

Annual Report Summary

Te Mahere ā-Tau whakarāpopoto

2019/20

For the financial year 1 July 2019 to 30 June 2020



Your representatives

Ngā reo kōrero



Bay of Plenty Regional Council has 14 councillors, with 11 elected from four general constituencies – Tauranga (five councillors), Rotorua, Western Bay of Plenty and Eastern Bay of Plenty (two each), while voters on the Māori roll elect one councillor from each of the three Māori constituency areas – Kōhi, Mauao and Ōkurei.

From left: Jane Nees, Norm Bruning, Andrew von Dadelszen, Stuart Crosby, David Love, Paula Thompson, Stacey Rose, Lyall Thurston, Kevin Winters, Doug Leeder, Bill Clark, Te Taru White, Matemoana McDonald and Toi Kai Rākau Iti.

*Mai i Ngā Kurī a Whārei ki Tikirau
Mai i Maketu ki uta mai ki Taupō-nui-a-Tia*

Ko te rohe kaunihera tēnei o Toi Moana

*Kia toi te whenua, kia toi te moana, kia toi
te taiao, kia toi te iwi*

Tihei Mauriora!

E ngā mana, e ngā reo, e ngā karangaranga maha,
tēnā koutou!

I whakarangona atu e Toi Moana ki ngā moemoeā a
ngā hapori. Ka mōhiotia ko Toi Moana he rohe whai
painga whai oranga hoki.

Ko te tino pūtake ko te whakapakari ai I ngā momo
tūhono i waenganui i a tātou nā ngā wawata,
moemoeā hoki.

Ko tō kaunihera ā rohe he waka eke noa.
Nā tō rourou, nā tōku rourou ka ora ia te iwi.

Nā te ārahitanga o ngā Hapori o Toi Moana e kore
mātou a Toi Moana e kotiti haere ki te whakapakari ai
i tō tātou taiao Hapori anō hoki.

*Stretching from Waihī Beach to East Cape
From Maketu to just inland of Lake Taupō*

*This is the region of the Bay of Plenty
Regional Council*

*Let the land prosper, let the oceans and lakes
prosper, let the environment prosper so that
we, the people, prosper.*

‘Tis the breath of life

To all authorities, to all voices, to the many
affiliations, Greetings!

Council has listened to the aspirations of its
communities confirming that we are a region seeking
wellbeing and vitality together.

The focus is to strengthen our connections to
each other and our environment guided by your
aspirations and ideas.

Your regional council is a waka which we are all
in together with no exceptions. Together we shall
realise our collective aspirations.

The ongoing guidance from our communities
ensures we never deviate from our commitment to
you, our communities and environment.

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 freshwater 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

Contents

Rārangi Kaupapa

<i>Your representatives – Ngā reo kōrero</i>	2		
<i>Strategic Framework</i>	4		
<i>Message from the Chair and Chief Executive</i>	6		
<i>Service Delivery Performance Ngā whakatutukitanga-a-ratonga</i>	9		
<i>Financial Performance – Ngā whakatutukitanga ahumoni</i>	10		
<i>Impact of COVID–19</i>	13		
<i>Māori participation in decision making Te whakaurunga o ngāi Māori ki te tuku whakaaro</i>	14		
<i>Our Region – Te Rohe o Toi Moana</i>	17		
<i>Our people – Ngā Tāngata o Toi Moana</i>	17		
		<i>Community Outcomes in Action – Ngā putanga-a-hapori</i>	18
		 <i>A healthy environment – He taiao ora</i>	19
		 <i>Freshwater for life – He wai māori, he wai orange</i>	21
		 <i>Safe and resilient communities – Kia haumaru, kia pakari te hapori</i>	24
		 <i>A vibrant region – Toitū te rohe</i>	26
		<i>Groups of activities – Nga rōpū mahinga</i>	28
		<i>Our four wellbeings – Ngā Pou Toiora</i>	29
		<i>Summary financial statements Whakarāpopoto pūrongo pūtea</i>	41
		<i>Independent Auditor’s Report</i>	49

A photograph of a waterfall in a dense, mossy forest. The water flows over several large, rounded rocks covered in vibrant green moss. The surrounding vegetation is thick and lush, with various ferns and plants visible. The lighting is soft and natural, highlighting the textures of the moss and the movement of the water.

Message from the Chair and Chief Executive

We are pleased to present our Annual Report for 2019/20. This report presents our financial results and shows our performance against the targets we set for our service delivery in 2019/20. This is our second Annual Report as part of our Long Term Plan 2018-2028.

2019/20 was a hugely eventful year. With the eruption of Whakaari/White Island and then soon after the COVID-19 global pandemic reaching New Zealand, this year our region has had to deal with significant and unprecedented issues on top of what we would consider our business as usual. The importance of *Thriving Together – mō te taiao, mō ngā tāngata* has been evident within our regional response to both of these events.

These events heavily impacted our service delivery, but we continued to make progress across all of our areas of work and major projects to deliver on our Community Outcomes and improve the wellbeing of our communities. Our performance was monitored and reported through 33 performance measures during the year, and we achieved 28 (85%) of our targets we set through the Long Term Plan 2018-2028.

We were also proud to be recognised at the SOLGM Local Government Excellence Awards. We received three awards including the prestigious Supreme Award for Te Arawa Catfish Killas, our initiative with Te Arawa Lakes Trust which incorporates the mātauranga and tikanga of Te Arawa and has resulted in the removal of 80,000 catfish from Lakes Rotorua and Rotoiti in three years. We also received the Te Puni Kōkiri Award in the Bicultural Leadership category, and the BERL Award for Collaborative Government Action for the project to safely remove dioxin-contaminated sediment from and remediate the Kopeopeo Canal near Whakatāne.

We delivered our work programme through operating expenditure of \$138.5 million compared to a budget of \$134.0 million. We also delivered \$36.4 million of capital expenditure, this is the second biggest capital investment ever made in our history but this was below budget of \$59.3 million. We have funded nearly 60% of our services from non-rates revenue and unlike many other councils, this balanced

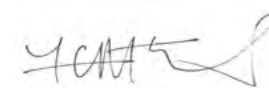
approach to funding has helped us to achieve operating revenue of \$138.5 million which is higher than budget of \$136.7 million. We have achieved our \$1 million savings target focusing on careful management of our resources and process improvements throughout the course of the COVID-19 pandemic.

The Council Group, which includes our 100% shareholding in Quayside Holdings Limited, is pleased to record a moderate net profit after tax attributed to Council of \$37.2 million. Overall Quayside's diversified portfolio including our 54.1% shareholding in the Ports of Tauranga, has fared well despite the obvious impacts that COVID-19 had on the general economy. Quayside paid a dividend to Council of \$32.1 million to help fund our work in 2019/20, and as we look ahead this approach will continue to ensure we keep our general rates low and deliver regional benefit to our community.

As we look ahead to 2020/21, one of our main areas of focus will be around how we can best assist the region to recover from the effects of COVID-19. Some guidance in direction has been signalled from Central Government, and this will impact the work we do going forward, particularly for our policy and planning work focusing on the new rules and regulations to restore and protect the health of New Zealand's waterways. As we move into the new financial year, we are excited to build upon the progress we made in 2019/20, and the opportunity to deliver on the work set out in our Annual Plan 2020/21.



Doug Leeder
Chairman



Fiona McTavish
Chief Executive

Impact of COVID-19

The outbreak of COVID-19 is having far-reaching effects across the globe, in New Zealand, and within the Bay of Plenty.

At the time this report was being prepared (July 2020), New Zealand was at Alert Level One status with most services returning to a near normal level. However, it now seems clear that we will continue to feel the effects of COVID-19 for some time to come. Central Government has taken strong steps in response to the pandemic and Council will continue to work together with them aiding in the recovery of our region from the virus and its effects.

Once the extent of COVID-19 started to become clear, the Regional Council undertook necessary preparations including the testing of our information technology capabilities to enable staff to work from home. When the Government shifted to Level 4 (Lockdown) on 26 March 2020, we restricted our service delivery to the essential and priority services we provide our community and increased resourcing where needed, for example by increasing the staffing of Civil Defence Emergency Management services. Due to the restriction of the services we could operate under Level 4 we were not able to perform all the services we normally would and therefore some levels of service we committed to in our Long Term Plan were affected, both positively and negatively.

Most notable of the positive impacts was within our Resource Regulation and Monitoring activity, where due to reduced human activity on our environment, there was moderate improvement in air quality (PM10) in some areas. The shift in the number of Regional Council employees working from home also meant there was reduction in the energy use of our Regional Council buildings (and carbon emissions region-wide).

The most notable negative impact on our service levels was a large reduction in patronage of our bus services, although this did have an overall positive impact on environmental outcomes. Another area where COVID-19 has had a significant impact was in our Regional Development Activity, where there is now a need to shift priorities to include projects that can assist with the recovery from COVID-19.

There has been a significant impact on the regional economy. Regional Council signalled its intent to try to lessen this impact on our community by working towards a zero percent real increase to general rates in its Annual Plan 2020/21 and to retain our current Resource Management Act and Building Act Fees and Charges for 2020/21. In addition, Council has worked with Central Government to identify a number of 'shovel ready' projects and 'jobs for nature' projects which are aimed at creating jobs and delivering work aligned to Council outcomes. Council will continue to look for ways to ease the financial burden on our ratepayers, however the challenge this poses is the impact it will have on our revenue that is directly attributed to the delivery of current and future services within the region.

Service Delivery Performance

Ngā whakatutukitanga-a-ratonga

Our work is carried out across 33 activities which are sorted 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. Our performance measures and targets are set in our Long Term Plan 2018-2028.

Each of the nine groups of activities state the levels of service that will be delivered by that Group, and have performance measures and targets that indicate how well we are delivering our services to the community.

In our Long Term Plan 2018-2028 we introduced a number of new performance measures. This is our second Annual Report to report on those measures and we have achieved most of our targets and came close with several others.

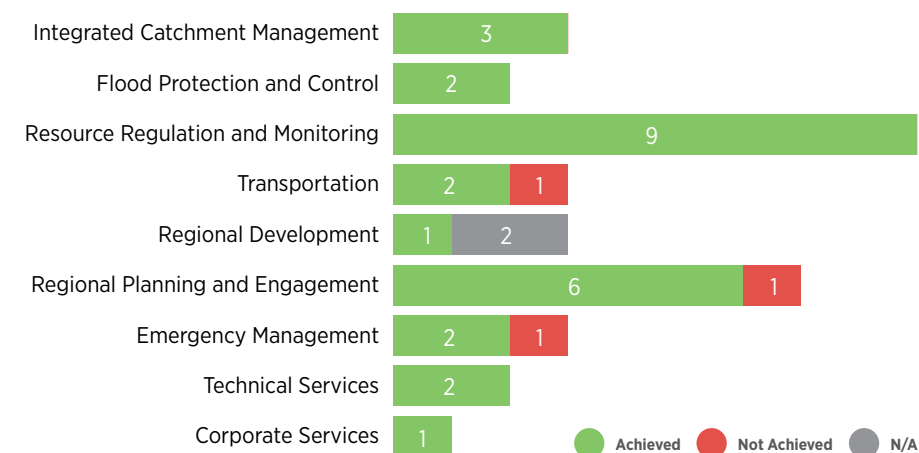
COVID-19 has had an impact on a number of our services, however we have still managed to see improvement in some of our levels of service, including resource consent processing times and the replacement of non-compliant burners in the Rotorua airshed. We have also increased the percentage of compliance monitoring inspections we did to the frequency specified by the Resource Management Act and Building Act Charges Policy, but not by enough to meet a higher target than had been set in previous years.

Of the 33 measures we used to track our performance in 2019/20, the summary graph shows that:

- We achieved the targets for 28 measures (85%)
- We have not achieved the targets for three measures (9%)
- Two measures are no longer considered applicable (6%)

Detail on each of the 33 measures, targets and previous results can be found under the group of activity section of this report. We will continue our focus on achieving the targets and delivering on our Community Outcomes during 2020/21.

TARGETS BY GROUP OF ACTIVITIES



Financial Performance

Ngā whakatutukitanga ahumoni

In 2019/20 we delivered an operating surplus of \$0.04 million which was below our planned operating surplus of \$2.6 million. Our financial resilience has enabled us to respond and adapt to the ongoing impact of COVID-19 and our prudent financial management will ensure our community recovers and can thrive together.

The Council Group, which includes our 100% shareholding in Quayside Holdings Limited, is pleased to record a moderate net profit after tax attributed to Council of \$37.2 million.



Operating expenditure

Our operating expenditure is what we spend on the many activities we provide to our community – for example providing public transport, consent processing, supporting local democracy, maintaining infrastructure assets and providing community grants. It also includes all the support services such as finance, communications and technology.

\$138.5 million
OPERATING EXPENDITURE

*against a budget of
\$134.0 million*

Our total operating expenditure for the year was \$138.5 million, \$4.5 million higher than budget.

We have increased our investment in the key areas which support our four community outcomes and the community wellbeings. In addition to what we had planned to invest in, we have responded to two major emergencies and we have used our reserves to support the Awatarariki Fanhead Managed Retreat in Matatā.

Our incentives programme which aims to improve the health of the Rotorua Te Arawa Lakes has achieved further land use retirement in the catchment during the year although we will defer \$6.4 million from 2019/20 into future years. Due to market movement, we have recognised two impairments including \$4.5 million for buildings and \$2.7 million for our investment in Toi Moana Trust.

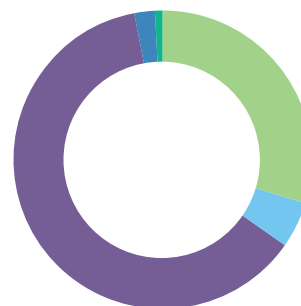
We set ourselves an efficiency target to reduce our operating costs. We have achieved efficiency savings of over \$1 million through careful management of our resources and process improvements which were necessary throughout the course of COVID-19. This has delivered savings to our communities in areas such as business travel, conferences and meeting related costs. We have also delivered benefits to the Council Group through lower borrowing costs on facilities from the Local Government Funding Agency.

OPERATING EXPENDITURE BY GROUP OF ACTIVITIES



- Integrated Catchment Management **\$16.5 m**
- Flood Protection and Control **\$12.1 m**
- Resource Regulation and Monitoring **\$21.1 m**
- Transportation **\$29.0 m**
- Regional Development **\$9.3 m**
- Regional Planning and Engagement **\$19.7 m**
- Emergency Management **\$4.1 m**
- Technical Services **\$14.3 m**
- Corporate Services **\$12.4 m**

OPERATING EXPENDITURE BY CLASS



- Employee benefits **\$41.5 m**
- Depreciation and amortisation **\$6.6 m**
- Trading and other expenses **\$86.2 m**
- Finance costs **\$3.2 m**
- Other losses **\$1.0 m**

Revenue

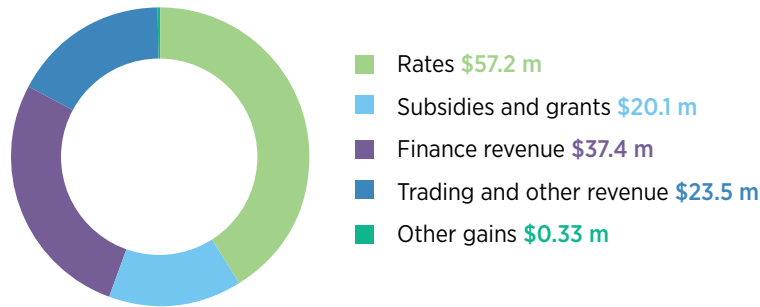
We fund our services and operations through a mix of rates and non-rates sources.

We have funded nearly 60% of our services from non-rates revenue and unlike many other councils, this balanced approach to funding has helped us to achieve operating revenue of \$138.5 million which is \$1.8 million higher than budget of \$136.7 million.

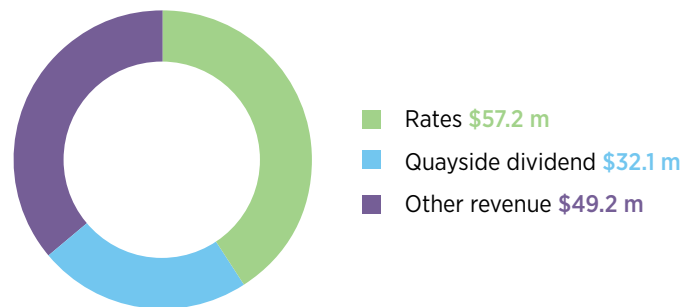
We used \$32.1 million of dividend from Quayside to help fund our work in 2019/20, and as we look ahead this approach will continue to ensure we keep our general rates low and deliver regional benefit to our community.

\$138.5 million
OPERATING REVENUE
includes \$10 million of capital funding

OPERATING REVENUE BY CLASS



OPERATING REVENUE - rates, Quayside dividend, other revenue



Capital expenditure

Capital expenditure is what we spend on upgrading, renewing or building new assets.

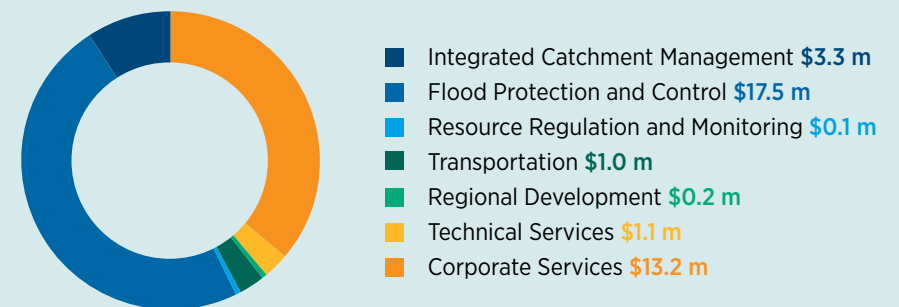
We delivered \$36.4 million of capital investing, this is the second biggest capital investment ever made in our history but this was lower than our budget of \$59.3 million.

We invested \$16.5 million in flood protection to help keep people and properties safe. This includes \$4.3 million for the Rangitāiki Floodway Project and \$8.7 million for the April 2017 Flood Repair Project.

We invested a further \$9.2 million into the Buildings Upgrade Project and \$3 million to complete both the Kopeopeo Canal Remediation and the Kaituna River Rediversion and Te Awa O Ngatoroirangai / Maketū Estuary Enhancement Projects.

\$36.4 million
CAPITAL INVESTMENT
IN 2019/20
Invested \$16.5 million on Flood Protection and Control and \$9.2 million on the Buildings Upgrade Project

CAPITAL EXPENDITURE BY GROUP OF ACTIVITIES



Prudent debt management

We use debt to fund capital investment so that we spread the cost of those assets across the generations who will benefit from them.

During 2019/20 we increased our total borrowings by \$50 million to \$191 million as at 30 June 2020. The facilities are provided for a specific purpose including \$141 million for capital investment, and \$50 million for on-lending to Quayside Holdings Limited.

While this level of debt seems like a big number, our net debt is (\$53 million) which means we have high levels of liquid assets relative to our debt levels. Consequently our net debt to revenue ratio is (38.4%).

We take a prudent approach to managing our debt by keeping our net debt to revenue ratio significantly within our prudential limit of 270 per cent. This is reflected in our AA credit rating which is one of the highest of Councils in New Zealand.

Credit rating

Maintaining Council's AA credit rating allows us to keep interest costs on borrowings as low as possible – our average borrowing rate is 1.7% for 2019/20.

Our prudent financial management is recognised by the credit rating agency S&P Global Ratings and our credit rating remains AA, with a 'stable' outlook.



\$191 million
OF TOTAL DEBT

*an increase of \$50 million
in 2019/20.*

*\$141 million of debt to fund capital
investment and \$50 million of
debt to on-lend to Quayside.*

(\$53 million)
NET DEBT
(38.4%)
DEBT TO REVENUE RATIO

Group Financial Performance

We hold a 100 percent shareholding in Quayside Holdings Limited. Quayside holds and manages a majority shareholding in the Port of Tauranga Limited. Quayside provides long term financial security to Regional Council through a diversified investment portfolio and by ensuring the Port of Tauranga shareholding is managed in an effective and commercial manner.

The global pandemic has set a challenging backdrop for global investment markets. Despite this, Quayside has continued to diversify its portfolio of assets to support shareholder growth and sustained benefits to the Bay of Plenty region. Quayside was pleased to record a moderate increase in net profit after tax to \$18.8 million.

The Port of Tauranga had a solid year despite the impact of the first COVID-19 lockdown and changes in demand for logs, showing the benefits of being a strong export port with a diversified range of cargo. The Port showed a modest decline in net profit after tax of 10.5% to \$90 million.

Quayside's diversified portfolio fared well despite the obvious impacts that COVID-19 had on the general economy. Quayside showed strong financial performance across most of its portfolio, delivering on both its return and diversification expectations. The non-port component of the Quayside balance sheet grew 9.4% in the past year, to \$380 million. This represents a combination of capital growth, retained earnings and debt to support further asset diversification.

Investments during the year included the joint venture Lakes Commercial Developments Limited, which completed the Regional Council offices on Fenton Street, Rotorua. Significant advances were also made by Quayside on its development project east of Tauranga, the Rangiuuru Business Park.

Quayside is pleased to provide a record dividend to shareholders - net distributions of \$32.1 million to Bay of Plenty Regional Council and \$5.6 million to Perpetual Preference Shareholders. Quayside has provided over \$300 million of dividends to Council over its life to the benefit of the Bay of Plenty region.

Ratepayers continue to benefit from enhanced regional development and future-proofed investment returns – Quayside has provided distributions and capital worth over \$500 million for the benefit of Bay of Plenty Regional Council and regional stakeholders.

\$37.2 million

*Council Group Net Surplus
After Tax attributed to
equity holders of Council*

Māori participation in decision making

Te whakaurunga o
ngāi Māori ki te tuku
whakaaro



Our region has New Zealand's second largest Māori population, making up approximately 28 percent of our population. There are 39 iwi, 260 hapū and 180 marae located across the region.

Te Moana nui a Toi – close to a third of the Bay of Plenty population are Māori. Within our region there are approximately 1800 land trusts covering more than 5000 Māori land blocks (40 percent Māori land). There are multiple marae which are used by Māori and the wider community. Māori make a significant contribution to the region through their ownership of assets; contribution to economic development; leadership in Treaty co-governance forums; and their kaitiaki roles and responsibilities which influence conservation, preservation and management of natural resources.

He Korowai Mātauranga (Mātauranga Māori Framework), an internal Regional Council document that aims to recognise Mātauranga Māori in decision-making processes has been finalised and is operational. A number of key actions that support the Plan have progressed including the establishment of the following dedicated roles:

- A Putaiao Mātauranga (Mātauranga Māori Scientist) role within the Science Team,
- A dedicated Senior Māori Communications Advisor role within the Communications Team,
- An RMA Kaupapa Māori Advisor role within the Environmental Strategy Team,
- A Māori Capacity Advisor role within the People and Capability Team, and
- Student internment roles to build Māori capacity.

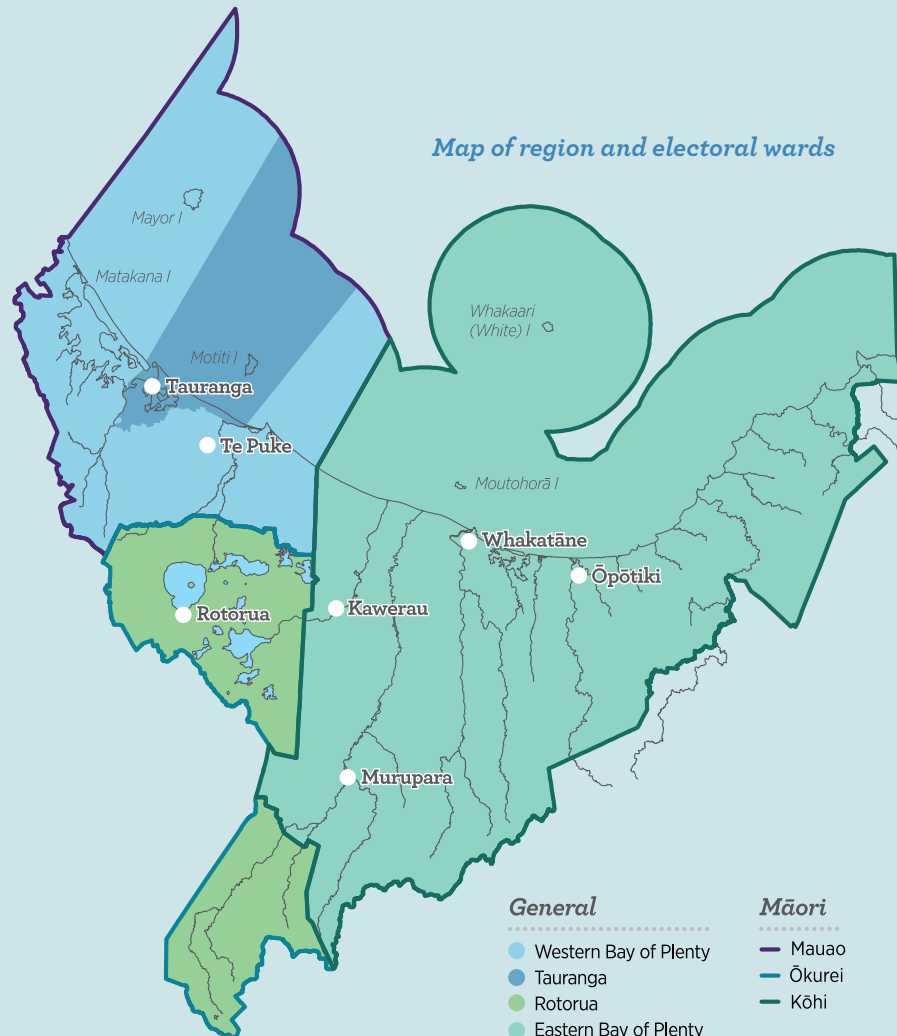
During 2019/20 we also supported Māori participation in decision-making processes through a range of activities including:

- Supporting Māori Economic Development – identifying ways Council can add value to Māori economic recovery through Komiti Māori, a core committee that provides direction and guidance on Council's obligations to Māori in relation to effective engagement.
- Two comprehensive Iwi Management Plans were also lodged with Komiti Māori after receiving funding and support.
- Supporting tangata whenua in our community including providing ongoing high level advice to Te Arawhiti on three comprehensive Treaty of Waitangi claims and hosting five Resource Management Plan training sessions for tangata whenua in the region.
- Holding several sub-regional hui with Māori to help inform decision-making processes.
- The Rotorua Geothermal Ahi Kaa Roa Roopu was established to support the Geothermal Plan Change.



Our Region

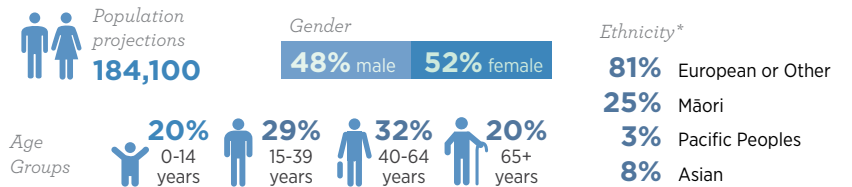
Te Rohe o Toi Moana



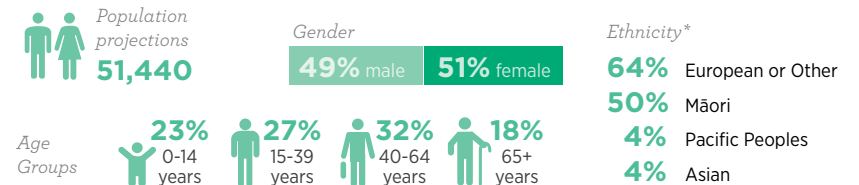
Our people

Ngā Tāngata o Toi Moana

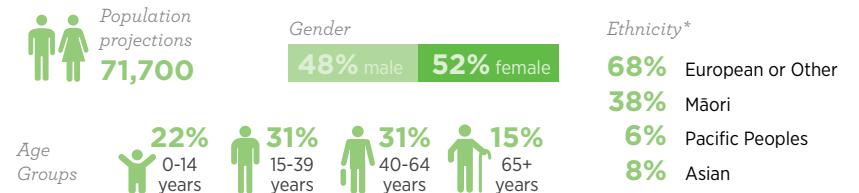
WESTERN BAY OF PLENTY



EASTERN BAY OF PLENTY



ROTORUA



Figures are Statistics NZ projections 2018
*Multiple answers possible so will total more than 100

Community Outcomes in Action

Ngā putanga-a-hapori

Bay of Plenty Regional Council's vision Thriving Together – mō te taiao, mō ngā tāngata is about supporting our environment and enabling 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.

A healthy environment is at the heart of what we do. We sustainably manage our natural resources so our communities can thrive.

We want to continue to grow and develop as a region, support local business and ensure there are job opportunities for all our communities.

We need to make sure we are not putting more pressure on the environment than it can cope with. We also need to consider what climate change means for us and understand how we need to respond to the changes this will bring, such as different weather patterns and rising sea levels.

We work with the community to protect our water, soils and our wildlife. We manage, or get rid of, pest plants and animals. We set rules around what can and can't be done in our environment and ensure the rules are followed through our consents and monitoring processes.

We set rules around what can and can't be done in our environment and ensure the rules are followed through our consents and monitoring processes.

Highlights and challenges 2019/20

KAITUNA RIVER REDIVERSION AND TE AWA O NGĀTOROIRANGI/ MAKETU ESTUARY ENHANCEMENT

Construction work began in June 2018 and its completion was publicly celebrated with karakia and a ribbon-cutting ceremony to mark the opening of new re-diversion control gates on 12 February 2020. Through the delivery of this project we are making Te Awa o Ngātoroirangi/the Maketu Estuary healthier for people to swim and fish in. We have restored up to 20 percent of the Kaituna River's freshwater flows into the estuary and we have also re-created 20 hectares of wetlands around the estuary margin, to help filter nutrients and create breeding areas for birds and fish. Working closely with our community, together we have delivered this \$16.6 million project on budget, and five months ahead of schedule.



The Kaituna River Rediversion was completed during the year, the project cost \$16.6 million and was delivered within budget and five months ahead of schedule.

KOPEOPEO CANAL REMEDIATION PROJECT

Completing the remediation of the Kopeopeo Canal was a priority for us during 2019/20. The project, jointly funded with the Ministry for the Environment, safely removed, stored and bioremediated elevated levels of dioxin contaminated sediment from 5.1 kilometres of the Kopeopeo Canal in Whakatāne. The canal was contaminated between the 1950s and late 1980s by discharges from a former sawmill, which treated timber using Pentachlorophenol (PCP). While unknown at the time, PCP imported into New Zealand for use in the timber processing industry included a percentage of impurities that contained dioxins. Physical works for the project are now complete and the project has moved to a monitoring phase. The project was recognised during the year by winning the Australasian Land and Groundwater Association (ALGA) Project Excellence Award for Best Regional Remedial Project and the SOLGM BERL Award for Collaborative Government project.



The Kopeopeo Canal Remediation Project was completed in 2019. The project cost \$22 million between 2011 and 2019 with the Ministry for the Environment providing \$8 million through the Contaminated Sites Remediation Fund.

PLANNING TO SUPPORT A HEALTHY ENVIRONMENT

We develop strategies, policies and plans to help us manage the natural and physical resources in the region. During the year, we continued to progress a number of plan changes which help progress us towards maintaining a healthier environment for the community.

The Regional Coastal Environment Plan (RCEP) became operative in December 2019. At this time there were two remaining appeals that were discrete matters relating to Matakana and Motiti. The Environment Court provided full and final decisions on these appeals in June 2020 and the council adopted these remaining parts of the RCEP and now these two resolved appeals have been referred to the Minister of Conservation for approval, which we expect in the new year.

The Lake Rotorua Nutrient Management Environment Court Hearing regarding Plan Change 10 had substantial matters resolved in favour of Regional Council's nitrogen allocation method.

Plan Change 13 (Air Quality) decisions were released in March 2019 and subsequently 10 appeals were lodged. Five of the appeal topics have been resolved through mediation and the Environment Court has released the Consent Orders.

We have engaged with a range of stakeholders and community groups and carried out further investigation of issues raised through the public feedback process on the Draft On-Site Effluent Treatment Plan Change (Plan Change 14) to the Bay of Plenty Regional Natural Resources Plan.

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 fresh water resources.

Fresh water is vital for the health of people and communities, and that makes it important to us.

We're responsible for two kinds of fresh water: groundwater and surface water. Surface water is all the water above ground – rivers, lakes and streams, drains, ponds, springs and wetlands, while groundwater comes from rainfall and rivers and accumulates in underground aquifers.

We invest millions of dollars each year to maintain and improve water quality and quantity in the Bay of Plenty and we work with the community to look after the rivers, estuaries and coastal environments.

We monitor water quality and quantity; ensuring people follow the rules set through the consents process.

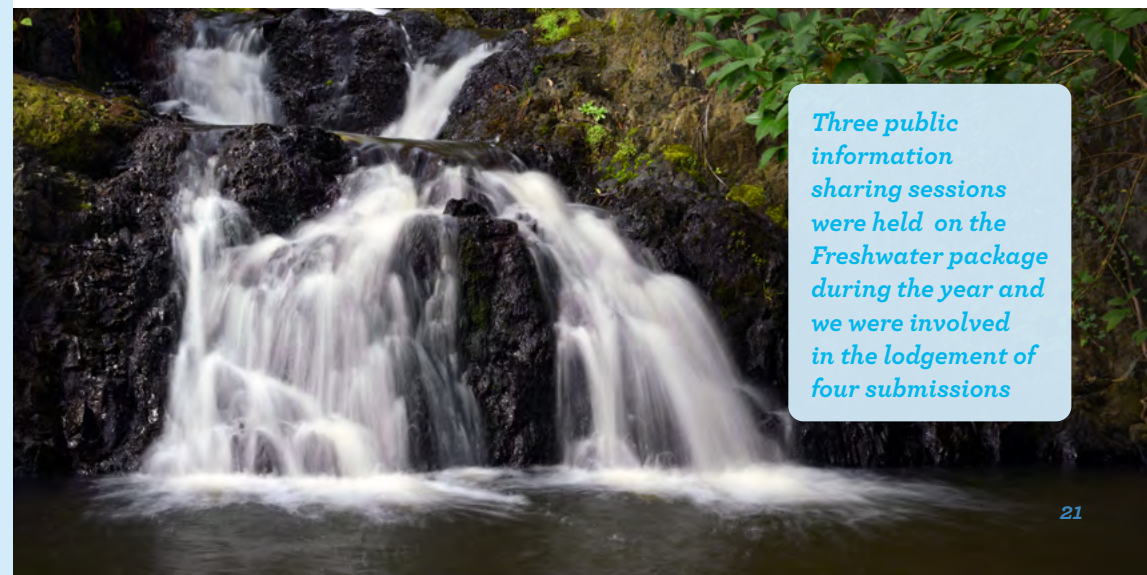
Our work in this area is guided by national legislation, regulations and standards for water that prescribe public processes for setting requirements and rules. This area is becoming increasingly complex and we're working hard to translate the policy into action on the ground.

Put simply, we manage the freshwater that's in and on the ground so there's enough for people and wildlife to thrive now and in the future.

Highlights and challenges 2019/20

FRESHWATER FUTURES PROGRAMME

Government's 'Action for Healthy Waterways' include changes to the National Policy Statement for Freshwater Management (NPSFM), a new National Environmental Standard for Freshwater (NESFM) and an accelerated planning process to enable better, faster and more consistent freshwater management plans by regional councils (through the RMA amendment bill). It was released for public consultation in September 2019 and contained a number of new requirements to improve the state of our fresh water resources. Three public information sharing sessions were held to discuss the Freshwater package and staff have worked with the Regional Water Sector Group and the region's territorial authorities to prepare submissions. Council lodged a detailed submission which focussed on matters of particular interest within our region. We also lodged a joint submission with the Bay of Plenty's territorial authorities to provide a collaborative regional view and supported the Regional Sector/LGNZ submission and the preparation of submissions by co-governance bodies. Council also provided advice and information to the Ministry for the Environment as requested. Work programmes are under development to support the work we are doing on implementing the Action for Healthy Waterways package once the changes to the policy and regulatory documents are published in the second half of 2020.



Three public information sharing sessions were held on the Freshwater package during the year and we were involved in the lodgement of four submissions



FOCUS CATCHMENTS PROGRAMME

Following Council's approval of a targeted Environmental Grants policy in 2019, this programme is now underway across our different catchments. Land Management Officers have been working with colleagues in the Science and Data Services teams to prepare catchment action plans and monitoring plans. These will prioritise our work with catchment communities. Monitoring has recently been ramped up to both to measure changes over time and to help prioritise the critical source area locations and actions required to improve them. One example is in the upper Rangitāiki catchment where land use intensification has led to an increasing nitrate concentration, posing a potential risk to Rangitāiki water quality and in-stream values. Staff recently met with all of the major landowners, and there is a collective willingness to find a solution together.

Of the programmes underway four are in the Tauranga Harbour catchment (including the Uretara, Te Mania, Kopurererua and Waitao Streams), three are in the Kaituna /Water Management Area (including the Waihi Estuary, Kopuaroa and the Waitepuia/Ford Road catchments), and three are in the Eastern Catchments (including the upper Rangitāiki, Ōhiwa Harbour and the Waiōtahe River).

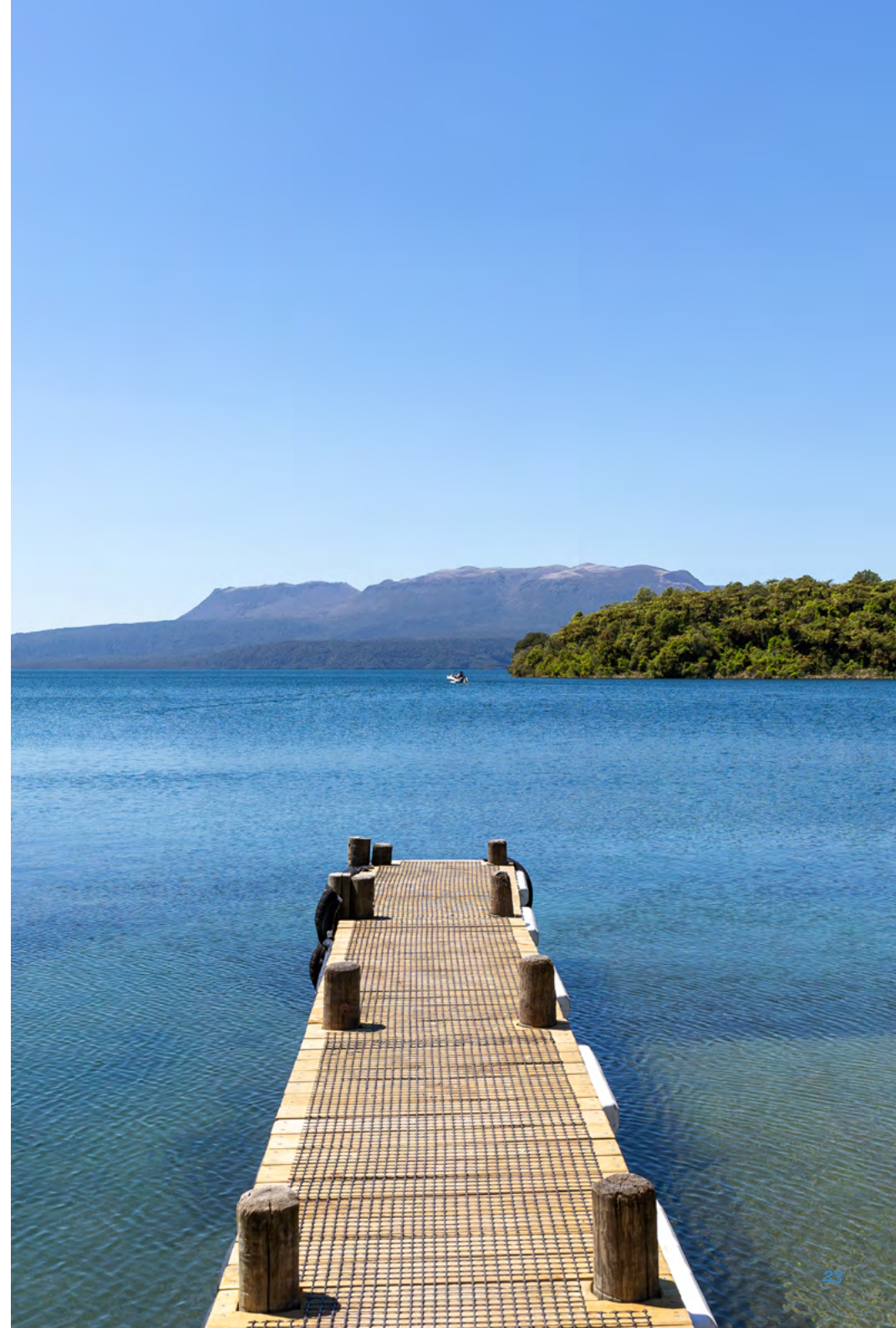
ROTORUA TE ARAWA LAKES PROGRAMME

The Rotorua Te Arawa Lakes Programme is a partnership between Regional Council, Te Arawa Lakes Trust and Rotorua Lakes Council that has been established to coordinate, prioritise and deliver on all our work related to improving the health of the Rotorua Te Arawa Lakes. The programme is part-funded through a Deed of Funding Agreement with the Crown (\$72 million).

Work this year included erosion protection works on the Waitangi Stream, the outlet of Lake Ōkāreka. These works will ensure better management of Lake Ōkāreka levels to protect the surrounding properties and enable the safe discharge of up to 500 L/s – more than double the previous consent allowance. In addition the Lake Ōkāreka land use change project towards low nitrogen loss options was completed during the year. A further 78 hectares of land use change to trees was secured in the catchment, taking the total land use retirement in the catchment by the Programme to just less than 236 hectares. A period of monitoring is now required to establish the effect on lake water quality of the further change.

RESPONSE TO WATER SHORTAGE

As a result of a particularly warm and dry spring and summer this year, the Bay of Plenty, like much of the North Island, experienced drought conditions across the region, with the worst affected area being west of Tauranga. To respond to this, Regional Council appointed a Water Shortage Event Manager to co-ordinate the monitoring of actual and projected in-stream conditions, and management of water abstractions in order to minimise the risk of severe environmental impacts on surface water and aquifers. This required a significant effort from a cross-council team, including Science, Policy, Strategic Engagement, Compliance and Data Services. This is the first time Council has taken these steps and, although no water shortage directions were issued, it provided a valuable opportunity to test our process and identify opportunities to improve it.



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.

Our region is subject to a number of natural events, including volcanic activity, earthquakes and extreme rainfall. These events can endanger our communities.

We work to keep people safe by providing flood protection, such as stop banks and pump stations, and ensuring we are prepared for emergencies through our Civil Defence and Emergency Management services.

Raising awareness and preparing for issues such as climate change are also important aspects of building strong communities that can cope with change.

We are responsible for controlling the use of land to avoid or mitigate the effects of natural hazards, and we work with other local councils and Emergency Management Bay of Plenty, to identify natural hazards and reduce risk.



Highlights and challenges 2019/20

RESPONSE TO COVID-19

On 13 March, the Bay of Plenty Civil Defence Emergency Management Group activated in support of the All-of-Government response to COVID-19, activating the Group Coordination Centre and all local Emergency Operation Centres. The role of the CDEM Group was to support health through the coordination of two workstreams; the CDEM workstream and the Caring for our Communities (C4C) workstream. The CDEM workstream prioritised and coordinated the regional CDEM interagency response to the consequences of the pandemic. The C4C workstream identified and prioritised vulnerable communities who may be affected by the pandemic and meant that our team was able to get food, blankets and other supplies to the people that really needed them in the region. Other areas we were able to assist was to get PPE, signs and supplies to iwi in support of their required responses. We set up an 0800 call centre as a direct link to those in need and got fresh water to people whose bores had run dry.

CLIMATE CHANGE ACTION PLAN

Climate change is one of the biggest strategic challenges facing our region and impacts on all four of our Community Outcomes. Last financial year Regional Councillors acknowledged climate change as a serious issue for the region by declaring a climate emergency and making a commitment to work with the community on transitioning to a low carbon future and adapting to our changed climate. This year working groups were established to deliver the Climate Change Action Plan's key priorities with initial meetings held. A baseline audit (Toitu Carbonreduce) to establish our current organisational footprint was completed in December 2019 and a number of other initiatives have been undertaken as part of our Climate Change Action Plan response, including five electric buses being added to the Bayhopper bus fleet in October 2019. The electric buses are operating on the NZ Bus operated network and are the first in New Zealand outside of a main metropolitan centre. The buses contribute to Goal 10 in our Climate Change Action Plan to reduce greenhouse gas emissions and form part of the Regional Council's commitment to low carbon public transport.

Other Climate Change Action Plan initiatives include:

- incorporating climate change across decision-making
- a Staff Travel Plan
- a carbon reporting tool for planting programmes
- sustainable procurement policy development

WHAKAARI/WHITE ISLAND ERUPTION

On 9 December 2019, Whakaari/White Island erupted while 47 people were on the island. The response was led by the Bay of Plenty Civil Defence Emergency Management (CDEM) Group and the search and rescue operation was led by NZ Police. The response was conducted in partnership with a number of organisations including Te Rūnanga o Ngāti Awa who provided cultural and spiritual leadership to victims, families, first responders and operational staff.

Those visiting Whakaari/White Island at the time of the eruption included people from New Zealand as well as foreign nationals from Australia, USA, Great Britain, China and Malaysia. Victims were transferred to seven different hospitals across the country, meaning an element of national coordination was required, which was led by the Bay of Plenty CDEM Group. The Whakatāne District Council Emergency Operations Centre (EOC) and the Bay of Plenty CDEM Group Emergency Coordination Centre (GECC) were both activated to support the coordination of welfare services for the victims, their families and other people affected.

On 20 December 2019, response transitioned to the CDEM recovery phase, which continued throughout the Christmas leave period. The recovery phase identified three environment sector groups – social, economic and natural. In the social environment sector group, arrangements were made to provide pathways for those seeking support services. In the economic environment sector group plans were developed to support individuals and businesses affected by the consequences of the eruption and to accelerate economic initiatives to increase business confidence and visitor spend. The natural environment sector group protected the community by issuing a public advisory notice recommending to avoid gathering kaimoana within one kilometre of the island and developed a plan to understand the impacts of the eruption on the environment.

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.

People and the environment are at the heart of our region. We support the growth of jobs in the Bay of Plenty and development of new industries.

We make significant contributions to the region's economic growth through environmental and infrastructure management.

Through our contestable Regional Infrastructure Fund, established through the Long Term Plan 2012-2022, we are supporting projects initiated by our partners, such as the Ōpōtiki Harbour Transformation Project and the Scion Innovation Hub in Rotorua.

We facilitate Bay of Connections, the economic development framework for the wider Bay of Plenty. Its goal is to grow our region's investment and job opportunities, in partnership with economic development agencies.

We also keep the community connected through the regional public transport network of Bayhopper and Cityride buses.

Highlights and challenges 2019/20

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. It looks at ways to provide capacity for urban growth, and the future transport system. The final Interim Report was delivered to the SmartGrowth Leadership Group in December 2019. The Interim Report summarised four options to address our urban form and transport challenges in the face of significant growth pressures forecast for the western Bay. The UFTI Final Report was progressed further and was approved by SmartGrowth, and adopted by the partner councils (Bay of Plenty Regional Council, Western Bay of Plenty District Council, and Tauranga City Council) on 1 July 2020 with implementation to begin in the next year.



UFTI has delivered a 50+ year view to address the western Bay of Plenty's future urban form and transport challenges and has been adopted by the partner councils, including Bay of Plenty Regional Council.

PUBLIC TRANSPORT IN THE BAY OF PLENTY

We plan, contract, fund and monitor passenger transport services for Tauranga, Rotorua and rural areas within the region, including the Bayhopper and Cityride service and concessionary fare schemes such as Total Mobility. This financial year we had more than 2.3 million passenger trips recorded, a 9.4 percent decrease on the previous year. Patronage declined sharply at the end of March as restrictions relating to COVID-19 began to impact our region and the Government shifted the country to Alert Level 4 (lockdown). Our service delivery focussed on supporting the transport needs of essential workers, which meant a reduced number of bus trips and fare-free travel across the network. A reduced service remained in place until the end of Level 3 on Thursday 14 May 2020 and as restrictions eased, and fares remained free, we have begun to experience a rebound in public transport patronage through May and June 2020.

BUILDINGS UPGRADE PROJECT

The refurbishment of Regional House in Tauranga has enabled all of our Tauranga-based staff to be brought together to work from one location. The modernising of the Whakatāne office space, which includes changing the working space to open plan, will see all us benefit from having flexible workspaces.

Environmentally sustainable design features are being integrated into both the Tauranga and Whakatāne offices to significantly reduce our energy use and carbon footprint. Our Rotorua office held its Whakatuwheratanga and officially opened its doors to staff, partners, and the community on 19 March 2020.



Five electric buses were added to the Bayhopper bus fleet in 2019

Groups of activities

Nga rōpū mahinga

Our work is carried out across 33 activities which are split into nine groups of activities.

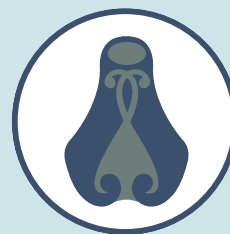
These nine groups deliver the services and infrastructure, and perform the functions that assist us to deliver on the Community Outcomes outlined in our strategic framework. The matrix shows the nine groups of activities and the Community Outcomes they most strongly link to. Local authorities are also required to identify effects that any activity within each group of activity has had on the four well-beings of the community; social, economic, environmental and cultural. Also included is the result from our key performance indicators for 2019/20 across each of our nine groups of activities.

GROUPS OF ACTIVITIES

	<i>A Healthy Environment</i>	<i>Freshwater for life</i>	<i>Safe and resilient communities</i>	<i>A vibrant region</i>
<i>Integrated Catchment Management</i>	●	●		
<i>Flood Protection and Control</i>			●	
<i>Resource Regulation and Monitoring</i>	●		●	
<i>Transportation</i>				●
<i>Regional Development</i>				●
<i>Regional Planning and Engagement</i>	●	●		●
<i>Emergency Management</i>			●	
<i>Technical Services</i>	●	●	●	●
<i>Corporate Services</i>	●	●	●	●

Our four wellbeings

Ngā Pou Toiora



He korowai mātauranga

CULTURAL WELLBEING



He korowai Tiaki Taiao

ENVIRONMENTAL WELLBEING



He korowai whakamana tangata

ECONOMIC WELLBEING



He korowai aroha

SOCIAL WELLBEING

Integrated Catchment Management

Te Whakahaere Tōpū i Ngā Wai

Our Integrated Catchment Management work protects our lakes, rivers, wetlands and coastal environment.



ACTIVITIES

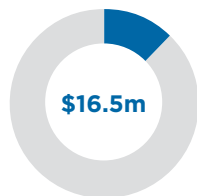
- Tauranga Harbour
- Rotorua Lakes
- Kaituna
- Eastern Catchments
- Regional Integrated Catchment Management

PERFORMANCE MEASURE

3 Achieved **0** Not achieved

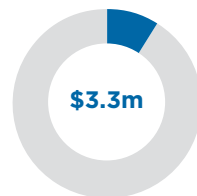
OUR INVESTMENT

Operating Expenditure



20.1% of overall operating expenditure

Capital Investment



9.03% of overall capital investment

IMPACT ON COMMUNITY WELLBEING



LEVEL OF SERVICE

Improve the indigenous biodiversity and waterbodies in the Bay of Plenty catchments

Key Performance Measure: Number of new Priority Biodiversity Sites actively managed

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
7 (Achieved)	4	6	●

Key Performance Measure: Number of Rotorua Lakes that have reached their Trophic Level Index (TLI), based on the three year rolling TLI

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
1 (Not Achieved)	2	4	●

Key Performance Measure: Percentage of monitored river and stream sites that meet the swimmability requirements under the National Policy Statement for Freshwater Management

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
75% (Achieved)	75%	79%	●

Flood Protection and Control

Te Pare me te Whakahaere Waipuke

Our Flood Protection and Control work covers the management of four river schemes, one major drainage scheme and 37 small drainage/pumping schemes.



ACTIVITIES

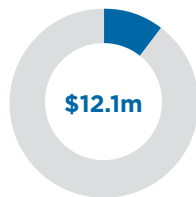
- Rivers and Drainage Schemes
- Regional Flood Risk Coordination

PERFORMANCE MEASURE

2 Achieved 0 Not achieved

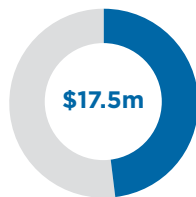
OUR INVESTMENT

Operating Expenditure



10.3% of overall operating expenditure

Capital Investment



48.12% of overall capital investment

IMPACT ON COMMUNITY WELLBEING

Environmental



Economic



Cultural



Social



LEVEL OF SERVICE

Provide flood protection and drainage

Key Performance Measure: Percentage of maintenance, repairs and renewals completed in accordance with the Rivers and Drainage Asset Management Plan (Note: or based on approved changes to the work programme)

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
91% (Achieved)	90%	90%	●

LEVEL OF SERVICE

Provide the community with timely warning of potential flooding

Key Performance Measure: Percentage of flood warnings at pre-determined levels are given in accordance with the flood warning manual

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	100%	100%	●

Resource Regulation and Monitoring

Ngā Ture Rawa me te Aroturuki

Our Resource Regulation and Monitoring work protects and maintains our environment, on land, air and at sea.



ACTIVITIES

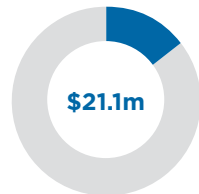
- Air Quality
- Biosecurity
- Resource Consents
- Regulatory Compliance
- Maritime Operations

PERFORMANCE MEASURE

9 Achieved 0 Not achieved

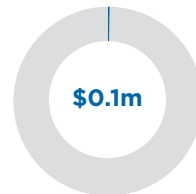
OUR INVESTMENT

Operating Expenditure



14.7% of overall operating expenditure

Capital Investment



0.39% of overall capital investment

IMPACT ON COMMUNITY WELLBEING



LEVEL OF SERVICE

Improve air quality

Key Performance Measure: Replacement of noncompliant burners in Rotorua Airshed attributed to the Rotorua Air Quality Programme

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
145 (Not Achieved)	200	280	●

LEVEL OF SERVICE

Deliver effective pest management

Key Performance Measure: Council maintains a current Regional Pest Management Plan, develops management plans for new pest incursions and prepares annual reports in accordance with the Biosecurity Act

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	100%	100%	●

LEVEL OF SERVICE

Provide a clear and timely resource consent process consistent with our regional planning documents

Key Performance Measure: Percentage of new consent applications issued discounts due to Council exceeding statutory processing timeframes (lower is better, measure is achieved when the result is less than or equal to the target)

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
3.7% (Achieved)	<5%	2.8%	●

Key Performance Measure: Percentage of customers who are satisfied overall with the service provided during the consents process

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
77% (Not Achieved)	80%	84%	●

LEVEL OF SERVICE

Respond to environmental incident complaints

Key Performance Measure: Percentage of urgent complaints made to the pollution hotline that are responded to within 12 hours

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	95%	100%	●

Key Performance Measure: Percentage of customers satisfied with staff response to substantiated complaints about Resource Management Act non-compliance

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
94% (Achieved)	80%	88%	●

LEVEL OF SERVICE

Ensure consent conditions are monitored and complied with

Key Performance Measure: Percentage of compliance monitoring inspections that occur as per the frequency specified in the Resource Management Act and Building Act Charges Policy

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
77% (Not achieved)	85%	85%	●

LEVEL OF SERVICE

Minimise risks and effects of maritime oil spills and navigation hazards

Key Performance Measure: Percentage of navigation aids rated as good quality or higher

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100%	90%	99%	●

Key Performance Measure: Spills in Tauranga are responded to within 30 minutes and all others are responded to within two hours

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100%	95%	100%	●

Transportation

Ikiiki

We plan, contract, fund and monitor passenger transport services in the region, including the Bayhopper services, and concessionary fare schemes such as Total Mobility.



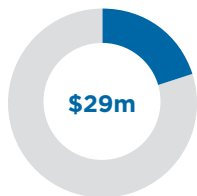
ACTIVITIES

- Passenger Transport
- Transport Planning

PERFORMANCE MEASURE 2 Achieved 1 Not achieved

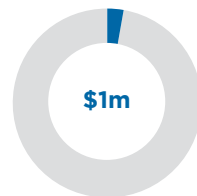
OUR INVESTMENT

Operating Expenditure



20.1% of overall operating expenditure

Capital Investment



2.81% of overall capital investment

IMPACT ON COMMUNITY WELLBEING



LEVEL OF SERVICE

Provide a quality cost-effective public transport system

Key Performance Measure: Number of passenger transport trips taken in the region

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
2,712,930	2,877,000	2,375,740	●

COMMENT: The target for 2019/20 was not achieved, largely due to the impact of COVID-19. At the end of quarter three, patronage was up 2.6 percent on the same period in the previous year, despite having operated for one week during COVID-19 Alert Level 4.

Key Performance Measure: New Zealand Transport Authority (NZTA) Audit recommendations implemented

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	100%	100%	●

Key Performance Measure: Percentage of planning and policy reports that are rated satisfactory or higher via an independent assessment process

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	80%	100%	●

Regional Development

Whanaketanga ā-Rohe

Our Regional Development work involves collaborating with Māori and a variety of community stakeholders to develop initiatives to improve the Bay of Plenty – socially, culturally, economically and environmentally.



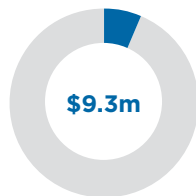
ACTIVITIES

- Regional Infrastructure
- Regional Economic Development
- Regional Parks

PERFORMANCE MEASURE 1 Achieved 2 Not applicable

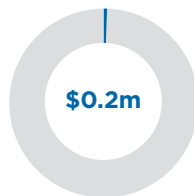
OUR INVESTMENT

Operating Expenditure



6.5% of overall operating expenditure

Capital Investment



0.56% of overall capital investment

IMPACT ON COMMUNITY WELLBEING



LEVEL OF SERVICE

Facilitate regional economic development

Key Performance Measure: Sector strategies are reviewed and updated every three years

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
1	1	Not Applicable	●

Key Performance Measure: Percentage of industry stakeholders who are satisfied with Bay of Connections

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
N/A (Biennial measure)	80%	Not Applicable	●

LEVEL OF SERVICE

Manage our Regional Parks sustainably

Key Performance Measure: Number of visitors to our Regional Parks

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
106,383	105,000	119,256	●

Regional Planning and Engagement

Te Hanga Mahere ā-Rohe me te Whakawhitiwhiti

Our Regional Planning and Engagement work provides planning and policy advice and informs our overall strategic direction.



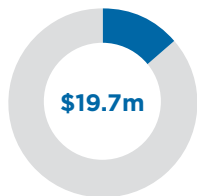
ACTIVITIES

- Regional Planning
- Geothermal
- Governance Services
- Māori Policy
- Community Engagement

PERFORMANCE MEASURE **6** Achieved **1** Not achieved

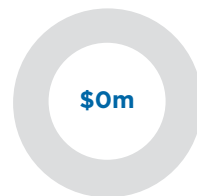
OUR INVESTMENT

Operating Expenditure



13.7% of overall operating expenditure

Capital Investment



0% of overall capital investment

IMPACT ON COMMUNITY WELLBEING

Environmental



Economic



Cultural



Social



LEVEL OF SERVICE

Provide robust and legislatively compliant planning and policy (Regional Planning and Geothermal)

Key Performance Measure: Percentage of planning and policy reports that are rated satisfactory or higher via an independent assessment process

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	80%	100%	●

LEVEL OF SERVICE

Building Māori participation in Council decision making

Key Performance Measure: Level of satisfaction of Komiti Māori that the information provided meets their terms of reference

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	80%	100%	●

Key Performance Measure: Percentage of Kaupapa Māori that are raised at Komiti Māori are actioned, resolved (within the scope and mandate of the Komiti) and reported back to Komiti

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	80%	100%	●

LEVEL OF SERVICE

Support community projects which help improve our environment

Key Performance Measure: Percentage of completed Environmental Enhancement Fund projects that have achieved their measured goals

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	80%	100%	●

LEVEL OF SERVICE

Promote good governance and democratic decision making

Key Performance Measure: Percentage of Council and Committee meeting agendas for all scheduled meetings that are available at least two working days before meetings

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
100% (Achieved)	95%	97%	●

Key Performance Measure: Percentage of draft council and committee meeting minutes that are published on the council website within 10 working days after the meeting

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
97% (Achieved)	95%	89%	●

COMMENT: The target for 2019/20 was not achieved. 57 out of 64 minutes of meetings were published on time, resulting in 89 percent achievement. Most of the late meeting minutes happened prior to COVID-19 and was due to seeking external input that could not be obtained in time. COVID-19 affected the result negatively by decreasing the number of planned meetings, making it more difficult to catch up with the target, and implementing new practises such virtual meetings which impacted on established routines and processes.



Emergency Management

Te Whakahaere Mate Whawhati Tata

Our Emergency Management Activity provides Civil Defence Emergency Management (CDEM) services to the communities of the Bay of Plenty, as well as regional emergency management leadership.



ACTIVITIES

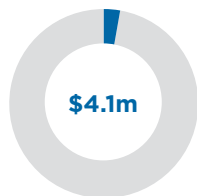
- Emergency Management

PERFORMANCE MEASURE

2 Achieved 1 Not achieved

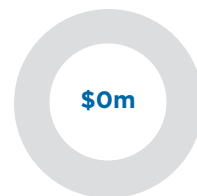
OUR INVESTMENT

Operating Expenditure



2.9% of overall operating expenditure

Capital Investment



0% of overall capital investment

IMPACT ON COMMUNITY WELLBEING

Environmental



Economic



Cultural



Social



LEVEL OF SERVICE

Provide emergency management response and community initiatives

Key Performance Measure: Percentage of roles that have been identified and staffed for 24 hour operation of the Emergency Coordination Centre

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
89% (Achieved)	85%	85%	●

Key Performance Measure: Percentage of staff identified for roles in the Emergency Coordination Centre that are trained to an appropriate level agreed by the Group

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
64% (Achieved)	85%	89%	●

Key Performance Measure: Number of Council delivered initiatives to promote community resilience and safety

2017/18 RESULT	2018/19 TARGET	2018/19 RESULT	RESULT
8 (Achieved)	8	6	●

COMMENT: The target for 2019/20 was not achieved. Six community initiatives were completed and two were partially completed, which is due to operational commitments (Whakaari/White Island, COVID-19) being prioritised.

Technical Services

Ngā Ratonga Hangarau

Our Technical Services work includes technical advice, information and services to Council and direct to the community.



ACTIVITIES

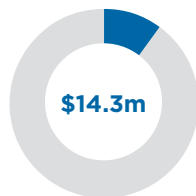
- Geospatial
- Data Services
- Engineering
- Science

PERFORMANCE MEASURE

2 Achieved **0** Not achieved

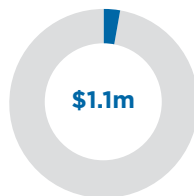
OUR INVESTMENT

Operating Expenditure



10% of overall operating expenditure

Capital Investment



2.97% of overall capital investment

IMPACT ON COMMUNITY WELLBEING

Environmental



Economic



Cultural



Social



LEVEL OF SERVICE

Provide the community with ready access to environmental data

Key Performance Measure: Percentage availability through website of real-time deliverable environmental data

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
98%	95%	98.7%	●

LEVEL OF SERVICE

Provide accessible, trusted and relevant science

Key Performance Measure: Number of environmental indicators with online scorecards

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
7 (Achieved)	9	9	●

Corporate Services

Ngā Ratonga Rangatōpū

Our Corporate Services provides support services to all of the activities across Council.



ACTIVITIES

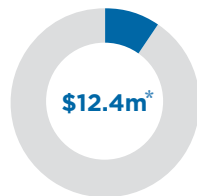
- Communications
- Internal Services
- Information and Communication Technology
- People and Capability
- Corporate Property
- Finance and Corporate Planning

PERFORMANCE MEASURE

1 Achieved **0** Not achieved

OUR INVESTMENT

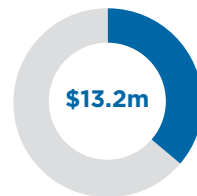
Operating Expenditure



9.5% of overall operating expenditure

**After internal charges and recoveries*

Capital Investment



36.13% of overall capital investment

IMPACT ON COMMUNITY WELLBEING



LEVEL OF SERVICE

Reduce carbon emissions through the installation of energy efficient systems in building refurbishments

Key Performance Measure: Reduction of carbon emissions in relation to building energy use at the Tauranga and Whakatāne sites (baseline is 2016/17 emissions)

2018/19 RESULT	2019/20 TARGET	2019/20 RESULT	RESULT
Not achieved	≤60% of baseline	48% of baseline	●

Our full Annual Report provides more detail around the work delivered by Council during the year across our Groups of Activities including detailed information around the performance measures.

Summary financial statements

Whakarāpopoto pūrongo pūtea

Summary extract from the statement of accounting policies

Bay of Plenty Regional Council is a Regional Council established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002. The group provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The group consists of the ultimate parent, Bay of Plenty Regional Council and its subsidiaries, Quayside Holdings Limited (a 100% owned investment company) and the Toi Moana Trust Fund, a majority owned portfolio investment entity (PIE). Quayside Holdings Limited has a 100% shareholding in Quayside Properties Limited, Quayside Unit Trust, Quayside Investment Trust, Quayside Securities Limited, Aqua Curo Limited, and Cibus Technologies Limited. The principal activity of Quayside Securities Limited is to act as trustee for the Quayside Unit Trust, Quayside Investment Trust and Toi Moana Trust. Quayside Securities Limited as trustee owns 54.14% of the shares in Port of Tauranga Limited (Port Company). The principal activity of the Toi Moana Trust is financial investment. The Council's subsidiaries are incorporated and domiciled in New Zealand.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

The information included in the summary financial statements has been prepared in accordance with PBE FRS43; Summary Financial Statements. All disclosures in the summary are extracted from the Bay of Plenty Regional Council full financial statements, authorised for issue by Council on 17 December 2020. The full financial statements have been audited by Audit New Zealand, and comply with PBE standards, receiving an unmodified audit opinion on 17 December 2020.

Summary statement of comprehensive revenue and expense for the year ended 30 June 2020

\$million		Budget 2019/20	Council 2019/20	Group 2019/20	Council 2018/19	Group 2018/19
FINANCIAL PERFORMANCE TO 30 JUNE 2020						
Operating revenue		136,698	138,262	420,049	132,301	423,615
Other gains		-	267	45,057	12,345	30,596
Total operating revenue	1	136,698	138,529	465,105	144,646	454,211
Operating expenditure		130,504	126,966	303,745	120,995	295,000
Finance costs		3,547	3,185	22,151	2,571	22,555
Other losses		-	8,341	36,985	2,753	17,477
Total operating expenditure	2	134,051	138,492	362,882	126,279	335,032
Impairment of investment in equity accounted investees		-	-	(7,846)	-	-
Share of profit of equity accounted investees		-	2	9,496	-	7,075
Net surplus/(deficit) before tax		2,647	39	103,873	18,367	126,254
Income tax expense		-	-	25,910	-	35,317
Net surplus/(deficit) after tax		2,647	39	77,963	18,367	90,937
COMPREHENSIVE REVENUE AND EXPENSES						
Asset revaluation gains		7,806	18,278	54,993	36,540	111,134
Financial asset fair value changes		276	680	(4,723)	171	(7,531)
Total comprehensive revenue and expense		10,729	18,997	123,454	55,078	194,540
<i>Attributable to:</i>						
Equity holders of the parent		-	18,997	72,531	55,078	119,752
Non-controlling interest		-	-	54,993	-	74,788
		-	18,997	123,454	55,078	194,540
CHANGES IN EQUITY/NET ASSETS						
Balance at 1 July		462,605	509,365	1,739,479	450,708	1,602,893
Adoption to PBE IFRS 9 and NZ IFRS 9 adjustments		-	-	-	3,579	3,305
Adjustment to accumulated surplus/deficit from the adoption of PBE IPSAS 36		-	(10)	(10)	-	-
Total comprehensive revenue and expense previously reported		10,729	18,997	127,524	55,078	194,540
		473,334	528,352	1,866,993	509,365	1,800,738
Increase in paid up capital		-	-	2,047	-	(997)
Dividends to shareholders		-	-	(62,613)	-	(62,343)
Other adjustments		-	-	1	-	43
Equity settled share-based payment accrual		-	-	1,167	-	2,038
Balance at 30 June		473,334	528,352	1,807,595	509,365	1,739,479

\$million		Budget 2019/20	Council 2019/20	Group 2019/20	Council 2018/19	Group 2018/19
FINANCIAL POSITION AS AT 30 JUNE 2020						
Current assets*		114,354	173,669	308,213	185,669	339,845
Non-current assets*		591,325	577,157	2,559,172	490,020	2,374,208
Total assets	3	705,679	750,826	2,867,385	675,689	2,714,053
Current liabilities		126,660	102,563	405,410	111,094	482,971
Non-current liabilities		105,685	119,911	654,379	55,230	491,603
Total liabilities	4	232,345	222,474	1,059,789	166,324	974,574
Total equity attributable to the group		473,334	528,352	1,283,578	509,365	1,213,809
Non controlling interest		-	-	524,017	-	525,670
Total equity		473,334	528,352	1,807,595	509,365	1,739,479
CASH FLOWS TO 30 JUNE 2020						
Net cash inflows/(outflows) from operating activities	5	10,049	16,002	103,390	2,835	88,477
Net cash inflows/(outflows) from investing activities	6	(43,350)	(163,323)	(209,570)	(29,414)	(98,727)
Net cash inflows/(outflows) from financing activities	7	48,571	48,732	13,797	90,151	99,264
Effects of exchange rate changes on cash and cash equivalents		-	-	328	-	(143)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		15,270	(98,590)	(92,056)	63,572	88,871
Cash, cash equivalents and bank overdrafts at the beginning of the year		18,339	138,111	205,098	74,538	116,226
Cash, cash equivalents and bank overdrafts at the end of the year		15,270	39,522	113,043	138,110	205,097

* The 2018/19 Council comparatives have been restated to correctly disclose the \$50m loan to the subsidiary, Quayside Holdings Limited, as a non-current asset.

Explanations for major variations from the Council's budget figures in the 2019-20 Annual Plan

Statement of comprehensive revenue and expense

OPERATING REVENUE

Total operating revenue was \$138.5 million which was \$1.8 million *higher* than budget of \$136.7 million. The reasons for the variances are identified below:

Subsidies and grants

Subsidies and grants revenue is \$2.9 million *lower* than budget mainly due to the below variances.

- Integrated Catchment Management - Rotorua Te Arawa Lakes is \$2.2 million *lower* than budget mainly due to delays in the land use change incentives programme affecting the timing of operating grants from the Ministry for the Environment. Similarly, capital revenue is \$2.1 million *lower* than budget due to the Tikitere Diversion project not proceeding which this is affecting the timing of capital grants from the Ministry for the Environment. Unspent Ministry for the Environment funding in 2019/20 has been carried forward to future years.
- Flood Protection and Control - capital grants revenue is \$0.8 million *higher* than budget due to the timing of claims to the Ministry for the Environment for the completed Kopeopeo Canal Remediation Project.
- Public Transport - \$1.3 million *higher* than budget mainly due to the additional Waka Kotahi subsidy for the impacts of the Covid-19 pandemic which offsets fare revenue forgone (within trading and other revenue – see below). In addition, capital grants from Waka Kotahi is \$0.5 million *lower* than budget as the go-live for Regional Integrated ticketing Solution is scheduled in July 2020 (i.e. implementation of the new Bee-Card).

Finance revenue

- Corporate - finance revenue is \$1.3 million lower than budget. This unfavourable variance comprises of \$2.2 million *lower* distributions from the investments in Toi Moana Trust; and \$0.9 million *higher* than planned interest revenue off cash and other financial assets.

Trading and other revenue

Trading and other revenue is \$5.5 million *higher* than budget mainly due to the below variances.

- Flood Protection and Control - operating revenue is \$0.3 million *higher* than budget from gravel extractions. Capital revenue is \$3.0 million *higher* than budget due to the timing of insurance claims for flood damage repairs.
- Resource Regulation and Monitoring - Biosecurity is \$0.48 million *higher* than budget due to unbudgeted cost recoveries from the National Biocontrol Collective; and Regulatory Compliance is \$0.47 million *lower* than budget for RMA section 36 fees and charges.
- Public Transport - \$1.6 million *lower* bus fares due to reduced patronage and fare-free travel during the COVID-19 pandemic through to 30 June 2020. As noted above, the majority of the fare revenue forgone is offset with an additional subsidy from Waka Kotahi, as well as some additional advertising revenue.
- Emergency Management - \$1 million *higher* than budget due to the recovery of costs from central government for the Whakaari/White Island eruption and the Covid-19 pandemic responses.
- Corporate Services - \$1.1 million *higher* than budget in Corporate Tax due to a subvention payment from Quayside Holdings Limited to offset its tax liabilities with Council's available tax losses. In addition, Corporate Treasury has reclassified the movement in the doubtful debts provision which has resulted in additional operating revenue of \$800,000.

OPERATING EXPENDITURE

Operating expenditure was \$138.5 million which was \$4.5 million *higher* than the budget of \$134.0 million. Variances in the classes of expenditure include:

Employee benefit expenses

Employee benefit expenses is \$0.5 million *lower* than budget due several fit for purpose reviews, and prudent management of our employee resources and vacancies. This underspend is offset by Council's 2019/20 efficiency budget in trading and other expenses.

Trading and other expenses

Trading and other expenses is \$1.5 million *lower* than budget mainly due to:

- Integrated Catchment Management - Rotorua Te Arawa Lakes land use change incentives is \$6.4 million *lower* than budget, as noted above this funding is carried forward to future years. Consultants is \$0.9 million *lower* than budget mainly due to the impacts of the Covid-19 pandemic on various projects.
- Flood Protection and Control - contractor and consultant costs is \$0.7 million *higher* than budget. Overall work progressed with stable summer conditions however the Covid-19 pandemic slowed the completion of works supported by contractors. Council also approved \$1.2 million additional budget to cover damage caused by a flood event in July 2019 in the Whakatāne-Tauranga and Waioeka-Otara river schemes; some of this work was delayed due to restricted rock supply.
- Resource Regulation and Monitoring - \$1.8 million *higher* than budget comprising of \$1.0 million in Biosecurity due to the National Biocontrol Collective (cost-recoverable) and catfish control promotions; \$0.6 million additional Resource Consent applications costs; as well as \$0.5 million additional legal expenses in Regulatory Compliance as a number of cases are progressing to court hearings. Some of this variance is offset with an underspend in Maritime of \$0.25 million relating to various items including external legal advice.
- Regional Planning - grants expenditure within the Regional Infrastructure activity is \$2.8 million *higher* than budget mainly due to \$2 million of additional expenditure approved by Council for the Awatarariki Fanhead Managed Retreat in Matata, as well as the final milestone payment on the Tauranga Tertiary Campus.

- Public Transport - \$1.3 million *lower* than budgeted expenditure in Tauranga, Western Bay and Rotorua bus operations. Some of this variance is offset by *higher* than planned expenditure of \$0.38 million on various items including additional ticketing equipment required prior to the implementation of the
- Regional Integrated Ticketing Solution, as well as external legal advice. Emergency Management - \$0.9 million *higher* than budget primarily due to the additional costs for the Whakaari/White Island Eruption and the COVID-19 responses. These costs were fully recoverable.
- Regional Planning and Engagement - Governance is \$0.7 million *lower* than budget due to savings in meeting related costs (e.g. catering and hospitality), elected member payments, and *lower* than expected travel and accommodation costs mainly due to the impacts of the Covid-19 pandemic. Similarly Regional Planning is \$0.37 million underspent.
- Corporate Services - Other expenses are \$7.25 million *higher* than budget due to the impairment of buildings \$4.5 million in Corporate Property and an impairment of Toi Moana Trust investment of \$2.75 million in Corporate Treasury. These are non-cash transactions. In addition Corporate Property costs were \$0.8 million *higher* than budget due to insurance, and additional rent, repairs and maintenance costs.

Finance costs

Finance costs is \$0.4 million *lower* than budget due to *lower* than planned interest rates on debt held with the Local Government Funding Agency.

Other losses

Other losses is \$1.0 million *higher* than budget due to the loss on disposals of property, plant and equipment.

STATEMENT OF FINANCIAL POSITION ASSETS

Total assets is \$45.1 million *higher* than budget due to the below major variances.

Current assets

Current assets is \$59.3 million *higher* than budget due to the below major variances.

- Other financial assets is \$42.6 million *higher* than budget due to term deposits that were planned as non-current however due to the maturity date are recorded as current assets.
- Trade and other receivables were \$10.8 million *higher* than planned mainly due to:
 - Rates receivables were \$9.3 million which was \$4.8 million *higher* than budget of \$4.5 million due to *lower* than expected receipts from the Territorial Authorities (who collect rates on behalf of Council).
 - Interest receivables is \$2.6 million which was \$1.6 million *higher* than budget of \$1 million due to the maturity profile of term deposits.
 - An *higher* than planned increase of \$7.7 million in trade debtors and other receivables makes up the balance of the variances in current assets.

Non-current assets

Non-current assets is \$14.2 million *lower* than budget due to the below major variances.

- Property, plant and equipment was \$11.7 million more than planned, mainly due to higher than expected infrastructure asset revaluations. This variance is partly offset by lower capital expenditure.
- Other financial assets is \$25.0 million *lower* than budget. This is mainly due to term investments planned as non-current however due to the maturity date are recorded as current assets.

Liabilities

Total liabilities is \$9.9 million *lower* than budget due to the below major variances.

- The put option is valued at \$3.4 million which is \$11.6 million *lower* than budget.
- Total current and non-current borrowings is \$1.9 million *higher* than budget to meet capital funding requirements. Short term borrowings is \$24.1 million *lower* than budget and non-current borrowings is \$26 million *higher* than budget. The maturity date of some loans has been extended to maintain Treasury Policy compliance, and this has meant that some borrowings have been re-classified between current and non-current.

Equity

Total equity is \$55.0 million *higher* than budget mainly due to infrastructure asset revaluations and impairment reviews in 2018/19 and 2019/20.

STATEMENT OF CASHFLOWS

Net cash from operating activities is \$6.0 million *higher* than budget due to *lower* than expected payments to suppliers.

Net cash from investing activities is \$1120.0 million *higher* than budget. A change in the maturity profile of investments has resulted in investments that were budgeted for as cash being reinvested for longer terms therefore classified as investing activities.

Contingent liabilities

FINANCIAL GUARANTEE - NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY

The Bay of Plenty Regional Council is a shareholder of The New Zealand Local Government Funding Agency Limited (LGFA). This entity was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. Standard and Poor's have given the entity a credit rating of AA+ which is equal to New Zealand Government sovereign rating. As at 30 June 2020 Bay of Plenty Regional Council is one of the 31 shareholders made up of 30 local authorities and the Crown. All 30 local authority shareholders have uncalled capital equal to their individual shareholding and totalling \$20million in aggregate which can be called on in the event that an imminent default is identified. Also together with the other shareholders, Bay of Plenty Regional Council is a guarantor of all of LGFA borrowings. As at 30 June 2020, LGFA had borrowings totalling \$11,907 million (2019: \$9,531 million). Financial reporting standards require Bay of Plenty Regional Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be minimal on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local Government legislation would enable local authorities to levy a rate, to recover sufficient funds to meet any debt obligations if further funds were required.

UNCALLED CAPITAL

The Council is liable for the uncalled capital in its wholly owned subsidiary, Quayside Holdings Limited, of \$81,829,918 being 2,003,190,217 Redeemable Preference Shares at 0.000004 cents per share.

Commitments

CAPITAL COMMITMENTS

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred. As at balance date Council had a total of \$1.7 million capital commitments (2018/19 \$10.9 million). As at balance date capital commitments for the Group were \$13.0 million (2018/19 \$30.6 million).

OPERATING COMMITMENTS

	2019/20		2018/19	
	Council \$000	Group \$000	Council \$000	Group \$000
OPERATING LEASES AS LESSEE				
Not later than one year	466	466	750	750
Later than one year and not later than five years	1,114	1,114	506	506
Later than five years	922	922	285	285
Total non-cancellable operating leases	2,502	2,502	1,541	1,541
OPERATING LEASES AS LESSOR				
Not later than one year	128	22,561	128	18,619
Later than one year and not later than five years	280	46,689	434	41,471
Later than five years	1,378	45,702	1,480	41,201
Total non-cancellable operating leases	1,785	114,951	2,042	101,291

Related party transactions

Bay of Plenty Regional Council is the parent of the Group and controls Quayside Holdings Limited and its subsidiaries, Quayside Properties Limited, Quayside Securities Limited, Quayside Investment Trust, Cibus Technologies Limited, Aqua Curo Limited and Quayside Unit Trust. Through the shareholding in Quayside Securities Limited as Trustee for Quayside Unit Trust, a controlling interest is held in the Port of Tauranga (POTL) and its subsidiaries and equity accounted investees.

Two Councillors of the Bay of Plenty Regional Council (Stuart Crosby and Paula Thompson) were directors of Quayside Holdings Limited, Quayside Securities Limited and Quayside Properties Limited at 30 June 2020. The Chief Executive of Bay of Plenty Regional Council (Fiona McTavish) was appointed as Director of the above companies effective on 30 June 2018. The Chairman of the Bay of Plenty Regional Council (Douglas Leeder) was appointed as a director of Port of Tauranga Limited in October 2015.

Events after balance date

COUNCIL

Regional Councils were invited to submit projects for consideration to the Crown Infrastructure Partners (CIP) for Infrastructure improvements, required to be 'shovel-ready' projects.

In July 2020, Council was successful in two applications and awarded funding of \$23 million to assist in New Zealand's recovery post COVID-19.

The two applications relate to the Rangitāiki Floodway and spillway and the other is a collection of five smaller flood resilience infrastructure projects across the region.

SUBSIDIARY

On 28th July 2020 a net dividend of \$1,655 per share (\$16,550,000) was declared to ordinary shareholders, payable on 30th July 2020.

On 1st September 2020 a net dividend of \$0.004428 per share was declared to perpetual preference shareholders, payable on 12th September 2020.

No other dividends were declared after the balance date but prior to the date of signing these accounts.

The financial statements were approved by the Board of Directors on 24 November 2020.

The Government's Provincial Growth Fund (PGF) announced on 31st July 2020 that it will contribute \$18 million to unlock development plans for the Rangiuru Business Park. These funds will be utilised by Quayside Properties Limited to further advance the development of the business park.

In August 2020, the \$4.5 million loan from Quayside Holdings Limited to an equity accounted investee was repaid in full.

On Wednesday 12 August 2020 at 12.00pm, the Auckland regions moved to Alert Level 3 and the rest of the New Zealand moved to Alert Level 2. This Alert Level escalation had no material impact on the performance of the Group or Council.

Independent Auditor's Report

To the readers of Bay of Plenty Regional Council and Group's summary of the annual report for the year ended 30 June 2020

The summary of the annual report was derived from the annual report of the Bay of Plenty Regional Council and Group (the Regional Council) for the year ended 30 June 2020.

The summary of the annual report comprises the following summary statements on pages 9 and 29 to 48:

- the summary statement of financial position as at 30 June 2020;
- the summaries of the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended 30 June 2020;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary service delivery performance.

OPINION

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

SUMMARY OF THE ANNUAL REPORT

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

THE FULL ANNUAL REPORT AND OUR AUDIT REPORT THEREON

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2020 in our auditor's report dated 17 December 2020. That report on the full annual report also includes an emphasis of matter paragraph drawing attention to the disclosures about the impact of Covid-19 on the Regional Council as set out in the full annual report in note 37 to the financial statements and page 19 of the statement of service provision in the full audit report. An extract of this information is included in the summary of the annual report on page 8.

COUNCIL'S RESPONSIBILITY FOR THE SUMMARY OF THE ANNUAL REPORT

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we carry out a limited assurance engagement related to the Regional Council's debenture trust deed, which are compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the Regional Council.



Leon Pieterse,
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

17 December 2020

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

You can view the full Annual Report on Bay of Plenty Regional Councils website www.boprc.govt.nz

The Annual Report Summary does not provide as complete an understanding of Bay of Plenty Regional Council's activities as provided by the full Annual Report. If you would like a copy of the 2019/20 Annual Report please visit our website www.boprc.govt.nz or alternatively, call 0800 884 880 for a printed copy.





*5 Quay Street, Whakatāne
1125 Arawa Street, Rotorua
87 First Avenue, Tauranga
P O Box 364, Whakatāne 3158*

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