

Arotake Tuarua 2021/22

Performance Monitoring Report July to December 2021

Q2

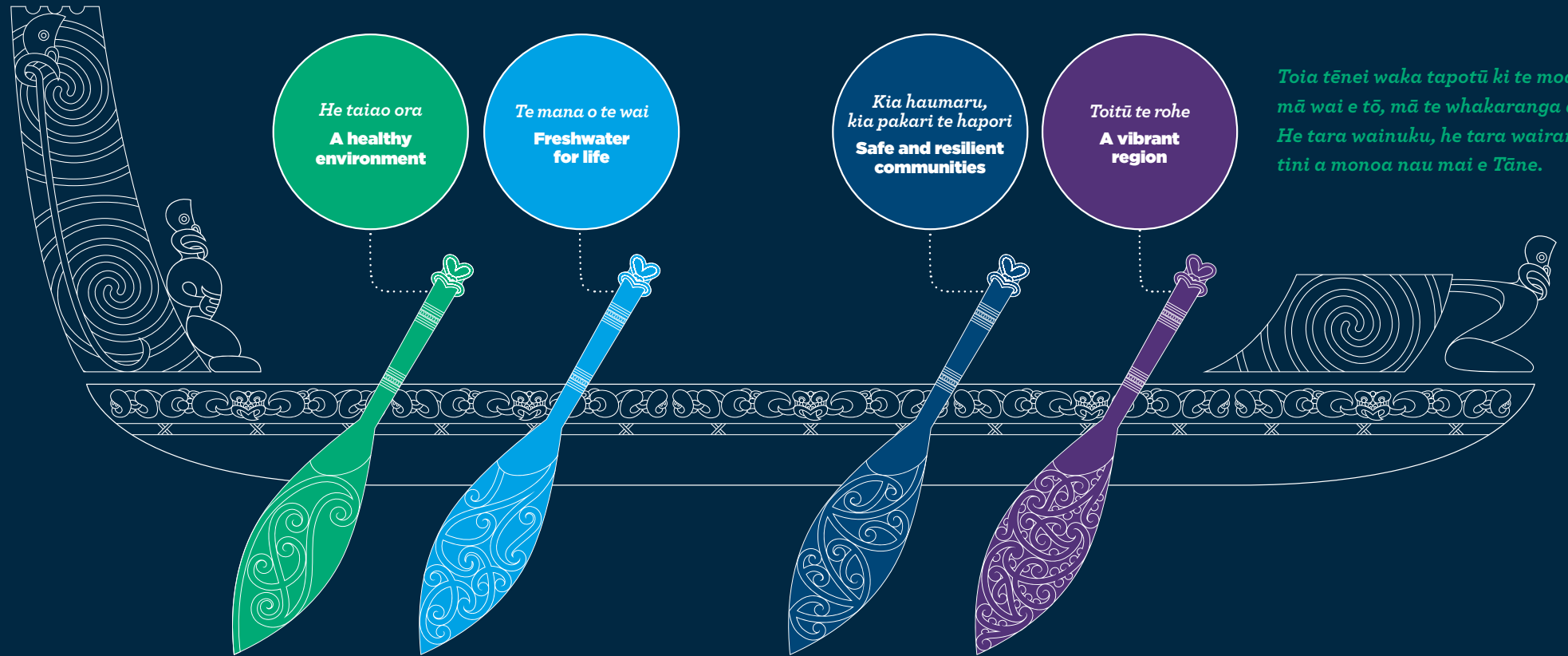


Te rārangi kaupapa

Contents

<i>Whakaekengia tēnei waka</i> <i>Join our journey</i>	3
<i>Te whakarāpopototanga</i> <i>Executive summary</i>	5
<i>Ngā pānga o te mate korona ki ā mātou kaimahi</i> <i>Covid and our people</i>	6
<i>Te hauora me te haumarutanga</i> <i>Health and safety</i>	7
<i>Pūmanawa tangata</i> <i>People and culture</i>	8
<i>Ngā whakaarotau rautaki</i> <i>Strategic priorities</i>	10
<i>Ngā wā whakaaweawe</i> <i>Impact areas</i>	11
! <i>Climate change</i>	11
! <i>Partnerships with Māori</i>	12
! <i>Community participation and constructive relationships</i>	13
<i>Ngā whakatutukitanga-a-ratonga</i> <i>Service delivery performance</i>	14
<i>Ngā whakatutukitanga ahumoni</i> <i>Financial performance</i>	20





He taiao ora
A healthy environment

Te mana o te wai
Freshwater for life

Kia haumaru, kia pakari te hapori
Safe and resilient communities

Toitū te rohe
A vibrant region

*Toia tēnei waka tapotū ki te moana mā wai e tō, mā te whakaranga ake e tō.
He tara wainuku, he tara wairangi tini a monoa nau mai e Tāne.*

Whakaekengia tēnei waka **Join our journey**

Kia hoe ngātahi atu ki te pae tawhiti

Let us paddle in unison to move forward as one, so we may reach the distant horizon

Our journey together is all inclusive, as we strive to reach our aspirations for our region. Our four hoe waka represent our community outcomes, a healthy environment, freshwater for life, safe and resilient communities, and a vibrant region, that will ensure we are successful in achieving our vision. We will work together in unison, and not in isolation for the betterment of our people. May we empower each other to reach our distant horizons, together.

OUR WELLBEINGS



He korowai tiaki taiao
Environmental wellbeing



He korowai aroha
Social wellbeing



He korowai whakamana tangata
Economic wellbeing



He korowai mātauranga
Cultural wellbeing

STRATEGIC PRIORITIES

- Assisting the region to recover from COVID-19 while delivering lasting well-being for the community
- Ensuring we deliver on natural resource regulatory reform and our work programmes that deliver results on the ground
- Ensuring the region is adapting to a changing climate and helping to facilitate a transition to a low carbon economy
- Integrating land-use and transport planning in the region, including the intersection with natural hazards, climate change, and natural resource limits
- Working effectively with Māori in partnerships to deliver outcomes for the region
- Making the best use of Bay of Plenty Regional Council's resources to deliver on all of our community outcomes, including supporting others to deliver
- Taking a regional view while recognising important sub-regional variations and ensuring constructive relationships: nationally, regionally, and sub-regionally
- Ensuring effective community participation in decision making and in the delivery of our roles

THE WAY WE WORK

- We look to add value regionally
- We think integrated
- What we do we do well
- 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

OUR VALUES

- Trust, Integrity, Courage, Manaakitanga, Kotahitanga and Whanaungatanga

*Enabling democratic
decision-making*

Te whakarāpopototanga Executive summary

Arotake Tuarua 2021/22 is Council's performance monitoring report for the first half of 2021/22.

The report provides detailed information on Regional Council's performance against its Long Term Plan 2021-2031, including levels of service and work delivered.

Financial performance

Council is forecasting a higher deficit at year end due to forecast operating revenue being \$5 million lower than plan, and forecast operating expenditure being \$3.5 million lower than plan. Following a deliverability review, Council is forecasting capital expenditure of \$26.9 million; this is \$7.4 million lower than the original budget of \$34.3 million.

Summary financial performance	Year to date \$000			Annual \$000		
	Revised budget	Actual	Variance	Revised budget	Forecast	Variance
Operating revenue by class	74,843	71,182	(3,661)	150,097	145,130	(4,968)
Operating expenditure by class	72,383	72,431	48	163,735	160,202	3,533
Total operating surplus (deficit)	2,459	(1,249)	(3,709)	(13,637)	(15,072)	(1,435)
Capital revenue	3,908	2,615	(1,293)	7,562	4,665	(2,896)
Capital expenditure	12,441	7,714	4,832	34,313	26,910	(7,403)

Service delivery performance

During 2021/22, we are due to monitor and report on 43 performance measures. At the end of Quarter Two:

- 25** measures are on track.
- 4** measures are not on track, and are forecast to be at risk of not achieving their target by the end of the year.
- 14** measures are reported on annually or are not due for reporting yet and results will be reported on when data is available.

Ngā pānga o te mate korona ki ā mātou kaimahi

COVID and our people

The health, safety, and wellbeing of our people is vital to us.

Through Quarter Two, COVID-19 continued to have a significant effect on that wellbeing. We have stayed vigilant and developed an approach that meets both the needs of the communities we serve, as well as the staff who deliver our services.

Ensuring staff have access to the tools they need

- Providing staff with paid time off to get themselves and their whānau vaccinated.
- In-housed cleaning to ensure staff workspaces are clean and hygienic.
- Information technology that enables staff to be productive from home.
- Providing personal protective equipment, including masks and cleaning materials.
- Registering with the Ministry of Business, Innovation, and Employment to source Rapid Antigen Tests.

Communicating information

- Continual analysis of information from central and local government, and overseas news, to anticipate and plan.
- Timely internal communication at any change in levels or frameworks to ensure staff have the right information.
- A dedicated COVID-19 page on our intranet with continually updated information.
- Regular virtual meetings to allow staff to ask questions about COVID policy.

Ensuring business continuity

- Updating internal plans to take into account the evolving environment.
- Trialling lockdowns and work-from-home schemes before required, to ensure systems could handle the load.
- Trialling traffic light settings and potential approaches, including mixed rostering and scheduling to reduce staff risks.

Te hauora me te haumarutanga

Health and safety

While COVID has dominated health and safety thinking, we have continued to maintain our focus on all issues affecting staff wellbeing.

Lead health and safety indicators

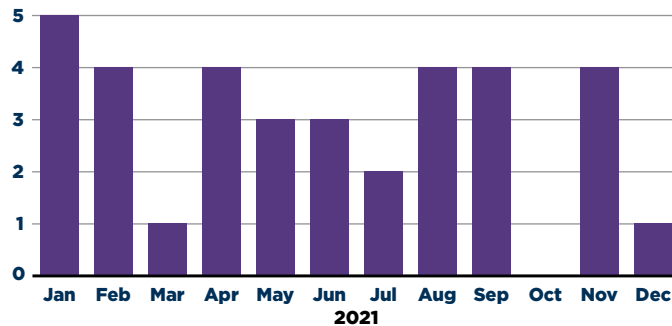
Notifiable events

There were no notifiable events this quarter.

Near misses reported per month

last 12 months

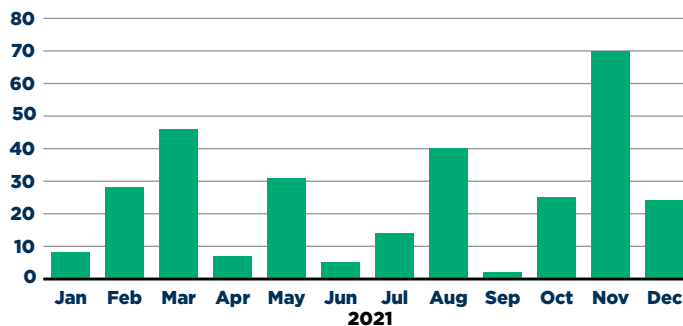
There was one near miss in Quarter Two.



H&S training completed

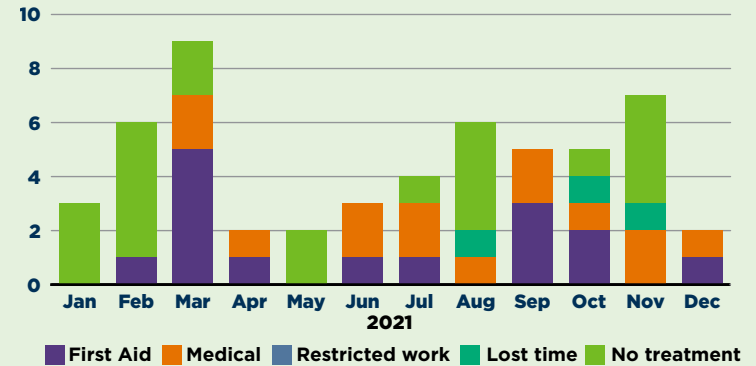
last 12 months

24 people have completed H&S training in Quarter Two.



Health and safety lag indicators

Injuries last 12 months



There were fourteen injuries in Quarter Two. Three required first aid, four required medical treatment, and there were two lost-time injuries.

Injuries by category last 12 months

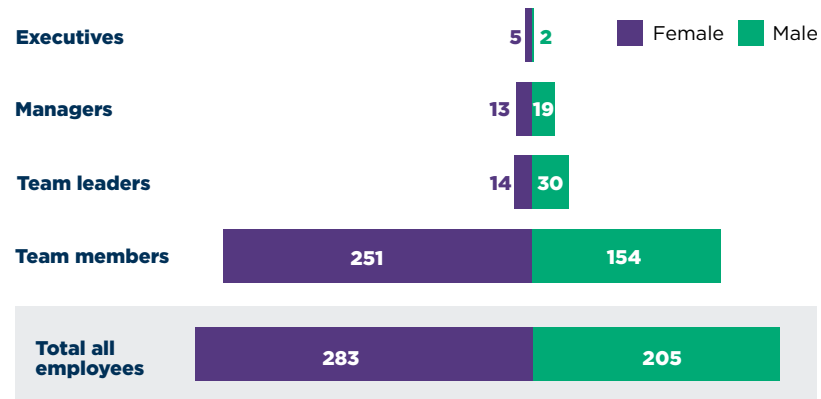


Over the past twelve months, cuts/lacerations (twelve injuries), discomfort (eleven), and strains (six) have been the most common injury categories.

Pūmanawa tangata

People and culture

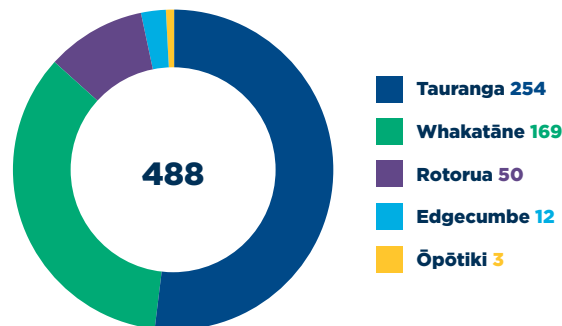
Managerial levels by gender



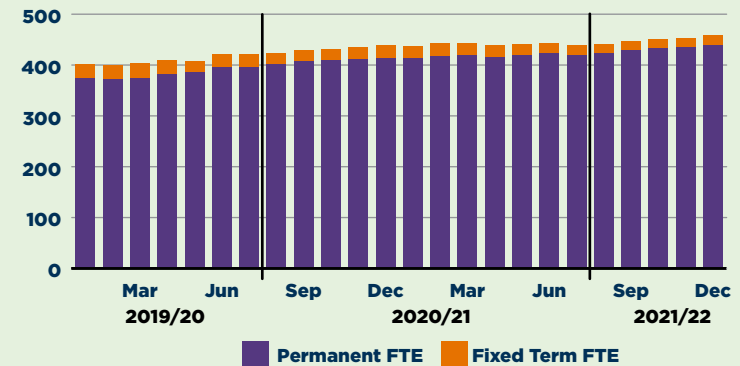
58% of our staff are female, and we have well balanced gender equality at the executive and manager level combined. This is the same overall and executive-manager gender split as at the same quarter last year.

Headcount by location *as at 31 December 2021*

52% of staff are Tauranga-based, with the rest in Whakatāne (35%), Rotorua (10%), Edgumbe, and Ōpōtiki. This is the same split (+/- 1%) as at the same quarter last year.

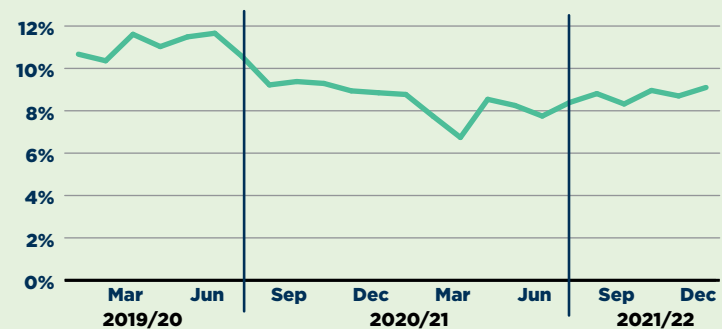


Permanent and fixed term full time employees *last two years*
























Our employee headcount (both permanent and fixed term) is 488, which equates to 439.4 Full Time Equivalents. At the same quarter last year, we had 413.5 Full Time Equivalents.

Rolling staff turnover *last two years*



Staff turnover as at December 2021 was 9.1%, compared to 8.9% at the same time last year. Turnover measures the rate of staff departure over the preceding twelve months.

Community outcomes and activities

Group of Activities	He taiao ora A healthy environment	Te mana o te wai Freshwater for life	Kia haumaru, kia pakari te hapori Safe and resilient communities	Toitū te rohe A vibrant region
Catchment Management	 Biosecurity  Regional Parks	 Rotorua Lakes  Coastal Catchments		
Flood Protection and Control			 Rivers and Drainage Schemes  Regional Flood Risk Co-ordination	
Resource Regulation and Monitoring	 Air Quality  Resource Consents  Regulatory Compliance		 Maritime Operations	
Transportation and Urban Planning				 Public Transport  Transport and Urban Planning
Democracy, Engagement and Planning	 Environmental Strategy  Policy and Planning			 Māori Policy (Te Amorangi)  Community Engagement  Governance Services  Regional Development
Emergency Management			 Emergency Management	
Support Services	 Technical Support		 Corporate Support	

Note: We have allocated activities to the outcome they primarily contribute to, but the majority of our activities contribute to multiple outcomes.

Ngā whakaarotau rautaki

Strategic priorities

We have eight Strategic Priorities, and within these, we have three Impact Areas.

- ! **Climate change** *see page 11*
- ! **Partnerships with Māori** *see page 12*
- ! **Community participation and constructive relationships** *see page 13*
- ! **Regulatory reform**
- ! **Regional recovery**
- ! **Sub-regional/regional view**
- ! **Land use and transport**
- ! **Making best use of our resources**





Ngā wā whakaaweawe Impact areas

! Climate change

On 27 June 2019, 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. Council adopted a revised climate change action plan for 2021-23 on August 4 2021.

We recognise the importance of our leadership and advocacy role and we are also committing to:

- Supporting new and additional community initiatives
- Working with other local authorities as they engage with their communities
- Engaging with sectors and industry to find solutions
- Exploring ideas and opportunities with others
- Sharing our information and knowledge

Highlights from the quarter include:

- **Community led climate change adaptation funding** – Two projects have received funding to explore the future impact on their community and begin planning. The **Maketū iwi collective** will run a series of wānanga to develop a shared understanding of what is coming in terms of climate change with the Maketū community. This will result in a plan for the community with key priorities and next steps. **Ngāi Tamawhariua Te Rereatukahia Marae** will be exploring the potential impacts of climate change on their papakainga, the whenua and communal buildings. This will result in an understanding of their climate risks and adaptation priorities for planning next steps.
- **Bus Network refresh** – More direct travel and more convenient services are part of the new refreshed bus network launched on Monday 15th November, following community consultation. The refresh allows more sustainable travel and aims to attract more public transport users with improved routing, and less passenger transfers. It will also reduce vehicle emissions by reducing the number of low-patronage or empty “not in service” buses running, with nine buses being removed from the Tauranga fleet.
- **Climate change risk assessment** – A survey was sent to regional stakeholders to identify and understand a range of climate-related risks for the region. These identified risks were then explored and assessed in further detail via workshops and huis that were held in-person and online. We now have a draft workbook of risks for the regional risk assessment that will be assessed as part of the next phase of the project.



! Partnerships with Māori

The Treaty principles, and the partnership upon which it is founded, are an established part of our local government framework. As Treaty partners, Māori hold a unique role in shaping and contributing to regional leadership and direction.

Collectively, Māori contribute significantly to the region through ownership of notable assets, economic investment initiatives, participation in co-governance arrangements with councils, and a growing influence in natural resource management.

We are focused on continuing to work collaboratively with Māori as key contributors to strategic direction and leadership in the region.

Highlights from the quarter include:

- This quarter we were involved in two projects that were nominated as finalists in the **Māori Award** for the **2021 Biosecurity Awards**. The Ruawāhia/Mount Tarawera Wilding Pine Control Project is a partnership between Ruawāhia 2B Trust, Bay of Plenty Regional Council, Department of Conservation, and the Ministry for Primary Industries to eradicate wilding pines from Ruawāhia / Mount Tarawera in the Bay of Plenty. The **Kei Hea nga Papaka project** is a marine biosecurity project grounded in matauranga Māori principles to support whānau and hapū kaitiaki in Tauranga. Winners will be announced on 16 February 2022.
- Trail cameras were placed at the **Rotopotaka wetlands** to monitor the different type of bird species present. The wetlands is under an Environmental Programme that is working with Ngā Whenua Rāhui, the landowner and, BOPRC to restore native habitat around the area. To date the project has been involved in significant work involving pest plan control and planting.



! Community participation and constructive relationships

Community participation is a critical element of local government. We are focusing on ensuring that we engage with a representative sample of the community so that we meet the needs of all our region's communities.

We are also looking to transform how we work with volunteers – we know how valuable the work they deliver is in terms of environmental and cultural wellbeing.

We are looking at increasing participation in our work and decision making by doing more with our communities. This includes getting the public's perspectives and thoughts, but also supporting the public to deliver some of the work we do through community and volunteer groups.

Highlights from the quarter include:

- **Environmental Enhancement Fund (EEF)** – Three more applications were received in the quarter, bringing the total amount requested this year to \$315,000 against an annual budget of \$300,000. We have committed \$250,000 of that to a range of projects across the region. Four projects also completed during the quarter, covering pest trapping, track improvement, and weed control.
- **Riparian Repair** – 18 volunteers from Toi Moana Regional Council, WSP, Sport BOP, and Ngongotahā Stream Care planted over 800 native plants to restore the riparian margin of the Ngongotahā Stream. This work restored an area that was stripped of large gum trees in an effort to reduce waterway blockage risk.
- **Youth Involvement Project (YIP)** – A draft Youth Engagement Plan was launched this quarter to guide the longer term work of council with rangatahi. Guidance was received on this including what work experience opportunities they would like to be progressed.
- Te Puke High School recently volunteered for a planting day at the **Te Pourepo o Kaituna Wetland Project**. 600 natives were planted during the day as a contribution towards several years of work to create and restore 70 hectares of new wetland in the catchment. It was a great opportunity for the students to learn more about the wetlands and get out and do some vital restoration work.

Ngā whakatutukitanga-a-ratonga Service delivery performance

This part of the report is structured around our four community outcomes. We deliver our community outcomes through our groups of activities and activities. We have grouped each activity to the primary community outcome that it contributes to, but most of them contribute to two, three, or even all four of our community outcomes. Our specific performance goals are set in our Long Term Plan 2021-2031.

How did we do:

This is our second quarterly performance report for our Long Term Plan 2021-2031. Our suite of performance goals has been expanded and refined compared to those in our previous plan. As this is the first year reporting on a number of new measures, there is increased uncertainty in our forecasting of year-end results, intensified by us being only two quarters in.

There were no escalations in alert levels during Quarter Two, and as of 2 December, the Bay of Plenty Region moved in to the “Orange” level in the COVID-19 Protection framework.

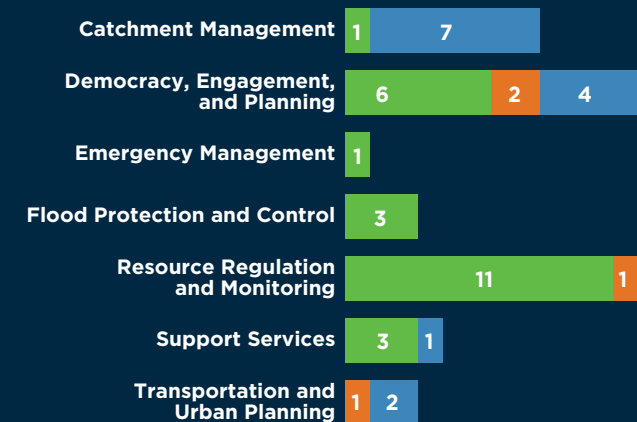
The majority of performance measures for which we have data are on track. As it is still early in the year, a significant proportion of measures are yet to be reported on, and as such lack a year-end forecast.

Highlights during the quarter include:

- The bathing sites monitoring season commenced at the end of October 2021 and is continuing until the first week of March 2022. 84 sites are sampled weekly throughout the Bay of Plenty Region. So far this year, all sites have been sampled the required number of times.
- Regional park visitors increased by 16.5% in Quarter Two compared to the same period last year. This is largely thanks to a particularly large increase in November (28%) compared to last year.
- There were 26 urgent Pollution Hotline calls in Quarter Two, six higher than for the same period last year. All were responded to within timeframe. Calls spanned a variety of topics, including spraydrift, discharges to water, minor geothermal bore implosions, and sewage leaks.

Performance Summary – Quarter Two

During 2021/22, we are due to monitor and report on 43 performance measures. The graph below depicts our forecast of the end of year results.



■ On track
■ Not on track
■ Reporting not due

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

Performance Measures 2021/22

Summary of results – Quarter Two

He taiao ora – A healthy environment

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Wallaby populations (outside containment area) where wallabies are no longer detected (%)	70%	N/A	N/A			N/A	●	Data not yet available.
Reduction in wallaby progressive containment area (%)	N/A	N/A	N/A			N/A	●	Data not yet available.
Regional Pest Management Plan programmes that are on-track (%)	85%	N/A	N/A			N/A	●	Data not yet available.
Number of visitors to Regional Parks	121,635	24,283	35,282			59,565	●	Regional park visitors increased by 16.5% in Quarter Two compared to the same period last year. This is largely thanks to a particularly big increase in November (28%) compared to last year. The strong result in Quarter Two has compensated for the lower visitor numbers in Quarter One, which was largely due to the escalation in COVID-19 alert levels. Our forecast has therefore changed from "at risk" to "on track", but will continue to be monitored closely.
Visitor satisfaction for visitors to Regional Parks (%)	75%	N/A	N/A			N/A	●	Data is not yet available. A visitor satisfaction survey is planned to be conducted in Quarter Three.
Non-notified consents issued within statutory timeframe (%)	95%	95%	98%			98%	●	175 non-notified consents were processed in Quarter Two, compared to 164 in the same quarter last year. Timeliness improved by 3%, leading to the year-to-date result reaching 98%, or 3% better than target. The current trend suggests that 2021/22 will end up being the year with the highest number of consents ever processed.
Customers satisfied with the resource consents process (%)	84%	82%	87%			87%	●	Satisfaction improved by 5%. 25 customers responded to our customer satisfaction survey in Quarter Two compared to 21 in the same quarter last year. We are now 3% above our full-year target.
Consent decisions overturned at appeal or judicial review where the proposal has not significantly changed	Nil	Nil	Nil			Nil	●	No consent decisions were overturned at appeal or judicial review in Quarter Two.

Forecasting Legend

● On track ● Not on track ● Reporting not due

He taiao ora – A healthy environment

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Number of exceedances of air quality limits in priority airsheds	<21	3	1			4	●	There was one air quality exceedance in Quarter Two. This occurred at the Totara Street station on 21 December. In addition, two exceedances detected by commercially-operated monitoring equipment (6 and 7 September) have been added to the Quarter One result. This delay in reporting was due to the need to confirm these meet the standard to be regarded as exceedances of National Environmental Standards.
Air quality exceedances where investigations started within 10 working days	90%	100%	100%			100%	●	Investigation of the Totara Street 21 December exceedance began on the same day of the exceedance. Investigation of the two September exceedances began the day after they occurred. These investigations were undertaken by the commercial organisation itself, with information shared between them and Regional Council.
Planning and policy reports that are rated satisfactory or higher (%) [P&P]	90%	N/A	N/A			N/A	●	Data is not yet available. The planning and policy report evaluations are conducted at year end.
Plan Changes and Policy Statements approved for notification without substantive changes and within timeframe (%)	100%	100%	100%			100%	●	No plan changes or policy statements required approval for notification during the quarter.
Planning and policy reports that are rated satisfactory or higher (%) [ES]	90%	N/A	N/A			N/A	●	Data is not yet available. The planning and policy report evaluations are conducted at year end.

Our resources

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Change in total council emissions compared to prior year (%)	5% reduction from PY	N/A	N/A			N/A	●	Data not yet available.

Healthy Environment – Highlights from the Quarter

Toi Moana Bay of Plenty Regional Council's new **Regional Pest Management Plan (RPMP) 2020–2030** became fully operative on Tuesday 7th December. The RPMP sets the rules and framework for how pests like wallabies, woolly nightshade, and catfish are excluded, controlled and in some cases, eradicated. In total 93 pest species are included under the new RPMP.

He wai māori, he wai oranga – Freshwater for life

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Number of Rotorua Lakes that have achieved the Trophic Level Index (TLI)	3	N/A	N/A			N/A	●	Data is not yet available.
Identified Priority Biodiversity Sites that are actively managed (%)	43%	N/A	N/A			N/A	●	Data is not yet available.
Monitored rivers and streams that meet the 'Swimmability' requirements (%)	75%	N/A	N/A			N/A	●	Data is not yet available.
Compliance assessments conducted as per the annual monitoring programme (%)	90%	66%	64%			65%	●	During Quarter Two, 938 compliance monitoring inspections were completed with an assessment result, compared to 1,279 in the same quarter in the previous year. This was partly due to ongoing procedural changes relating to Covid. As a result of this decline in overall work, the percentage of scheduled inspections has also dropped. Alongside compliance monitoring inspections, Regional Council completed 3,005 performance monitoring assessments in Quarter Two, compared to 2,945 in the same quarter in the previous year. Note: because this measure uses the entire reporting period, the result for Quarter One has been updated from 51% to 66%.
Urgent complaints made to the pollution hotline responded to within 12 hours (%)	99%	100%	100%			100%	●	There were 26 urgent calls in Quarter Two, six higher than for the same period last year. All were responded to within timeframe. Calls spanned a variety of topics, including spraydrift, discharges to water, minor geothermal bore implosions, and sewage leaks.
Non-urgent complaints made to the pollution hotline responded to within 3 working days (%)	99%	99%	99%			99%	●	There were 816 calls in total in Quarter Two, compared to 860 in the same quarter last year. 306 of these related to odour, and 156 to smoke, with the next most frequent discharges to water and land. 99% were responded to within timeframe.
State of the Environment reports published as per schedule (%)	90%	16%	28%			28%	●	18 SoE reports are scheduled to be published throughout the year, out of which 5 have been published so far this year.
Real-time deliverable environmental data available online (%)	95%	98.1%	97.4%			97.4%	●	97.4% of the datasets approved for publication had been available online at the end of Quarter Two. The result for the same period last year was 97.2%.
Swimming sites monitored for recreational water quality (%)	90%	N/A	100%			100%	●	The bathing sites monitoring season commenced at the end of October and is continuing until the first week of March. 84 sites are sampled weekly throughout the Bay of Plenty Region. The results are published on LAWA and well as the BOPRC Website. So far this year, only two samples have been missed out of 756, and all sites have been sampled the pre-requisite number of times.

Freshwater for Life - Highlights from the Quarter

This quarter saw a new trial on the **Whakatāne River** looking at creating spawning habitat for inanga (whitebait) directly upstream from the ponds already constructed for young inanga, tuna and other native fish to keep them safe from predators. Spawning opportunities here are currently limited and there is limited habitat for those inanga to lay their own eggs and grow the population. Whitebait are the juveniles of six species of fish, four of which are classed as threatened or declining by the Department of Conservation. The work will be completed in time for the inanga spawning season which takes place from late summer to early autumn.

Kia haumarū, kia pakari te hapori – Safe and resilient communities

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Maintenance and repairs completed in accordance with the R&D Asset Management Plan(%)	85%	10.3%	40.4%			40.4%	●	The total budget for maintenance accounted to \$5.7m at the start of the financial year. By the end of Quarter Two \$2.3m worth of maintenance has been delivered, making up 40.4% of the annual budget. Note, carry-forwards are not included in this measure.
Renewals completed in accordance with the R&D Asset Management Plan(%)	75%	18%	30.4%			30.4%	●	The total budget for renewals and floodworks accounted to \$12.47m at the start of the financial year. By the end of Quarter Two \$3.8m worth of renewals and floodworks has been delivered, making up 30.4% of the annual budget. Note, carry-forwards are not included in this measure.
Flood warnings that are given in accordance with the flood warning manual (%)	100%	100%	100%			100%	●	16 flood warning messages were issued in the region during Quarter Two.
Oil spills in Tauranga responded to within 30 minutes (%)	95%	100%	100%			100%	●	In Tauranga, eleven potential oil spills were reported to the Council during the quarter, all of which were responded to within the stipulated timeframe.
Oil spills outside Tauranga responded to within two hours (%)	95%	100%	100%			100%	●	There were no confirmed oil spills outside Tauranga during Quarter Two.
Navigation aids maintained to "good" quality or higher (%)	95%	99.9%	99.9%			99.9%	●	By the end of Quarter Two, 827 navigational aids were maintained by the Maritime Operations team, all of which were deemed to be of good quality or better.
Vessel availability to respond to maritime emergencies in Tauranga, Rotorua Lakes and Whakatāne (%)	95%	100%	100%			100%	●	All sites had at least one vessel available to respond to maritime emergencies throughout the quarter.
The level to which the region is prepared for and can effectively respond to an emergency (%)*	Increase from PY	No data	44%			44.0%	●	Regional Council currently has 40 staff on its roster that are trained and have attended a CDEM activity in the last 6 months and has 28 (additional) staff on its roster that are trained, but are yet to attend a training exercise. The measure is currently on track, and will be achieved at the end of the year if 14 of the 28 additional staff attend a training event.

*Two other Emergency Management measures are only reported every two years.

Safe and resilient communities – Highlights from the Quarter

A major upgrade of the outlet control mechanisms for the water levels in Lake Ōkāreka was completed. Emergency work was initiated following the 2017 floods, when lake levels started to flood land adjacent to Lake Ōkāreka. To alleviate flooding risks, water was discharged from the lake at double the consented rate, and temporary stream works were installed to manage localised erosion. There is now a new consent in place that allows for the higher discharge rate, as well as capital works including replacement of a 45-year old pipeline, canal inlet, and pipeline outlet.

Toitū te rohe – A vibrant region

Performance Measure	Full Year Target	Q1	Q2	Q3	Q4	YTD Result	EOY Forecast	How did we perform?
Number of public transport trips taken in the region	Increase from PY	534,728	577,813			1,112,541	●	Patronage improved by 8% in Quarter Two with the end of COVID lockdowns. Patronage was down approximately 5% on Quarter Two last year. This involved a combination of a 17% increase in school students in the quarter compared to last year, and a 11% drop in general patronage in the quarter compared to last year. Year to date, patronage is approximately 17% down on last year.
Customer satisfaction of bus users	80%	N/A	N/A			N/A	●	Data is not yet available.
Planning and policy reports that are rated satisfactory or higher (%) [PT]	100%	N/A	N/A			N/A	●	Data is not yet available. The planning and policy report evaluations are conducted at year end.
Number of shared decision making arrangements operationalised and supported by Council	Increase from PY	N/A	N/A				●	Data is not yet available.
Completed EEF projects that have achieved their measured goals (%)	90%	N/A	100%			100%	●	Four EEF projects completed in Quarter Two. These covered trapping, weed control, and track improvement. All projects met their goals. EEF projects typically have three years to be completed, meaning that the projects that completed in this quarter were started and funded in previous financial years.
Return on investment (\$ Council funds committed : \$ of volunteer labour) for EEF projects	1:1.5	N/A	1.2:1			1.2:1	●	The four projects completed in Quarter Two delivered 1,370 volunteer hours at a value of \$30,277, compared to Regional Council funding of \$35,923. This gives a ratio of 1.2:1. Calculations are based on returns from applicants.
Demographic representativeness of people that take part in formal engagement with Council	0.62	0.52	N/A			0.52	●	There were no significant consultations meeting the requirements for respondent numbers and demographic information during the period.
Council and Committee agendas that are available at least two working days before meetings (%)	100%	100%	100%			100%	●	All of the eighteen agendas due in the quarter were published on time.
Draft Council and Committee meeting minutes that are published within 10 working days (%)	95%	83%	93%			89%	●	One of the fifteen meeting minutes due in the quarter was not published on time. This was the Risk and Assurance Committee of 5 November 2021.
Council reports on Council agendas that are publicly excluded (%)	Reduce from PY	7%	9%			8%	●	This is a new measure. During the quarter, 10 of 106 relevant items were publicly excluded. We have also updated the result for Quarter One after correcting some recorded data.
Council and Committee meetings live streamed to members of the public (%)	90%	17%	61%			43%	●	Thirteen of eighteen relevant meetings were livestreamed during the period. Livestreaming started at the end of Quarter One.
Number of new jobs created through Bay of Connections and/or Bay of Plenty Regional Council	Increase from PY	N/A	N/A			N/A	●	Data is not yet available.

A vibrant region – Highlights from the Quarter

The University of Waikato (with support of Toi Moana and Te Arawa in the process) have made an appointment to the Toihuarewa Waimāori position (Lakes and Freshwater Chair) to start in early January 2022. The appointee is Dr Deniz Ozkundakci and he brings considerable research expertise in lakes and freshwater systems (including a recently-awarded MBIE Smart Ideas project), and a wealth of experience in community engagement through his work for the Waikato Regional Council.

Ngā whakatutukitanga ahumoni

Financial performance

Making best use of our various financial resources to deliver on our community outcomes, including supporting others to deliver, is a strategic priority. This aligns with our key financial principles of prudence and affordability.

We regularly monitor, evaluate and forecast our financials to enable timely, accurate and targeted information for key decision making processes. The following provides an update on our financial performance for the half year ended 31 December 2021.

Revenue and expense - operating and capital

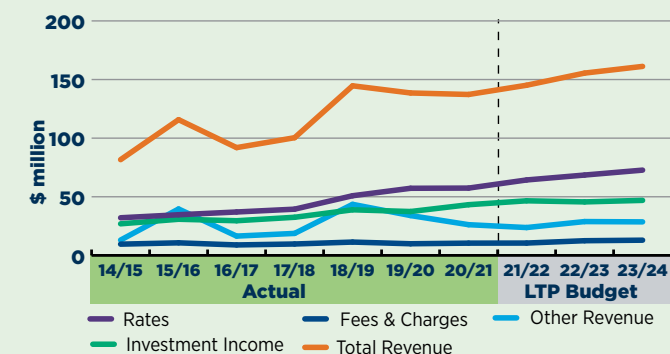
The statement provides year to date financials for the half year ending 31 December 2021, and annual (full year) forecast.

	Year to Date \$000				Annual \$000			
	Revised Budget	Actual		Variance	Revised Budget	Forecast		Variance
Operating revenue								
Rates	32,347	32,348	1	Higher	64,329	64,331	1	Higher
Dividends	22,350	20,064	(2,286)	Lower	44,600	44,854	254	Higher
Finance revenue	1,162	943	(219)	Lower	2,125	1,700	(425)	Lower
Fees and charges	8,007	6,150	(1,857)	Lower	12,728	10,505	(2,223)	Lower
Other revenue	10,976	11,677	700	Higher	26,315	23,740	(2,575)	Lower
Total operating revenue	74,843	71,182	(3,661)	Lower	150,097	145,130	(4,968)	Lower
Operating expenditure								
Employee expenses	22,996	22,979	(17)	Lower	45,983	46,001	19	Higher
Contractors and consultants	28,732	23,711	(5,022)	Lower	64,912	59,018	(5,893)	Lower
Finance costs	1,751	1,312	(439)	Lower	3,501	2,832	(669)	Lower
Other expenditure	18,904	24,430	5,526	Higher	49,340	52,351	3,011	Higher
Total operating expenditure	72,383	72,431	48	Higher	163,735	160,202	(3,533)	Lower
Total operating surplus (deficit)	2,459	(1,249)	(3,709)		(13,637)	(15,072)	(1,435)	
Total capital revenue	3,908	2,615	(1,293)	Lower	7,562	4,665	(2,896)	Lower
Total capital expenditure	12,546	7,714	(4,832)	Lower	34,313	26,910	(7,403)	Lower

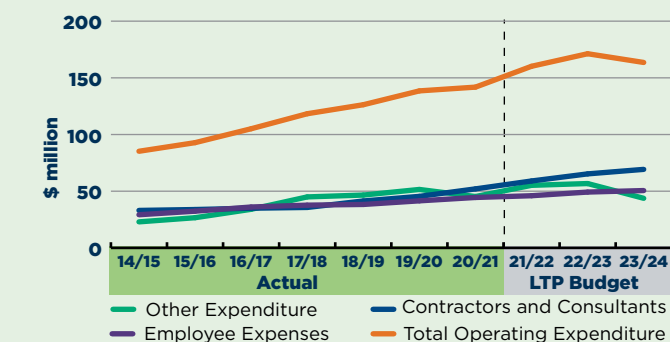
10 years performance

(actual, forecast for 2021/22, and budget)

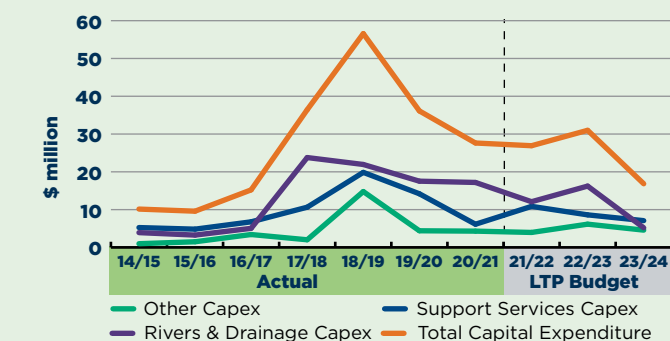
Revenue



Operating expenditure

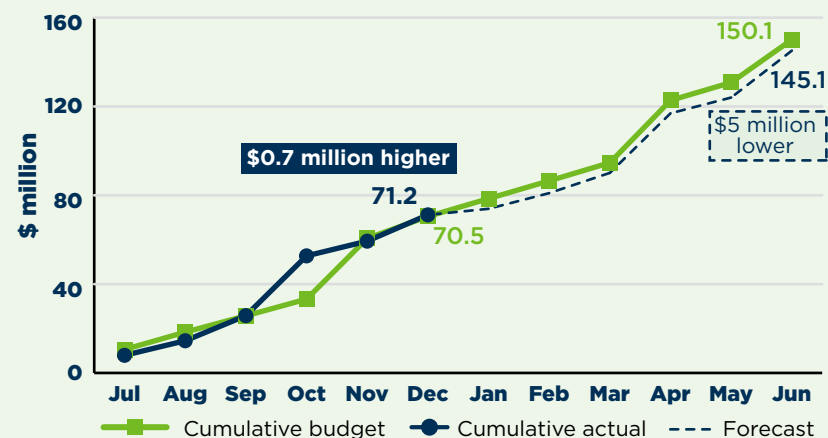


Capital expenditure



Operating revenue

The graph shows annual revised budget against actuals for the half year, and the annual financial forecast.

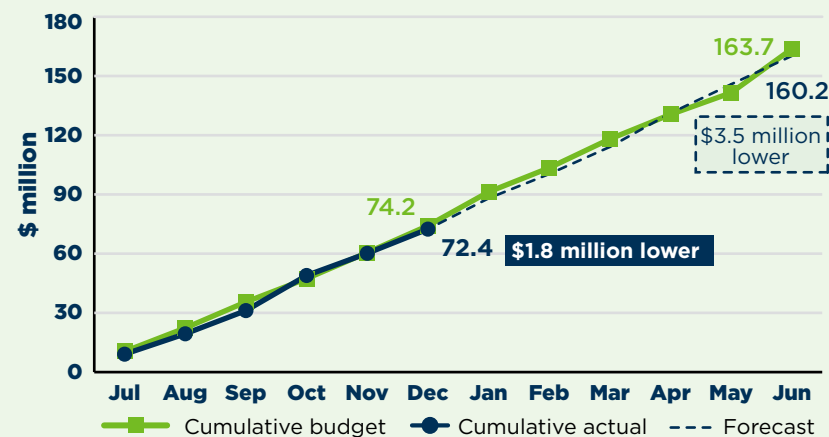


Top 5 variances

Activity	Year to Date \$000				Annual \$000				Full Year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Actual	Variance		
Public Transport	10,752	10,074	(678)	Lower	22,197	19,173	(3,024)	Lower	Forecast operating revenue is \$3m lower than budget. COVID-19 impacts on fare revenue is estimated at \$0.4m, Waka Kotahi have confirmed additional assistance to cushion these impacts up to June 2022. Waka Kotahi has confirmed no funding for the WBOP Transport Systems Plan and Rotorua's optimisation 'A balanced approach' which results in lower than planned subsidies of \$2m, and lower fare revenue of \$0.6m, and WBOP Transport Systems deferral.
Biosecurity	1,901	3,121	1,220	Higher	7,288	5,455	(1,833)	Lower	Forecast operating revenue is \$1.8m lower than budget mainly due to the Ministry of Primary Industries funding claims for the National Wallabies programme being delayed and moving in to 2022/23.
Service Support	6,274	5,792	(482)	Lower	10,303	9,721	(582)	Lower	Forecast operating revenue is \$0.6m lower than budget mainly due to lower chargeable work being billed by staff, resulting in lower fees and charges revenue for data services and science.
Resource Consents	2,066	2,334	269	Higher	4,165	4,434	269	Higher	Forecast operating revenue is \$0.3m higher than budget due to a higher number of applications received where specialist contractors are used to process and their costs are recovered.
Rotorua Lakes	2,051	1,174	(876)	Lower	4,102	4,453	351	Higher	Forecast operating revenue is \$0.3m higher than budget mainly due to the increased uptake of Land Use incentives for the Rotorua Te Arawa Lakes Enhancement programme.

Operating expenditure

The graph shows annual revised budget against actuals for the half year, and the annual financial forecast.

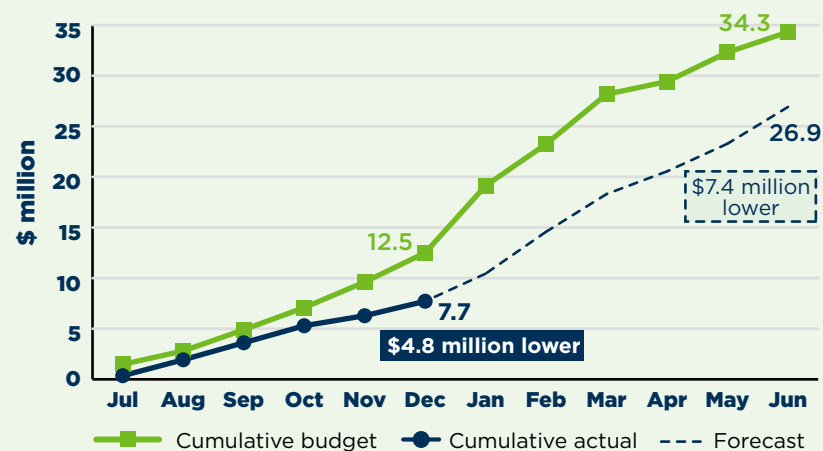


Top 5 variances

Activity	Year to Date \$000				Annual \$000				Full year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Forecast	Variance		
Public Transport	17,877	17,061	(815)	Lower	38,160	34,192	(3,968)	Lower	Forecast opex is \$4m lower than budget primarily due to the WBOP Transport Systems Plan \$2.2m and Rotorua's optimisation 'A balanced approach' \$1.85m which were not approved to be funded by Waka Kotahi. A note that these initiatives are funded by targeted reserves so will carry forward to be used at a later date.
Regional Development	359	5,265	4,906	Higher	11,648	10,887	(761)	Lower	Forecast opex is \$0.8m lower than budget. Regional infrastructure grants funding for Rotorua District Council's Lake Tarawera Sewerage project which is anticipated in FY2023/24.
Policy and Planning	2,787	1,828	(960)	Lower	5,874	5,122	(753)	Lower	Forecast opex is \$0.7m lower than budget mainly due to timing of consultation with Iwi on projects.
Rotorua Lakes	5,608	4,802	(806)	Lower	11,216	11,821	604	Higher	Forecast opex is \$0.6m higher than budget mainly due to significant interest in the Land Incentives Scheme, with a number of projects nearing completion.
Biosecurity	2,421	2,997	576	Higher	8,411	9,078	666	Higher	Forecast opex is \$0.7m higher than budget mainly due to the Ministry of Primary Industries funded National Wilding Conifer (including Rangitāiki, Kaharoa and Mt Tarawera) and National Wallaby Programmes.

Capital expenditure

The graph shows annual revised budget against actuals for the half year, and the annual financial forecast.



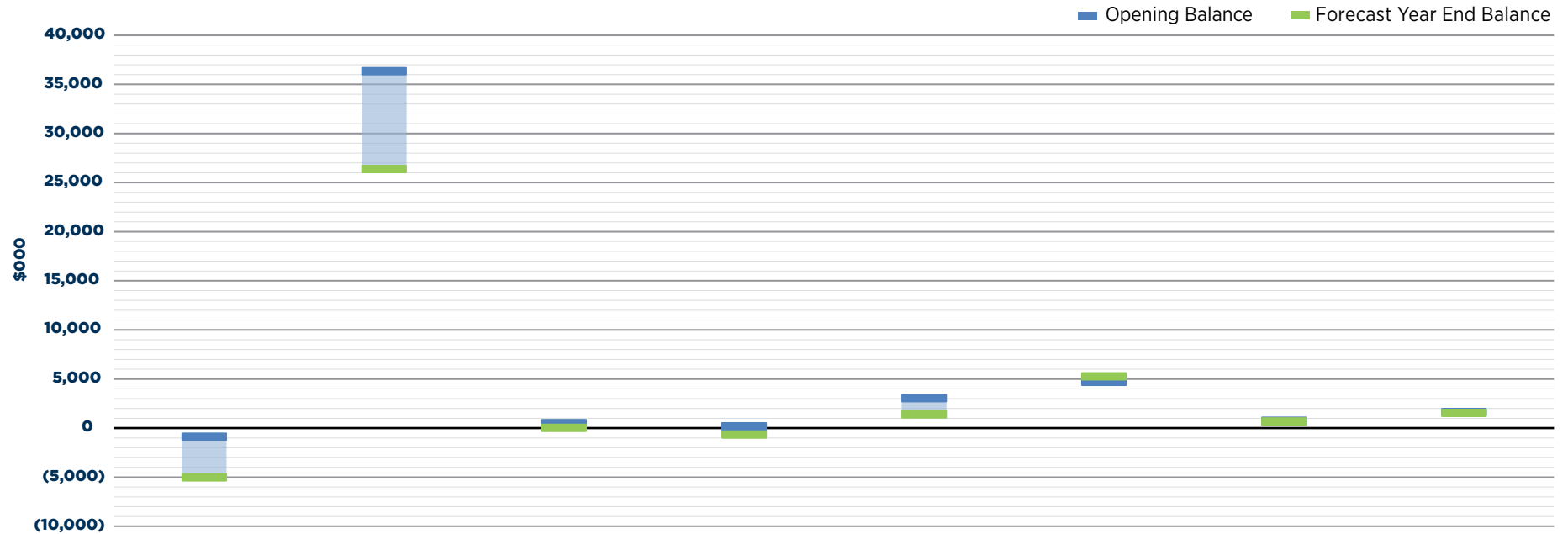
Top 5 variances

Activity	Year to date \$000				Annual \$000				Full year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Forecast	Variance		
Regional Flood Risk Coordination	250	168	(82)	Lower	5,000	942	(4,058)	Lower	Forecast capex is \$4m lower than budget due to rescheduling of the Waioeka Estuary Restoration works from FY20/21. Key project for the year is the Ngongotaha Stream catchment works.
Rivers and Drainage Schemes	4,706	4,300	(406)	Lower	13,695	11,152	(2,543)	Lower	Forecast capex is \$2.5m lower than budget after a deliverability review and rescheduling of works from FY20/21. Key projects include Kaituna Mole \$2m, Rangitāiki floodway \$3.6m, Rangitāiki spillway \$2.2m, Rangitāiki floodwalls \$0.6m, and Rangitāiki stopbanks \$0.7m. There is a forecast underspend of \$2.6m with the Te Puke Stormwater project which is rescheduled to FY22/23.
Regional Parks	205	112	(93)	Lower	2,212	913	(1,299)	Lower	Forecast capex is \$1.3m lower than revised budget as the majority of work is due to start in the 2022/23 fiscal year. Initial earthwork reports found sand-heavy foundation soil needs time to settle before construction. Council were advised in June 2021 the estimate for construction of the design for the Papamoia Hills Upgrade Project approved in December 2020 was \$3.7m, plus \$200k for a footpath linking the new and existing carparks to provide a safe loop for walkers. The higher than planned costs will be offset by additional budget from the forecast underspend in Coastal Catchments \$738k, \$620k budget brought forward from FY22/23, and \$779k budget carried forward from FY20/21.
Public Transport	513	1	(512)	Lower	1,167	501	(666)	Lower	Forecast capex from Waka Kotahi is \$0.7m lower than budget primarily due to Rotorua's optimisation 'A balanced approach' for which Waka Kotahi has not approved funding.
Corporate Support	6,181	2,354	(3,827)	Lower	10,269	10,106	(163)	Lower	Forecast capex is \$0.2m lower than budget after a deliverability review. Key projects for 2021/22 include Group Emergency Coordination Centre \$2m, and the Tauranga waterfront development \$0.5m. Key projects expected to deliver in 2022/23 include a further \$1m on the Tauranga waterfront development, Whakatāne office refurbishment \$2m and land purchase \$3m.

Forecast funding sources 2021/22

We regularly monitor, evaluate and forecast our funding sources. We hold a number of reserves where monies are held for specific purposes. The graph below demonstrates what we expect the movement in those reserves to be by year end, as at 31 December 2021.

Reserve balance



\$000's	Equalisation	Regional Fund	Passenger Transport	Rotorua Lakes	Rotorua Lakes Deed	River and Drainage Works	Rotorua Air Quality	CDEM
Opening Balance 01 July 2021*	(895)	36,344	497	176	3,048	4,701	733	1,627
Approved and Direct Use	(3,407)	(17,587)	(1,544)	0	(1,820)	51	563	0
Forecast Movement	(714)	7,615	1,073	(833)	150	512	(620)	(81)
Forecast Year End Balance 30 June 2022	(5,016)	26,372	26	(657)	1,378	5,264	676	1,546

* Subject to audit

Commentary – The forecast closing balances for Passenger Transport are:
Tauranga \$1042k deficit, Rotorua \$966k, Western Bay \$142k, Whakatāne \$40k deficit

Treasury performance update

As at 31 December 2021, Council had \$186 million of external loans and \$207.9 million of investments.

Investments

Our total investment portfolio is \$210 million comprising term deposits \$74.3 million, call accounts / working capital \$32.5 million, Toi Moana Trust \$45 million, Quayside (on-lend) \$55.1 million. Council has on-lent the first \$5.1 million of the \$100 million Rangioru facility to Quayside. Quayside pays a 0.2% margin on the on-lending facilities. On-lending LGFA borrowing to Quayside achieves a lower interest rate than Quayside could gain from the market and is beneficial to the BOPRC group.



The expected long-run return used for Toi Moana Trust is 5.00% however in 2021/22 the targeted return is \$4.5 million including a 'catch up' payment. The Toi Moana Trust was valued at \$48.9 million as at 31 December 2021 and was on track to achieving the budgeted dividend payment. We are holding additional funds in call accounts for a potential extra investment in the Toi Moana Trust.

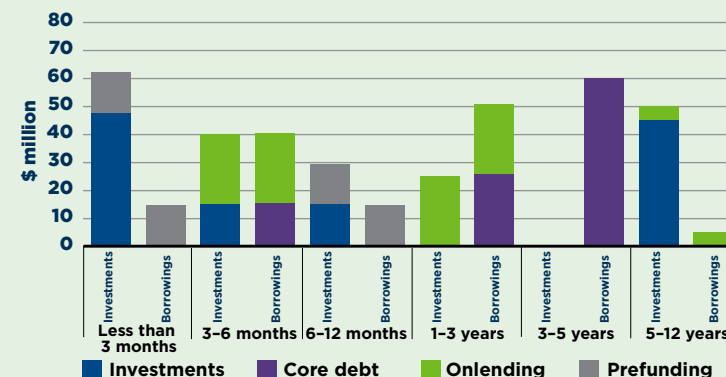
The investment portfolio has an average yield of 2.09%. The 'positive carry' between the average cost of debt and the average investment return as of 31 December 2021, was 0.51%. As interest rates rise, Council will benefit as a net investor and due to investment maturities being shorter term than borrowing maturities.

Borrowings

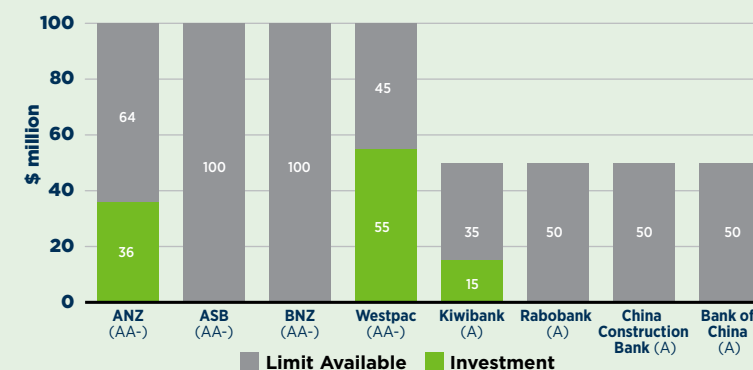
Council has borrowed \$186 million from the Local Government Funding Agency with \$55.1 million on-lent to Quayside. The remaining \$130.9 million has been borrowed to fund capital expenditure, at 31 December 2021 \$101.65 million is core debt, and \$29.25 million is pre-funding invested in term deposits in line with forecast cashflow requirements.

An additional \$15 million of borrowings for capital expenditure was approved in Long Term Plan 2021-2031 for 2021/22 which has not yet been drawn down.

Maturity profile - borrowings and investments



Investment exposure by counterparty





**BAY OF PLENTY
REGIONAL COUNCIL
TOI MOANA**