equalisation Reserve balance of \$7 million. Set out on page 16 of Arotake are the forecast balances for other restricted reserves.

Treasury

Our total investment portfolio is \$212.5 million plus \$50 million from the on-lending with Quayside Holdings Limited (Quayside). Council has borrowed \$191 million from the Local Government Funding Agency of which \$141 million is to fund the 2020/21 capital work programme, which is invested in term deposits and \$50 million is on lent to Quayside. Forecast interest revenue is \$5.7 million compared to the annual budget \$6.5 million.

Confidential Appendix 2 Bancorp Monthly Treasury Report September 2019 and Confidential Appendix 3 Quayside Holdings Toi Moana Fund Quarterly Update September 2019 provide further details of Council’s treasury performance.

Performance Measures

We are tracking well against our performance measures, where data is available, at this stage of the year. 23 out of a total of 33 performance measures were on track at the end of Quarter 2, with an additional 8 measures to be reported on later in the year. In addition, one measure was not on track (staff identified for roles in the Emergency Coordination Centre that are appropriately trained), however this measure is forecast to be achieved by the end of the financial year.

One measure has no data available due to changes to the activity (Regional Economic Development).

Further information about how we are tracking can be found on pages 19-22 of the Arotake Tuarua 2019/20.

4 Community Outcomes

This item directly relates to all Community Outcome in the Council's Long Term Plan 2018-2028.

Debbie Hyland
Finance & Transport Operations Manager

for General Manager, Corporate

12 February 2020

APPENDIX 1

Arotake Tuarua 2019-20 Quarter Two

Arotake Tuarua 2019/20

Performance Monitoring Report

July to December 2019



Thriving together - mō te taiao, mō ngā tāngata

The way we work

We provide great customer service

We honour our obligations to Māori

We deliver value to our ratepayers and our customers

We continually seek opportunities to innovate and improve

We look to partnerships for best outcomes

We use robust information, science and technology

Strategic challenges

Different priorities and issues across the region

The implications of changing climate

Limitations of our natural resources

Sustaining development across the region

An increasingly complex operating environment

Ensuring Māori participation in council decision making

Balancing the expectations of both national and local partners

COMMUNITY OUTCOMES

OBJECTIVES

A healthy environment

We will maintain and enhance our air, land, freshwater, geothermal, coastal resources and biodiversity for all those who live, work and play within our region. We support others to do the same.

1. We develop and implement regional plans and policy to protect our natural environment.
2. We manage our natural resources effectively through regulation, education and action.
3. We work cohesively with volunteers and others, to sustainably manage and improve our natural resources.
4. Our environmental monitoring is transparently communicated to our communities.

Freshwater for life

Our water and land management practices maintain and improve the quality and quantity of the region's fresh water resources.

1. Good decision making is supported through improving knowledge of our water resources.
2. We listen to our communities and consider their values and priorities in our regional plans.
3. We collaborate with others to maintain and improve our water resource for future generations.
4. We deliver solutions to local problems to improve water quality and manage quantity.
5. We recognise and provide for Te Mana o Te Wai (intrinsic value of water).

Safe and resilient communities

Our planning and infrastructure supports resilience to natural hazards so that our communities' safety is maintained and improved.

1. We provide systems and information to increase understanding of natural hazard risks and climate change impacts.
2. We support community safety through flood protection and navigation safety.
3. We work with our partners to develop plans and policies, and we lead and enable our communities to respond and recover from an emergency.
4. We work with communities and others to consider long term views of natural hazard risks through our regional plans and policies.

A vibrant region

We work with our partners and communities to achieve integrated planning and good decision-making. We support economic development, understanding the Bay of Plenty region and how we can best add value.

1. We lead regional transport strategy and system planning, working with others to deliver a safe and reliable public transport system.
2. We contribute to delivering integrated planning and growth management strategies especially for sustainable urban management.
3. We work with and connect the right people to create a prosperous region and economy.
4. We invest appropriately in infrastructure to support sustainable development.

Our values

Trust

Integrity

Courage




Manaakitanga

Kotahitanga

Whanaungatanga

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Executive summary

Arotake Tuarua 2019/20 report is Council's performance monitoring report for the second quarter, October to December, of 2019/20. The report provides highlights of work that was delivered through the quarter, and an update on financial and non-financial performance compared to what was agreed through Council's Long Term Plan 2018-2028, and Annual Plan 2019/20.

COMMUNITY OUTCOMES IN ACTION

Our work is focused on delivering our Community Outcomes and the wellbeing of our community. The Community Outcomes in Action section of this report (page 6), provides information on the progress made on a number of key projects and areas of work that directly contribute to these Outcomes. For this quarter, it includes:

- **Whakaari/White Island Eruption:** On 9 December, Whakaari/White Island erupted with 47 people on the volcano. As at 30 January 2020, 21 people had died as a result of the eruption, with 23 still in hospitals in New Zealand and overseas. The response to the event was led by the Bay of Plenty Civil Defence Emergency Management (BOPCDEM) Group, alongside the recovery operation led by New Zealand Police. The Whakatāne Emergency Operations Centre and BOPCDEM Group Emergency Coordination Centre were both activated to support the coordination of welfare services for the victims, survivors and their families and Ngā Tikanga o Ngāti Awa played a significant role throughout the event, including enacting a rāhui. Attention now turns to a post-event recovery strategy.
- **New Council Elected:** The Local Authority elections were held in October 2019. The Eastern Bay of Plenty and Tauranga General Constituency councillors from the previous triennium were elected unopposed, while there was also no change to the Councillors elected in the Western Bay of Plenty and Rotorua General constituencies. The Mauao Māori constituency Councillor was returned as the sitting Councillor, and new Councillors were elected to the Kōhī and Okurei Māori constituencies.
- **Urban Form and Transport Initiative (UFTI):** The final UFTI Interim Report was released 18 December, summarising four options for addressing urban form and transport challenges in the face of significant growth pressures in the western Bay.

PERFORMANCE SUMMARY - QUARTER TWO

During 2019/20, we are due to monitor and report on 33 performance measures. At the end of quarter two:

- 23** measures are on track. (70%)
- 1** measure is not on track, but is forecasted to be achieved by the end of the year (3%)
- 8** measures are reported on annually or are not due for reporting yet and results will be reported on when data is available. (24%)
- 1** measure has no data available due to changes to the activity (Regional Economic Development) that the measure relates to. (3%)

SERVICE DELIVERY PERFORMANCE

Highlights include the number of people (patronage) travelling on our public transport services and the number of regional park visitors with both these areas tracking ahead of the same period last year.

In the Emergency Management activity, the level of staff training for roles in the Emergency Coordination Centre continues to be behind our target, but we are focused on achieving it by the end of the year. The number of replacement non-compliant burners in the Rotorua Airshed, which can be attributed to the Rotorua Air Quality programme, has increased during the quarter, leading to us improving our outlook and thereby changing our forecast from 'at risk' to 'forecast to be achieved'.

FINANCIAL PERFORMANCE FOR THE SIX MONTHS ENDING 31 DECEMBER 2019

Council is forecasting a year end operating deficit of \$7.3 million which is \$2.4 million lower than the budgeted deficit of \$9.7 million. \$3.5 million of forecast underspend in the Rotorua Lakes land use change incentives agreements is being carried forward into future years through Annual Plan 2020/21.

Council is forecasting capital expenditure of \$50.0 million; this is \$9.6 million lower than budget.

Staff have now moved into Regional House from multiple sites across Tauranga. The adjusted delivery programme and change to the plans for Wallingford house have contributed \$8.4 million to the total capital forecast underspend of \$9.7 million. It was agreed, at the December Council meeting, to carry forward \$8 million through the Annual Plan 2020/21.

Summary financial performance

	YEAR TO DATE \$000			ANNUAL \$000		
	BUDGET	ACTUAL	VARIANCE	BUDGET	FORECAST	VARIANCE
Operating revenue by class	85,350	84,836	(514)	134,111	131,927	(2,184)
Operating expenditure by class	63,283	59,680	3,602	143,769	139,226	4,543
Total operating surplus (deficit)	22,067	25,156	3,088	(9,658)	(7,299)	2,359
Capital revenue	3,165	5,952	2,786	6,872	9,369	2,497
Capital expenditure	26,643	17,811	8,832	59,719	50,022	9,697

PEOPLE AND CULTURE

Work is progressing on a People Plan to ensure our people can deliver great outcomes for our community. Key focus areas will include Leadership, the Employee Experience, Te Ao Māori and being future ready. The People Plan will be shared with the wider organisation in early 2020. Collective bargaining between the two representative unions and the employer commenced on 13 November 2018, and is progressing.

HEALTH AND SAFETY

There was one lost time injury during the quarter, where an employee slipped and cut their hand on a metal pipe. Furthermore one injury required medical treatment for a strained wrist caused by slipping on uneven ground. There were no notifiable events during the quarter.

Community Outcomes in Action

Ngā putanga-a-hapori

Our Council vision: 'Thriving Together – mō te taiao, mō ngā tāngata' is about supporting our environment and our people to thrive.

A healthy environment – He taiao ora

We will maintain and enhance our air, land, freshwater, geothermal, coastal resources and biodiversity for all those who live, work and play within our region. We support others to do the same.

MOUNT MAUNGANUI AIR MONITORING

Following a period of intensive monitoring and a number of air quality exceedances, Council applied to the Ministry for the Environment for the creation of a new Mount Maunganui airshed, which was then gazetted on 17 October 2019. It is hoped this will enable more stringent rules and resource consent decisions, giving Council a greater ability to manage industrial discharges. Making sure the air is clean for Mount Maunganui residents is important and Council is committed to improved air quality in area.

SECOND GENERATION REGIONAL COASTAL ENVIRONMENT PLAN

Council manages Bay of Plenty's coastal marine area which stretches from the highest high tide to 12 nautical miles out to sea. The Second Generation Regional Coastal Environment Operative Plan 2019 (the Plan) provides policy support for the management of resources in the coastal environment – the interface between the land and the sea. This helps to protect natural resources, influences coastal developments and includes activities Councils will permit, control or prohibit.

Council started pre-consultation on the Plan in 2011 and spent the following eight years on the public consultation process. In August 2014, 194 submissions were received on the proposed Plan, and 79 submitters presented at hearings. Council then responded to 16 appeals against Council's decisions. The appeals process led to nine separate Environment Court hearings, three High Court hearings and one Court of Appeal hearing. This resulted in 15 court decisions and 23 consent orders issued. On 3 December 2019, the Plan was made Operative subject to discrete court processes.

KOPEOPEO CANAL REMEDIATION PROJECT

The Kopeopeo Canal Remediation Project has now safely removed, stored, and begun bioremediation of dioxin-contaminated sediment from 5.1 kilometres of the Kopeopeo Canal, at its eastern extremity. This is one of the largest decontamination projects in New Zealand and it was awarded "Best Regional Restoration Project" by the Australasian Land and Groundwater Association at its annual awards.

OTAKIRI WATER BOTTLING CONSENTS

An interim decision was issued by the Environment Court on 10 December 2019 to grant resource consents sought by Creswell NZ Limited from both the Regional Council and Whakatāne District Council to expand the existing Otakiri water bottling operation.

The Environment Court decision was not unanimous, with one commissioner considering that the consents should have been declined due to the effects on rural land use and the generation of plastic. However the majority decision – including the judge's – concluded that an appeal relating to a water take cannot effectively prohibit the use of plastic bottles or export and such intervention would need to be conducted at a national, and legislative, level.

In January 2020, this decision was appealed by Te Rūnanga O Ngāti Awa and Sustainable Otakiri Limited to the High Court.

OTHER HIGHLIGHTS INCLUDE:

- Conducted **1,094 site inspections** for consented activities
- Released the **Moth Plant Beetle** on December 13, to reduce the impact of the invasive Moth Plant in a world first
- Accepted **2,915 samples** and carried out a total of **21,642 tests** in our labs
- Processed **113 resource consents** and of these, 93% were processed within statutory timeframes

Freshwater for life

He wai māori, he wai oranga

Our water and land management practices maintain and improve the quality and quantity of the region's freshwater resources.

FRESHWATER FUTURES

Council lodged a submission on the Government's 'Action for Healthy Waterways' proposals. It also lodged a joint submission with the Bay of Plenty's district councils, supported the Regional Sector/LGNZ submission and the preparation of submissions by co-governance bodies. Cabinet intends to make decisions in May, after receiving recommendations from Ministry officials and an independent advisory panel. We continue to provide advice and information to the Ministry for the Environment as requested.

ROTORUA TE ARAWA LAKES PROGRAMME

Parties who appealed decisions on Proposed Plan Change 10 (Lake Rotorua Nutrient Management) attended Court-assisted mediation in November, where they resolved a number of appeal points and identified next steps to address remaining issues. The key remaining matter relates to the Environment Court's direction to consider provision of an allocation to Treaty Settlement Land. A progress report will be provided to the Court on 10 February 2020. The Environment Court is expected to consider the report and set down dates for the second stage hearing.

HANDS ON WATER EXPO

Council hosted the Hands on Water Expo in partnership with six other agencies and organisations. The Expo helped students from 16 different schools learn how to care for their catchment. The event is focused on primary students and has been held annually since 2012.

OTHER HIGHLIGHTS INCLUDE:

- A workshop was held in November with industry leaders and consent holder representatives from across the region to explore opportunities to improve **water allocation efficiency**, including consideration of relinquishing consented unused water. A report on key issues and recommendations will be drafted and made publically available.
- River monitoring continued to identify sources of e-coli to inform mitigation options to improve water quality at **Kaiate Falls** and the wider Waitao catchment.
- Council staff presented at a **Water Sensitive Urban Design** seminar in Tauranga on 29 October 2019, organised by Tauranga City Council and Water New Zealand. The turn out and feedback was promising, and indications are this will be followed by future events.

Safe and resilient communities - Kia haumaru, kia pakari te hapori

Our planning and infrastructure supports resilience to natural hazards so that our communities' safety is maintained and improved.

WHAKAARI/WHITE ISLAND ERUPTION

On 9 December, Whakaari/White Island erupted with 47 people on the volcano. As a result of this tragic event, and at the time of writing, 21 people have lost their lives and 23 remain in hospitals across New Zealand and Australia. The nature of the eruption and the activity of the volcano meant that a number of people could not be recovered immediately. The response to the event was led by the Bay of Plenty Civil Defence Emergency Management (BOPCDEM) Group and the recovery effort was led by the New Zealand Police. Agencies supporting the police recovery effort included Fire and Emergency New Zealand, Coastguard, Red Cross, St. John Ambulance, New Zealand Defence Force and the White Island tour operators.

The Whakatāne Emergency Operations Centre and BOPCDEM Group Emergency Coordination Centre were both activated to support the coordination of welfare services for the victims, survivors and their families. New Zealanders and foreign nationals from Australia, USA, Great Britain, China and Malaysia were amongst those visiting the island when it erupted. A Civil Defence Centre was established at the Whakatāne Library and Galleries facility to provide information regarding the event and support centres for families and relatives were also set up in Whakatāne and Auckland. An element of national coordination was required to provide welfare services to the injured personnel transported to hospitals outside the Bay of Plenty.

Ngā Tikanga o Ngāti Awa played a significant role throughout the event including the enactment of rāhui, and the manaaki demonstrated throughout, and post, the event. Te Mānuka Tūtahi Marae was opened to give grieving families and the public a place to come, rest and reflect. Ngāti Awa Social and Health Services were immediately on the ground at the Emergency Operations Centre to support the response operations.

The Civil Defence Emergency Management (CDEM) response transitioned to recovery on 20 December with the focus over Christmas shifting to targeted psychosocial support to those affected. Attention will now focus on the economic environment and the development of a support plan to inform the wider public of the recovery strategy.

CLIMATE CHANGE ACTION PLAN

Working groups have been established to deliver the Climate Change Action Plan's key priorities with initial meetings held. A section on climate change considerations has been incorporated into the new Council reporting template. The baseline audit to establish our current organisational footprint was completed in December 2019.

RANGITĀIKI UPGRADES

Work continued to progress on the Rangitāiki Floodway project. The bridge located at the flow diversion is open to traffic and works have begun on the final canal cut to the Rangitāiki River. The design for Stage 6A works is nearing completion with tender documentation to be finalised in early 2020. The Stage 7 works have been awarded to Waiotahi Contractors with site establishment and enabling works to begin early 2020.

RIVERS AND DRAINAGE BYLAW

Work is progressing on the update of the Bay of Plenty Regional Council Floodway and Drainage Bylaws 2020. The Bylaw must be reviewed every 10 years to ensure it is still fit for purpose. That means that it is informed by the latest science and data, including climate change data, flood modelling, the latest innovations in engineering as well as present issues – notably increased pressures from development and climate change. Initial community engagement was carried out in late 2019 with formal engagement scheduled for April 2020.

OTHER HIGHLIGHTS INCLUDE:

- Completed 57% of repairs from the **April 2017 Flood Event**
- Delivered five initiatives to promote **community resilience and safety** including ShakeOut, National Alert Testing and Tsunami: Know When to Go

A vibrant region – Toitū te rohe

*We work with our partners and communities to achieve integrated planning and good decision making.
We support economic development, understanding the Bay of Plenty region and how we can best add value.*

PUBLIC TRANSPORT ACROSS THE REGION

We have continued to provide bus services for Tauranga, Whakatāne, Rotorua, Western Bay and rural areas. Patronage numbers on the Bayhopper Tauranga urban bus network continue to rise and the bike racks installed on the front of the buses were used 1,915 times during the quarter, an 18% increase on the previous quarter. Te Puke and Katikati/Ōmokoroa services set new monthly patronage records of 2,851 and 1,952 respectively. We have completed rigorous planning for the implementation of Tauranga school bus services and fare free trial, starting in late January 2020.

HE KOROWAI MĀTAURANGA

The He Korowai Mātauranga Plan (the Plan) is being finalised and will be operational within the coming months, however, a number of key actions that support the intentions of the Plan have progressed. This includes the establishment of the Putaiao Mātauranga (Mātauranga Māori Scientists) role within the Science Team, the completion of Mātauranga Māori Training for a five staff, a Māori Partnerships, Relationships and Engagement Workshop with Councillors and the provision of financial support for the development of two Iwi Management Plans; Ngāti Awa and Te Arawa Lakes Trust.

PROJECT UPGRADE: REGIONAL HOUSE MOVE

In December, Tauranga staff moved from multiple sites across the city into Regional House. This was a major milestone as Council progresses the upgrade of its two offices in Whakatāne and Tauranga. Stage Two of the Whakatāne Office refurbishment is complete with the final stage due to be completed in late 2020, while planning to meet the IL4 building requirements to accommodate the Civil Defence Emergency Management Group in Wallingford House in Tauranga is underway. The sustainable design features being included at these two sites aim to reduce the organisation’s carbon footprint from its building energy use by 50 percent.

Developers are also constructing a new office in Rotorua which Council will lease. The interior design concepts for the tenancy are progressing and the building is expected to be completed early 2020.

URBAN FORM AND TRANSPORT INITIATIVE

The Urban Form and Transport Initiative (UFTI) is focussed on developing a strategic and integrated delivery plan for western Bay of Plenty’s future urban form and multi-modal transport system with a 50+ year horizon.

A key milestone was achieved with the delivery of the final Interim Report to the SmartGrowth Leadership Group on 18 December. The Interim Report summarises four options that will best address our urban form and transport challenges in the face of significant growth pressures forecast for the western Bay. The options require technical input before the Final Report is due for release in April 2020.

A copy of the Interim Report, and further information, is available at www.ufti.org.nz



OTHER HIGHLIGHTS INCLUDE:

- **661,120 passenger trips** were taken on our buses throughout the region – this is an increase of 9.2% compared to the same quarter last year.



Financial Performance

Ngā whakatutukitanga ahumoni

*To achieve our Annual Plan 2019/20
Community Outcomes we need to deliver
our work programmes efficiently and effectively.*

We regularly monitor, evaluate and forecast our financials and key performance indicators to enable timely, accurate and targeted performance information for key decision making processes.

The following provides an update on our financial performance for the six months ending 31 December 2019.

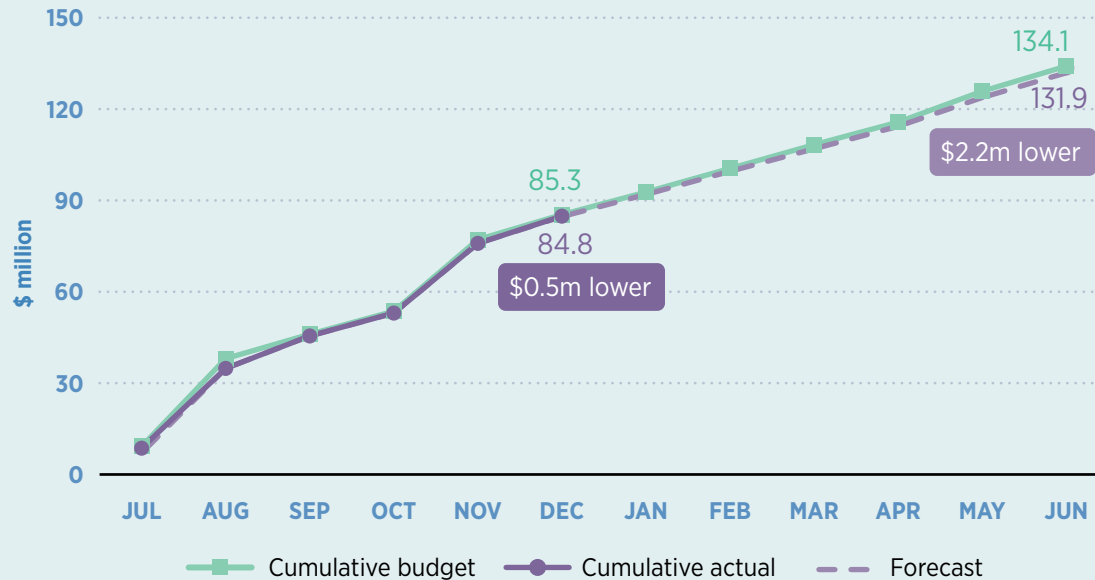
STATEMENT OF REVENUE AND EXPENSE BY CLASS - OPERATING AND CAPITAL

The statement provides year to date financials for the six months ending 31 December 2019, and Annual (full year) forecast.

	YEAR TO DATE \$'000				FULL YEAR \$'000			
	BUDGET	ACTUAL	VARIANCE \$		BUDGET	FORECAST	VARIANCE \$	
OPERATING REVENUE								
Rates	28,748	28,816	68	Higher	56,913	56,976	63	Higher
Dividends	32,200	32,186	(14)	Lower	32,200	32,186	(14)	Lower
Finance revenue	6,480	6,731	251	Higher	12,964	11,554	(1,410)	Lower
Fees and charges	7,337	7,012	(325)	Lower	11,566	11,415	(151)	Lower
Other revenue	10,585	10,091	(494)	Lower	20,469	19,796	(673)	Lower
Total operating revenue	85,350	84,836	(514)	Lower	134,111	131,927	(2,184)	Lower
OPERATING EXPENDITURE BY CLASS								
Employee expenses	20,154	18,157	1,997	Lower	40,327	38,356	1,971	Lower
Contractors and consultants	21,894	20,538	1,355	Lower	47,428	48,229	(802)	Higher
Finance Costs	4,987	4,345	642	Lower	9,983	8,956	1,027	Lower
Other expenditure	16,248	16,640	(392)	Higher	46,032	43,685	2,347	Lower
Total operating expenditure	63,283	59,680	3,602	Lower	143,769	139,226	4,543	Lower
Total operating surplus (deficit)	22,067	25,156	3,088	Favourable	(9,658)	(7,299)	2,359	Favourable
Total capital revenue	3,165	5,952	2,786	Higher	6,872	9,369	2,497	Higher
Total capital expenditure	26,643	17,811	8,832	Lower	59,719	50,022	9,697	Lower

Operating Revenue

The graph shows annual full year budget against actuals (months one to six) and financial forecast (month seven to twelve.)



TOP 5 VARIANCES	YEAR TO DATE \$000			FULL YEAR \$000		
	BUDGET	ACTUAL	VARIANCE	BUDGET	FORECAST	VARIANCE
Rotorua Lakes	2,520	1,444	(1,076) Lower	5,040	2,835	(2,205) Lower
Biosecurity	107	578	471 Higher	214	845	631 Higher
Resource Consents	1,279	1,443	164 Higher	2,558	2,832	274 Higher
Corporate Property	0	199	199 Higher	161	317	156 Higher
Finance and Corporate Planning	38,662	38,832	170 Higher	45,128	43,672	(1,456) Lower

FULL YEAR FORECAST \$ VARIANCE EXPLANATIONS - OPERATING REVENUE

Rotorua Lakes: \$2,205k lower

Funding from the Ministry for the Environment is lower than budget as a result of forecast lower expenditure for land use change incentives.

Biosecurity: \$631k higher

Council will receive more funds than budgeted for grants and subsidies as the National Biocontrol Agreements were signed after the annual plan was completed.

Resource Consents: \$274k higher

Council will receive more funds than budgeted for grants and subsidies as the National Biocontrol Agreements were signed after the annual plan was completed.

Corporate Property: \$156k higher

There has been a higher than anticipated gain on vehicle disposals.

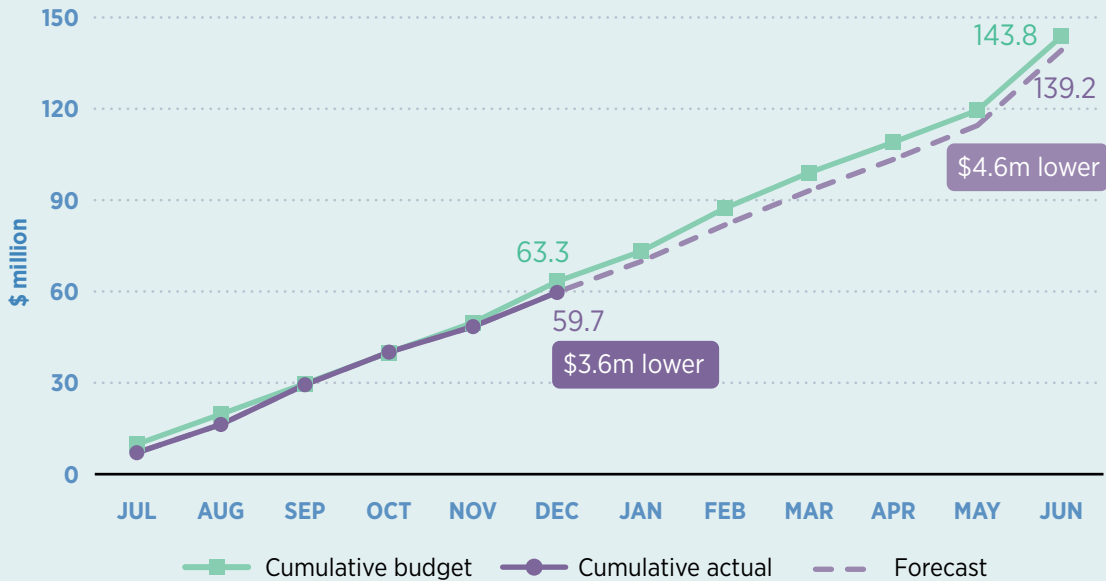
Finance and Corporate Planning: \$1,456k lower

External interest revenue is forecast to be \$750k below budget due to the Toi Moana Fund which is in its infancy, offset with higher revenue forecasts on investments of capital borrowings.

Lower internal interest income of \$630k is driven by slower than budgeted capital expenditure, particularly on the buildings upgrade project (Regional House, Tauranga). This is offset by lower internal interest expense.

Operating Expenditure

The graph shows annual full year budget against actuals (months one to six) and financial forecast (month seven to twelve.)



TOP 5 VARIANCES	YEAR TO DATE \$000				FULL YEAR \$000		
	ACTIVITY	BUDGET	ACTUAL	VARIANCE	BUDGET	FORECAST	VARIANCE
Rotorua Lakes	3,311	2,762	549	Lower	14,528	10,718	3,810 Lower
Regional Infrastructure Fund	1,350	2,772	(1,422)	Higher	6,770	7,520	(750) Higher
Passenger Transport	15,333	13,716	1,617	Lower	29,769	29,048	721 Lower
Emergency Management	1,280	984	296	Lower	2,576	2,036	540 Lower
Finance & Corporate Planning	4,185	3,380	804	Lower	8,284	7,510	774 Lower

FULL YEAR FORECAST \$ VARIANCE EXPLANATIONS - OPERATING EXPENDITURE

Rotorua Lakes: \$3,810k lower

\$3.5m of the \$7.0m budget for the land use change incentives has been carried forward to 2020/21. To date documentation is almost complete for six incentives payments, totalling approximately \$2.0m.

Regional Infrastructure Fund: \$750k higher

The forecast overspend of \$750k is for the Tauranga Tertiary Campus paid this financial year due to delays in the final sign-off of the project. The first instalment for the SCION Innovation Hub has been made earlier than anticipated. The remaining forecast includes the Scion Innovation Hub (\$500k), Rotoiti Sewerage (\$2.5m), Awatarariki Fanhead (\$2.0m), Ōtāwhiwhi Sewerage (\$100k) and Tahatahroa land purchase (\$100K).

Passenger Transport: \$721k lower

The forecast underspend is due to a combination of savings and additional costs across the programme. School children bus user safety programme provided by TCC was enabled using existing resources. Additional cost of equipment hire due to the RITS delay is offset with forecast underspends in non-passenger transport contract costs, consultancy fees, and lower depreciation charges.

Emergency Management: \$540k lower

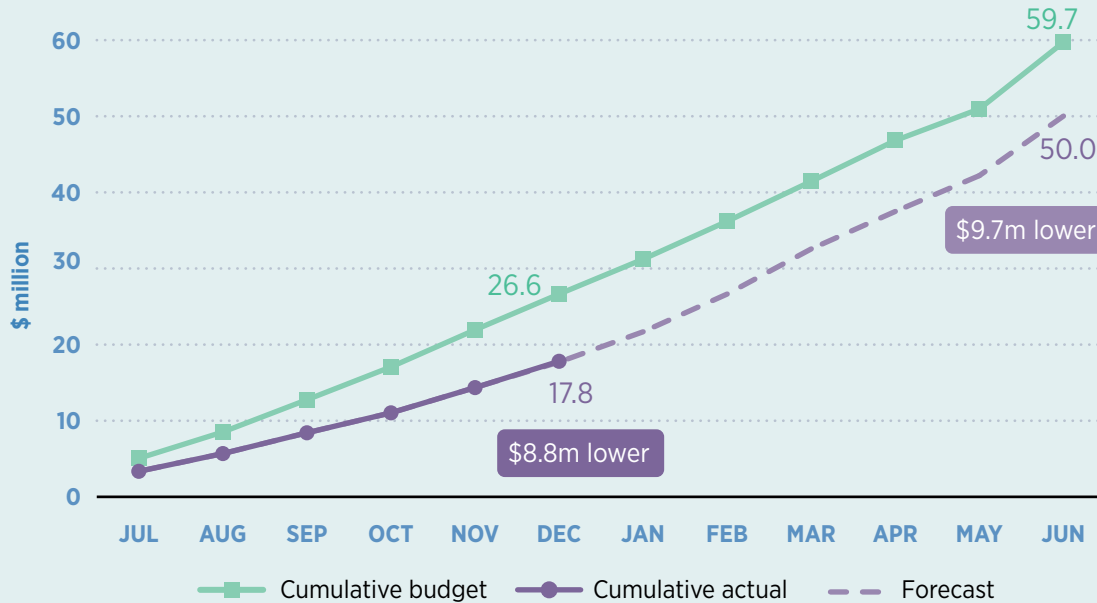
There are four staffing vacancies and an underspend is forecast in employee expenses following the fit for purpose review.

Finance & Corporate Planning: \$774k lower

The forecast underspend is due to lower interest rates on borrowings. This activity includes the organisational efficiency savings, which are being delivered through improvements in areas such as our customer call center, cleaning and communication services.

Capital Expenditure

The graph shows annual full year budget against actuals (months one to six) and financial forecast (month seven to twelve.)



TOP 5 VARIANCES	YEAR TO DATE \$000			FULL YEAR \$000		
	BUDGET	ACTUAL	VARIANCE	BUDGET	FORECAST	VARIANCE
Rivers and Drainage	11,126	8,354	2,771 Lower	27,486	26,966	521 Lower
Passenger Transport	1,878	373	1,504 Lower	1,905	2,168	(263) Higher
Corporate Property	8,037	6,092	1,946 Lower	19,175	10,756	8,419 Lower
Rotorua Lakes	134	169	(36) Higher	1,085	1,194	(109) Higher
Kaituna	3,031	1,340	1,691 Lower	3,983	2,833	1,150 Lower

FULL YEAR FORECAST \$ VARIANCE EXPLANATIONS - CAPITAL EXPENDITURE

Rivers and Drainage: \$521k lower
 The Kaituna catchment flood repairs are progressing well however there are some delays with the stopbank works. Some delays have occurred on Rangitāiki Floodway; the contract has been awarded for Stage 7 and works are continuing on Stage 5. It is expected that this project will deliver on budget at year end. Overall construction work is expected to catch up during the construction season and a minor underspend is forecast.

Passenger Transport: \$263k higher
 The RITS ticketing system is delayed resulting in additional project management costs. Funding has been approved by NZTA to partially offset the additional costs.

Corporate Property: \$8,419k lower
 Staff have now moved from multiple sites across Tauranga into Regional House. The adjusted delivery programme and a change to the plans for Wallingford House has resulted in a forecasted underspend of \$7.6m to be carried forward to 2020/21. A further \$850k in relation to Whakatāne will be carried forward to 2020/21.

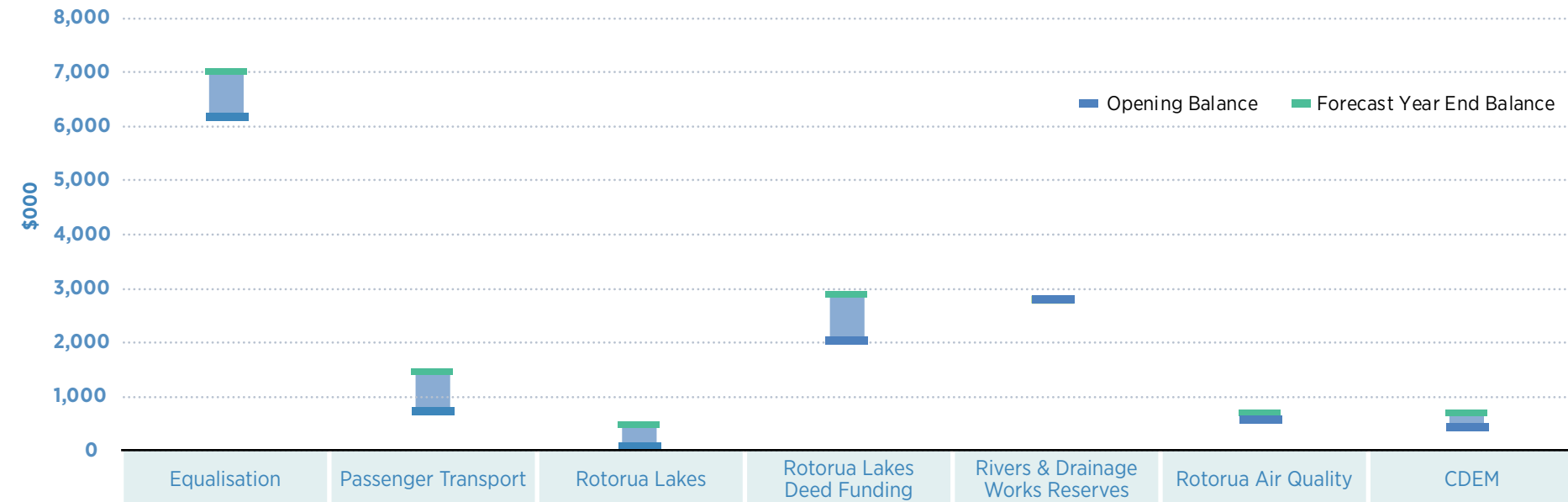
Rotorua Lakes: \$109k higher
 Slightly higher expenditure than planned is forecasted on the Lake Ōkāreka pipeline upgrade.

Kaituna: \$1,150k lower
 The Kaituna River Rediversion Project is forecasting an underspend for 2019/20 as planned works were able to be delivered in 2018/19.

Forecast Funding Sources 2019/20

We regularly monitor, evaluate and forecast our funding sources. We hold a number of reserves where monies are held for specific purposes. The graph below demonstrates what we expect the movement in those reserves to be by year end, as at 31 December 2019.

RESERVE BALANCE



	Equalisation	Passenger Transport	Rotorua Lakes	Rotorua Lakes Deed Funding	Rivers & Drainage Works Reserves	Rotorua Air Quality	CDEM
Opening Balance 1 July 2019	6,193	730	95	2,040	2,805	588	439
Forecast Movement	809	743	380	844	(17)	99	257
Forecast Year End Balance 30 June 2020	7,003	1,473	476	2,884	2,788	687	696

Commentary The forecast closing balances for Passenger Transport are: Tauranga \$1,037k, Rotorua \$163k, Western Bay \$97k, Whakatāne \$177k



Treasury Performance Update

INVESTMENTS

Our total investment portfolio is \$212.5m plus \$50 million on-lent to Quayside Holdings Limited (Quayside), with the allocation by cash reserve shown in the graph below. The \$45 million Toi Moana Fund was transferred to Quayside on 1 July 2019.

The portfolio has an average yield of 3.12%. The average margin being achieved on the current 90 day bank bill is around 1.23%. Council has on-lent \$50 million to Quayside with a margin of 0.2%. This is less than the cost of Quaysides' previous bank funding and is beneficial to the Group.

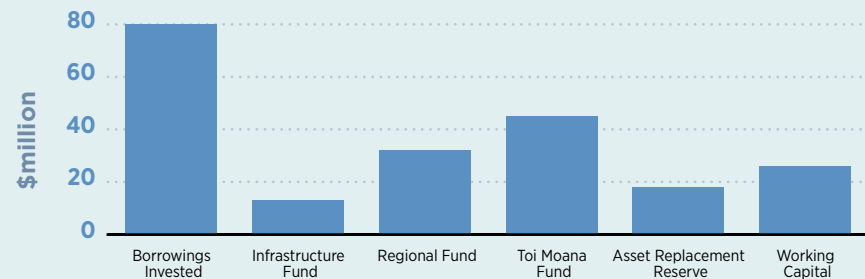
Forecast interest revenue is \$5.7 million compared to the annual budget \$6.5 million.

BORROWINGS

Council has borrowed \$191 million from the LGFA, with \$50 million on-lent to Quayside. The remaining \$141 million has been borrowed to fund capital expenditure, at 31 December 2019, \$61 million of this is core debt and \$80 million invested in term deposits in line with forecast cash requirements.

Total interest expense to date is \$1.6 million, with a forecast year end total of \$3.0 million on the \$191 million currently borrowed compared to the annual budget of \$3.5 million on \$161 million borrowing. The average interest rate on borrowing at 31 December 2019 is 1.59%.

CASH FUND BY RESERVES



**Current
Credit Rating**

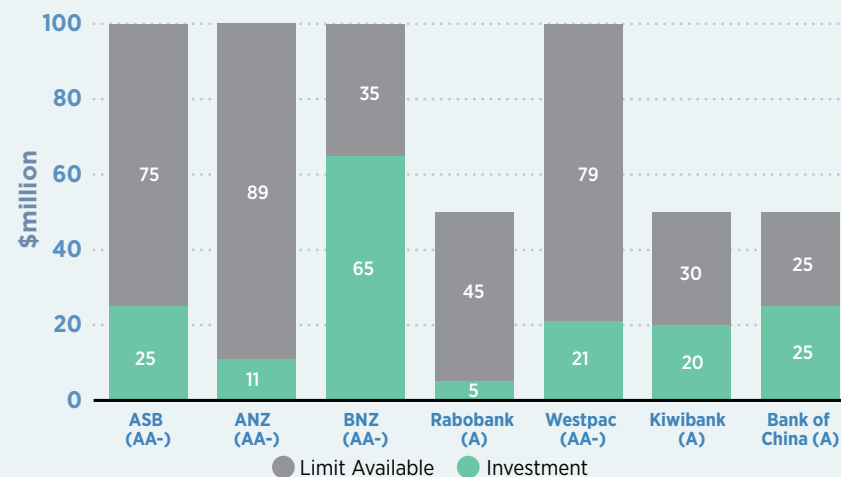
AA

*Reaffirmed at AA with
stable outlook on
13 January 2020*

MATURITY PROFILE - BORROWINGS AND INVESTMENTS



INVESTMENT EXPOSURE BY COUNTERPARTY



Ratio	Policy Limit	Actual to date	Forecast year end	Compliant with Treasury Policy
% of net interest expense of total revenue	<20%	2%	1%	✓
% of net external debt of total revenue	<250%	-57%	16%	✓
% of net interest of rates and levies	<30%	5%	-3%	✓
% of available financial accommodation of external debt	>110%	228%	178%	✓



Service Delivery Performance

Ngā whakatutukitanga-a-ratonga

Our work is carried out across 33 activities which are organised into nine groups of activities. These nine groups deliver the services and infrastructure, and perform the functions that enable us to deliver on the Community Outcomes outlined in our Strategic Framework.

Each of the nine Group of Activities state the levels of service that will be delivered by that Group, and have performance measures and targets set through our Long Term Plan 2018-2028 that indicate how well we are delivering our services to the community.

HIGHLIGHTS

During the quarter, there has been a continuation of the positive trend from the beginning of the year, with the majority of measures on track. Council will continue its efforts to monitor and deliver progress in the coming quarters. Highlights include:

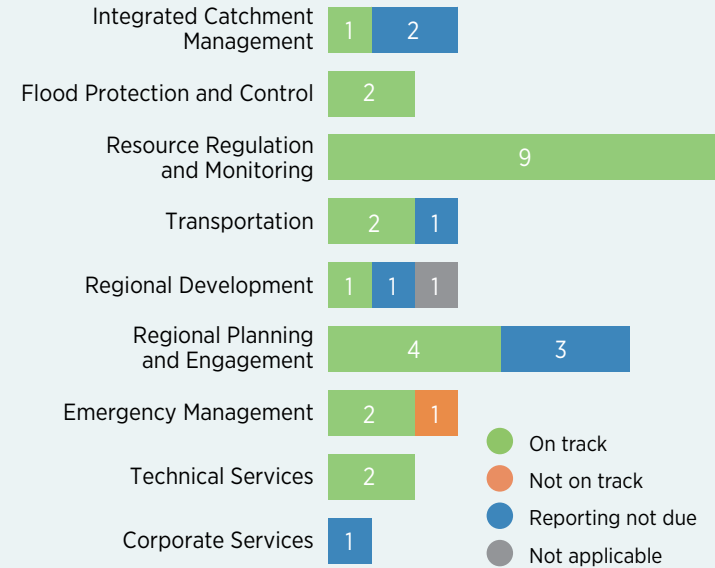
- The number of visitors to our regional parks has increased by 8.4% compared to the same period in 2018/19.
- The percentage of Council meeting minutes published within the stipulated time frame is now on track (97%). The forecast is to achieve the full year target (95%).
- Since the last quarter, the percentage of customers satisfied with responses to complaints about RMA non-compliance, rose from 81% to 89% this quarter. This is well ahead of the annual target of 80%.

PERFORMANCE SUMMARY - QUARTER TWO

During 2019/20, Council is due to monitor and report on 33 performance measures. At the end of quarter one (July – September 2019), the graph to the right shows that;

- 23 measures are on track. (70%)
- 1 measure is not on track, but is forecasted to be achieved by the end of the year. (3%)
- 8 measures are reported on annually or are not due for reporting yet and results will be reported on when data is available. (24%)
- 1 measure has no data available due to changes to the activity (Regional Economic Development) that it measures. (3%)

QUARTER TWO PERFORMANCE RESULTS BY GROUP OF ACTIVITY



Further details regarding all of the measures is provided on the following pages.

PERFORMANCE MEASURES 2019/20 - SUMMARY OF RESULTS - QUARTER TWO

Group of Activities	Performance Measure	Full Year 2018/19	Target 2019/20	Quarter 2 2019/20	End of year forecast
Integrated Catchment Management	Number of new Priority Biodiversity Sites actively managed	7	4	4	●
	Monitored river and stream sites that meet the 'Swimmability' requirements (%)	75%	75%	●	●
	Number of Rotorua Lakes that have reached their Trophic Level Index (TLI)	1	2	●	●
Flood Protection and Control	Maintenance, repairs and renewals completed in accordance with the R&D Asset Management Plan (%)	91%	90%	29%	●
	Flood warnings that are given in accordance with the flood warning manual (%)	100%	90%	100%	●
Resource Regulation and Monitoring	Regional Pest Management Plan is maintained, plans for new pest incursions developed and annual reports prepared	100%	100%	100%	●
	Replacement of non-compliant burners in Rotorua Airshed attributed to the Rotorua Air Quality programme	145	200	166	●
	Consent applications issued discounts due to Council exceeding statutory processing timeframes (lower is better)	3.7%	5%	3.3%	●
	Customers who are satisfied overall with the service provided during the consents process (%)	77%	80%	81%	●
	Urgent complaints made to the pollution hotline that are responded to within 12 hours (%)	100%	95%	100%	●
	Customers satisfied with response to substantiated complaints about RMA non-compliance (%)	94%	80%	89%	●
	Monitoring inspections that occur as per the frequency specified by the RMA and BA Charges Policy (%)	77%	85%	79%	●
	Navigation aids rated as 'good' quality or higher (%)	100%	90%	100%	●
Transportation	Oil spills in Tauranga are responded to within 30 minutes and all others are responded to within two hours (%)	100%	95%	100%	●
	Number of passenger transport trips taken in the region	2,712,930	2,877,000	1,378,028	●
	New Zealand Transport Authority Audit recommendations implemented	100%	100%	100%	●
Regional Development	Planning and policy reports that are rated satisfactory or higher (%)	100%	80%	●	●
	Number of visitors to our Regional Parks	106,383	105,000	55,705	●
	Industry stakeholders who are satisfied with Bay of Connections (Biennial) (%)	BIENNIAL	80%	●	●
Regional Planning and Engagement	Sector strategies are reviewed and updated every three years	1	1	●	●
	Completed Environmental Enhancement Fund projects that have achieved their goals (%)	100%	80%	100%	●
	Council and Committee meeting agendas that are available at least two working days before scheduled meetings (%)	100%	95%	100%	●
	Draft Council and Committee meeting minutes that are published within 10 working days (%)	97%	95%	96%	●
	Regional Planning - Planning and policy reports that are rated satisfactory or higher (%)	100%	80%	●	●
	Level of satisfaction of Komiti Māori that the information provided meets their terms of reference	100%	80%	●	●
Emergency Management	Kaupapa Māori that are raised at Komiti Māori are actioned, resolved & reported (%)	100%	80%	100%	●
	Geothermal - Planning and policy reports that are rated satisfactory or higher (%)	100%	80%	●	●
	Roles that have been identified and staffed for 24 hour operation of the Emergency Coordination Centre (%)	89%	85%	86%	●
Technical Services	Staff identified for roles in the Emergency Coordination Centre that are trained to an appropriate level (%)	64%	85%	67%	●
	Number of Council delivered initiatives to promote community resilience and safety	8	8	6	●
Corporate Services	Availability of real-time deliverable environmental data through website (%)	98%	95%	97.7%	●
	Number of environmental indicators with online scorecards	7	9	7	●
Corporate Services	Reduction of carbon emissions from building energy use at the Tauranga and Whakatāne sites	NOT ACHIEVED	60%	●	●

*Please refer to the Long Term Plan 2018-2028 for the full title and definition of the performance measures listed in the table above.

PERFORMANCE COMMENTARY

The exception based reporting below provides commentary regarding measures that are currently not on track, or forecasted to be 'at risk' of not being achieved. Council monitors the measures throughout the year to enable proactive action to improve performance.

<i>Group of Activity</i>	<i>Performance Measure</i>	<i>Year to Date Result</i>	<i>Target</i>	<i>End of Year Forecast</i>	<i>Comment</i>
Regional Development	Sector strategies are reviewed and updated every three years	Data not available	1	●	<p>Following a review of the Bay of Connections in the previous financial year, a new regional economic development framework has been developed and is in the process of being implemented – Bay of Connections 2.0. The new framework moves away from a sector strategy approach, therefore, the measure will not be reported on going forward. It is anticipated new measures will be introduced for 2020/21.</p> <p>The target was achieved in 2018/19.</p>
Emergency Management	Staff identified for roles in the Emergency Coordination Centre that are trained to an appropriate level (%)	67%	85%	●	<p>A programme is in place to offer training to all Emergency Coordination Centre staff. Significant improvements have been made with the level of trained staff increasing from 18% at the start of 2018/19 to the current level of 67%.</p> <p>Council will continue to focus on building the percentage of staff trained to an appropriate level and to meet the target in 2019/20.</p> <p>The target was not achieved in 2018/19 with 64% of staff trained.</p>

● *Achieved* ● *Not on track* ● *Data due later in the year* ● *Not applicable*



Health and safety

Te Hauora me Te Haumaru

Elected Members, as “Officers” under the Health and Safety at Work Act 2015 (the Act) are responsible for ensuring that Council complies with the statutory requirements of the Act and its associated regulations. Officers meet this requirement by satisfying themselves that due diligence elements are being met. This report is provided to help inform Elected Members in fulfilling that duty.

Current and Future work

TRAINING

Training continues to be a focus within Council and a wide range of course options were provided to staff during the quarter. Topics included Drug and Alcohol Awareness, Personal Safety and Security, Trailer Operations, and Dog Awareness.

SUMMER STUDENTS

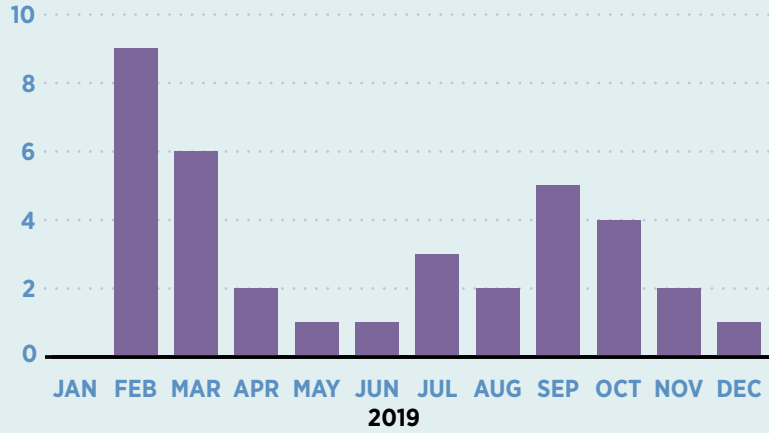
During November, more than 40 summer students were trained in multiple aspects of Health & Safety including First Aid, Water Safety and 4WD Training.

Notifiable Events

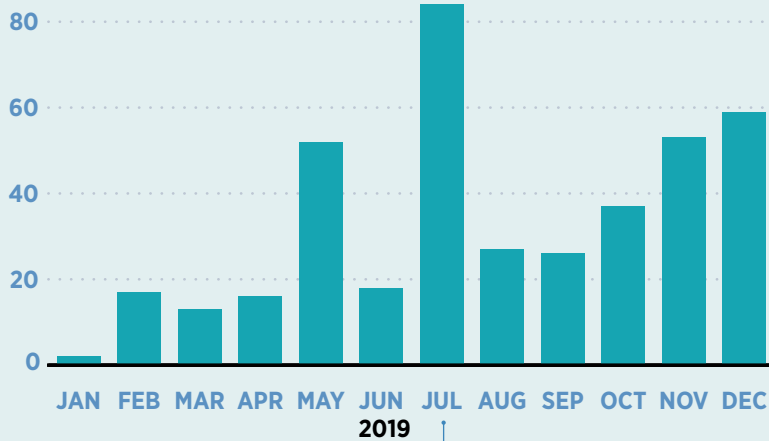
There were no notifiable events during the quarter.

Lead Health & Safety Indicators

NEAR MISSES REPORTED PER MONTH, LAST 12 MONTHS



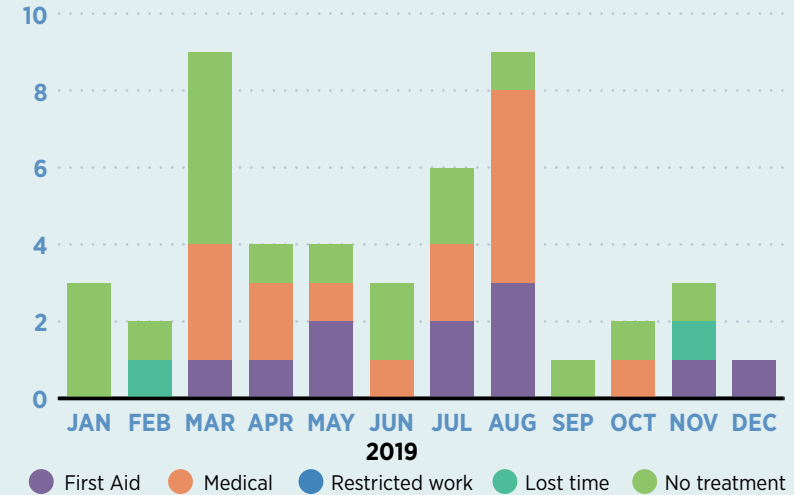
NUMBER OF STAFF THAT HAVE COMPLETED H&S TRAINING PER MONTH, LAST 12 MONTHS



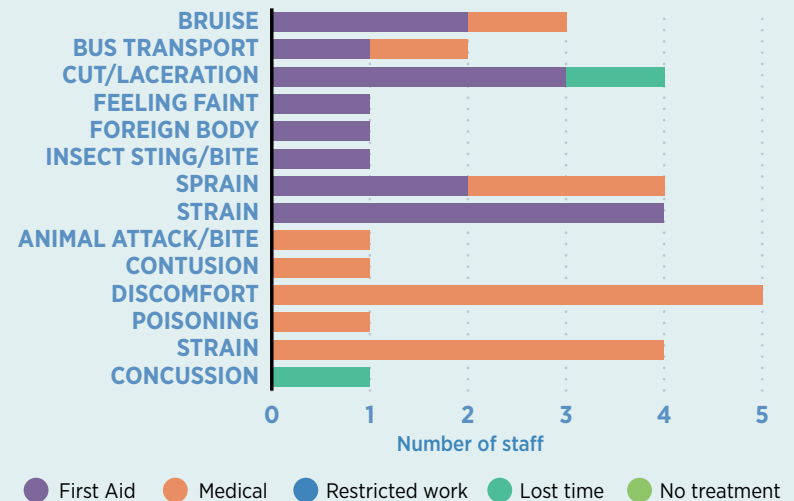
Commentary The July spike was due to hazard to risk training being conducted for staff internally along with the external courses offered (e.g. first aid, dog awareness, trailer training etc)

Health & Safety Lag Indicators

INJURIES LAST 12 MONTHS



INJURIES BY CATEGORY LAST 12 MONTHS





People and culture

Pūmanawa Tangata

Our people work to deliver the services, infrastructure and functions for our communities as agreed through the Long Term Plan 2018-2028

Strategy and Key Projects

Projects

Current and Future work

PEOPLE PLAN (TOI TANGATA)

Work is progressing on a People Plan to ensure our people can deliver great outcomes for our community.

Key focus areas include Leadership, the Employee Experience, Te Ao Māori and being future ready. The People Plan will be shared with the wider organisation in early 2020.

COLLECTIVE BARGAINING

Collective bargaining between the two representative unions and the employer commenced on 13 November 2018, and is progressing.

People and Turnover Key Performance Indicators

HIGHLIGHTS

- Employee levels as at 31 December 2019 comprised of a headcount of 419 which equated to 397.18 FTE, against a budget of 434.5 FTE.
- The total headcount includes permanent and fixed term employees. The permanent FTE numbers decreased marginally from 397.92 to 397.18 over the quarter.
- Rolling turnover percentage increased during the quarter from 10.04% to 10.46%.

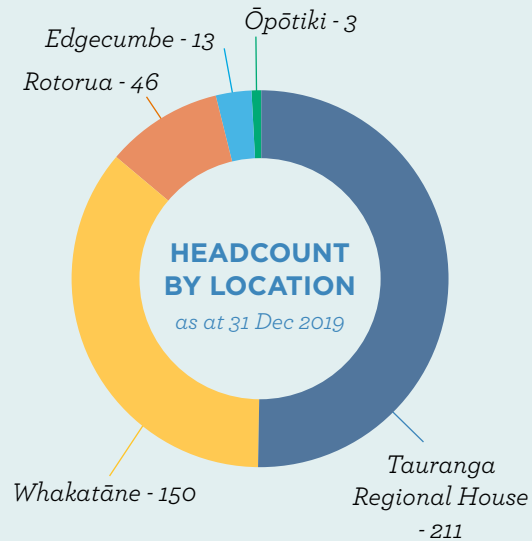
Several key metrics are presented below.

HEADCOUNT BY GENDER

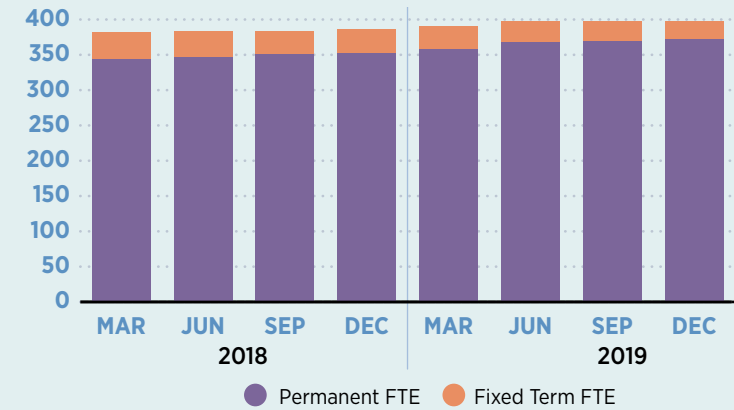
as at 31 December 2019



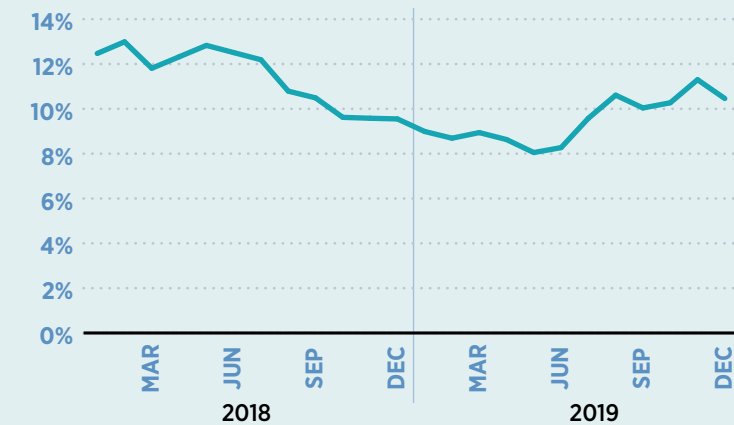
During the last 12 months the female headcount has increased by 1.25%



PERMANENT & FIXED TERM FULL TIME EMPLOYEES, last two years



ROLLING STAFF TURNOVER, last two years







*For more information visit our website
www.boprc.govt.nz, call 0800 884 880
or email info@boprc.govt.nz*