

Arotake Tuatahi 2022/23

Performance Monitoring Report July to September 2022

Q1



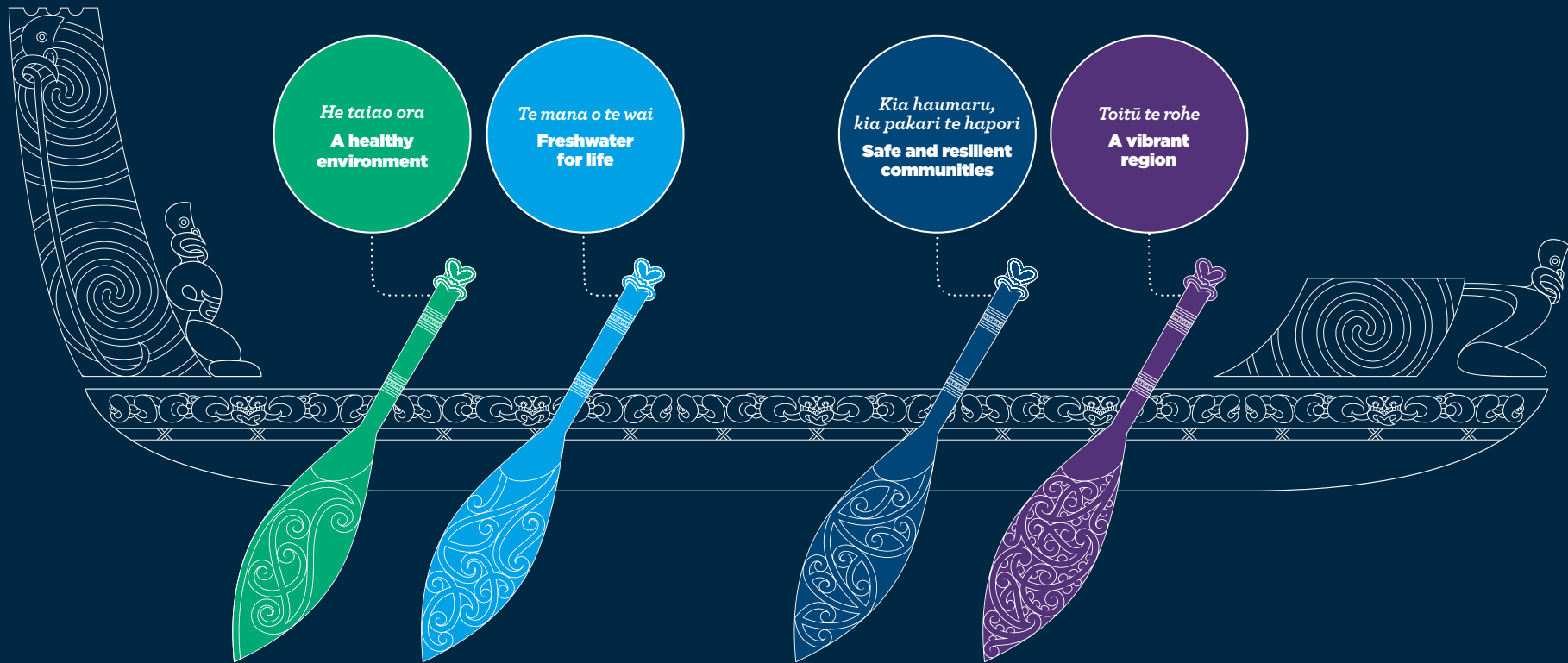
Te rārangi kaupapa

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*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.*



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

Te whakarāpopotanga **Executive summary**

Arotake Tuatahi 2022/23 is Council's performance monitoring report for the first three months of 2022/23.

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 lower deficit at year end due to forecast operating revenue being \$0.3 million lower than plan, and forecast operating expenditure being \$1.61 million lower than plan. Council is forecasting capital expenditure of \$38.7 million; this is \$4.3 million higher than the original budget of \$34.3 million and due to a number of proposed capital carry forwards from the 2021/22 financial year.

<i>Summary financial performance</i>	Year to date \$000			Annual \$000		
	Revised budget	Actual	Variance	Revised budget	Forecast	Variance
Operating revenue by class	29,455	28,163	(1,292)	160,228	159,925	(302)
Operating expenditure by class	45,292	39,281	(6,011)	166,670	165,573	(1,097)
Total operating surplus (deficit)	(15,837)	(11,118)	4,719	(6,443)	(5,648)	795
Capital revenue	1,006	3,113	2,106	4,064	6,410	2,346
Capital expenditure	8,007	2,332	(5,675)	34,370	38,705	4,335

Community Outcome highlights during the quarter

This report covers the first quarter of the financial year. Due to the timing of monitoring data, surveys etc. information is not available for all measures. Key results are highlighted below:

He taiao ora – A healthy environment

- Processing 15 Environmental Enhancement Fund applications where community groups have requested \$240k (budget \$300k) to progress environmental initiatives within their community
- Monitoring commenced on wetland project to restore Waihi Estuary to a healthy state. This is a collaborative project between Baygold, National Institute of Water and Atmospheric Research (NIWA) and Regional Council. It is estimated that the current quantity of nutrients and bacteria entering the estuary will need to reduce by 30-66% to stop the decline in estuary health.

Te mana o te wai – Freshwater for life

- A restoration project in Utuhina area of Lake Rotorua is underway. The focus is to retire an ephemeral flowpath through farmland. Planting these flowpaths with indigenous species improves biodiversity, protects eroded areas and helps filter nutrients.

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

- Public safety in navigation and water activities was achieved through maritime response to calls for assistance from several vessels in Tauranga harbour as a result of heavy rain and strong winds.
- No declared emergencies in this quarter.

Toitū te rohe – A vibrant region






















- After a submission process earlier in the year the Regional Public Transport Plan 2022-2032 was adopted by the Regional Transport Committee in September 2022. The plan guides the design and delivery of public transport services, information, and infrastructure in the Bay of Plenty Region
- Work has commenced on the development of the Regional Land Transport Plan (RLTP) 2024-2034. This plan combines the thinking from all the Councils in the region into a single strategic document for land transport investment. It is due to be completed in 2024.

Service delivery performance

During 2022/23, we are due to monitor and report on 45 performance measures.

- 18** measures are on track.
- 3** measures are not on track, and are forecast to be at risk of not achieving their target by the end of the year.
- 23** measures are reported on annually or are not due for reporting yet and results will be reported on when data is available.
- 1** measure has target however no incidents occurred to report achievement.

Community outcomes and activities

Group of Activities	He taiao ora A healthy environment	Te mana o te wai Freshwater for life	Kia haumarū, 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 8*



Partnerships with Māori *see page 9*



Community participation and constructive relationships *see page 10*



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 4 August 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:

- A further three community lead climate change adaptation projects have been approved to receive funding, taking the total to five local iwi/hapū groups to be approved to receive this.
 1. **Te Manatōpū Hau Kainga o Ōhinemutu (TMHKO)** The project seeks to scope and develop a climate resilience plan, to lay the foundation for the village to navigate through dynamic environmental change.
 2. **Te Urunga o Kea, the Te Arawa Climate Change Working Group.** The project seeks to map and understand the current state of Te Arawa food production, in order to analyse potential climate impacts on food security and sovereignty.
 3. **Te Upokorehe Iwi Resource Management Team and the village of Kutarere on Ōhiwa harbour.** The project will use public climate information and local knowledge to explore climate risks and early adaptation options for the village.
- **River Scheme Climate Resilience** – Work commenced on this project with Initial workshops in Ōpōtiki with representatives of river hapū and the Ōpōtiki District Council. The workshops were focused on developing principles to shape the project and an introduction to high level approaches to managing flood risk.



! 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:

- **Implementation of Te Hononga (Māori Engagement Plan for the Implementation of the NPSFM 2020).** This plan was initiated in mid-2020 following the Long-Term Plan deliberations and the arrangement of early discussions with Māori. Some 270 discussions with Iwi, Hapū, Māori Land Trusts and Kaitiaki have been completed to date. Through this process, the Ngā Kaitohutohu Roopu (Technical Māori Advisory Group) was established and has been providing advice to staff since September 2021. This work will continue until notification of a plan change to implement the NPSFM in 2024.
- **Preparation and Implementation of He Ara Whiwiringa: He Ara Whiwiringa – The Māori Services Procurement Guidelines.** This is the first of its kind in the country, recognising the skills and knowledge associated with Mātauranga Māori. It creates a set of procurement classes or taumata that identify the type of skillset sought for procurement purposes based on mātauranga.
- **Wai Ora Mātaatua Project** is underway. This project is guided by the principles within Te Hononga, a collaboration with Waiora Systems Limited. This is tangata whenua led and designed to support kaitiaki, whānau, hapū, iwi and hāpori Māori contribute to the Regional Natural Resources Plan (RNRP) review.



! 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.

Highlight from the quarter include:

- More than 3,000 native trees and shrubs have been planted as part of the **Te Pourepo o Kaituna wetland creation project**. This involved volunteers from nine Western Bay of Plenty schools. The planting was part of a series of field days at the Kaituna wetland, organised in partnership with Maketū Ōngātoro Wetland Society (MOWS) and in collaboration with Ngāti Whakaue, Tapuika and Department of Conservation. Te Pourepo o Kaituna wetland is a staged restoration project which is converting 70 hectares of grazing land beside the lower Kaituna River back to wetland. The project aims to restore natural wetland habitats that have been lost from the lower catchment, while providing opportunity for recreation, kaitiakitanga and wetland education.
- **Te Runanga o Ngati Kea Ngati Tuara Trust** completed the first release of the Tarewa Pounamu Utuhina Stream Planting project, planting an estimated 2500 trees. A further 5000 will be planted in the next 12 months. Planting days were carried out by Horohoro Native Tree Nursery and Te Arawa Lakes Trust Hunga Tiaki Team. Community planting days were hosted and alongside the local Rotorua Boys High school.
- **Friends of the Blade (Whakamarama Community Inc.)** funding has been granted to establish a 300ha pest free zone. This- project is centred around the Ngamuwahine and Ngamarama Tracks in the Kaimai Mamaku Forrest Park. The goal is to improve native bird numbers.

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 related 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 report collates the non-financial results for the first quarter of the 2022/23 financial year. These results have been identified as part of the 2021-2031 Long Term Plan. There are some measures that are not collated on a quarterly basis, the results for which will be reported at year end. This is due to the seasonality of results e.g. monitoring for swimmability over swimming season, or results collated on an annual basis.

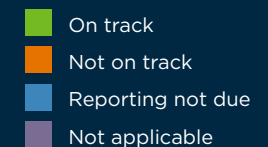
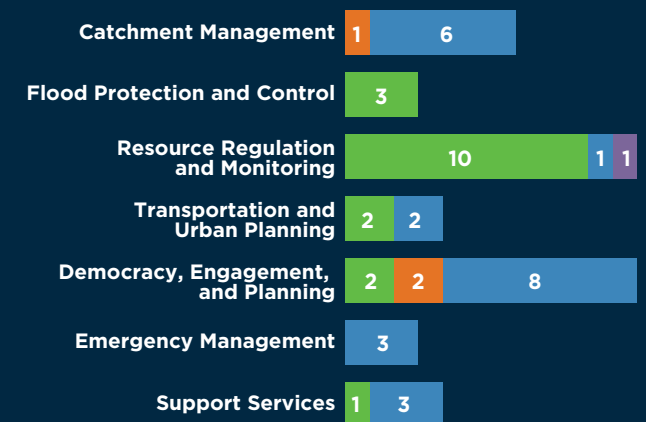
There are a total of 45 performance measures to be monitored in the 2022/23 financial year. As at 30 September 2022, 40% were on track.

Service Delivery highlights during the quarter include:

- Transportation patronage is 25% more than the same quarter last year.
- Response to air pollution and oil spill complaints for the quarter met performance targets.

Performance Summary – Quarter One

During 2022/23, we are due to monitor and report on 45 performance measures. The graph below depicts our forecast of the end of year results.



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

Performance Measures 2022/23

Summary of results – Quarter One

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 (%)	80%	N/A				N/A	●	This result is reported annually.
Reduction in wallaby progressive containment area (%)	N/A	N/A				N/A	●	Results will be provided in 2024/25 year as the measure require multiple years of monitoring data.
Regional Pest Management Plan programmes that are on-track (%)	85%	N/A				N/A	●	Data not yet available. Results for this measure will be available closer to the end of the financial following review of progress against the full Regional Pest Management Plan.
Number of visitors to Regional Parks	121,635	20,350				20,350	●	The result of 20,350 is 16% lower than the same time last year. This may be attributed to the seasonal weather.
Visitor satisfaction for visitors to Regional Parks (%)	75%	N/A				N/A	●	No survey was conducted in this quarter. The survey will be completed over the summer period.
Non-notified consents issued within statutory timeframe (%)	95%	95%				95%	●	There were 128 decisions during the quarter, of which six were over the statutory timeframe.
Customers satisfied with the resource consents process (%)	84%	N/A				N/A	●	There have been no respondents to the automated survey generated when resource consents are finalised.
Consent decisions overturned at appeal or judicial review where the proposal has not significantly changed	Nil	0				0	●	There have been no decisions overturned for the three months ending 30 September 2022.
Number of exceedances of air quality limits in priority airsheds	<21	2				2	●	There were two exceedances of air quality limits in August 2022. Both instances were at Mount Maunganui
Air quality exceedances where investigations started within 10 working days	90%	100%				100%	●	All investigations commenced within 10 working days.
Planning and policy reports that are rated satisfactory or higher (%) [P&P]	90%	N/A				N/A	●	This independent review is completed on an annual basis. It is intended this review will be completed for the year end result i.e. 30 June 2023.
Plan Changes and Policy Statements approved for notification without substantive changes and within timeframe (%)	100%	N/A				N/A	●	There were no changes during the first quarter.
Planning and policy reports that are rated satisfactory or higher (%) [ES]	90%	N/A				N/A	●	This independent review is completed on an annual basis. It is intended this review will be completed for the year end result i.e. 30 June 2023.

Forecasting Legend

● On track ● Not on track ● Reporting not due

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%	N/A				N/A	●	This result is identified when the independent audit is completed by Toitu. The result for the 2022/23 year is not available until later in the financial year.

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	●	Data available at year end. This measure is reported annually in a report for the Ministry for the Environment and approved through the Rotorua Te Arawa Lakes Strategy Group.
Identified Priority Biodiversity Sites that are actively managed (%)	43%	N/A				N/A	●	Data available at year end.
Monitored rivers and streams that meet the 'Swimmability' requirements (%)	75%	N/A				N/A	●	Data not yet available. Results for this measure will be available closer to the end of the financial year, following collation and analysis of results over summer.
Compliance assessments conducted as per the annual monitoring programme (%)	90%	91%				91%	●	The percentage of inspections completed is above target for the quarter.
Urgent complaints made to the pollution hotline responded to within 12 hours (%)	99%	100%				100%	●	A total of 10 urgent service requests were received during the quarter. All were actioned within 12 hours.
Non-urgent complaints made to the pollution hotline responded to within 3 working days (%)	99%	99.5%				99.5%	●	A total of 598 non-urgent service requests were actioned within 3 working days.
State of the Environment reports published as per schedule (%)	90%	N/A				N/A	●	There were no State of the Environment Reports scheduled for this quarter.
Real-time deliverable environmental data available online (%)	95%	96%				96%	●	Environmental data available was above target.
Swimming sites monitored for recreational water quality (%)	90%	N/A				N/A	●	There was no monitoring undertaken during this quarter. Swim site samples are collected between mid-October and the end of March each year.

Kia haumaru, 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 Rivers and Drainage Asset Management Plan (%)	85%	10.3%				10.3%	●	The total budget for maintenance accounted to \$4.47m at the start of the financial year. At the end of quarter \$0.46m of repairs and maintenance work had been delivered. This accounts for 10.3% of the annual budget and is considered to be on track given the seasonal nature of this work.
Renewals completed in accordance with the Rivers and Drainage Asset Management Plan (%)	75%	17.2%				17.2%	●	The total budget for renewals and floodworks accounted to \$12.47m at the start of the financial year. At the end of quarter \$2.15m worth of renewals and floodworks has been delivered. This accounts for 17.2% of the annual budget and is considered to be on track given the seasonal nature of this work.
Flood warnings that are given in accordance with the flood warning manual (%)	100%	100%				100%	●	There was a total of 31 flood warnings for the quarter and all were issued in accordance with the flood warning manual.
Oil spills in Tauranga responded to within 30 minutes (%)	95%	100%				100%	●	There were 9 oil spills in Tauranga and all were responded to within 30 minutes.
Oil spills outside Tauranga responded to within two hours (%)	95%	100%				100%	●	There were no oil spills outside Tauranga.
Navigation aids maintained to "good" quality or higher (%)	95%	97%				97%	●	Only one navigational aid has a rating of four (scale is 1 to 3 is good quality, >4 is low quality). All other navigational aids have a rating of three or less.
Vessel availability to respond to maritime emergencies in Tauranga, Rotorua Lakes and Whakatāne (%)	95%	100%				100%	●	All vessels were available to respond in the period July to September 2022.
The level to which the region is prepared for and can effectively respond to an emergency (%)	Increase from PY	N/A				N/A	●	Survey to be completed later in the financial year.
The percentage of residents that have a good understanding of what the effects would be if a disaster struck their area	80%	N/A				N/A	●	Survey to be completed later in the financial year.
The percentage of residents that have taken any action to prepare for an emergency.	80%	N/A				N/A	●	Survey to be completed later in the financial year.

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	2,664,381	674,130				674,130	●	Patronage is up approximately 25% for the first quarter this year compared to the same period last year.
Customer satisfaction of bus users	80%	N/A				N/A	●	Procurement process underway to appoint service provider.
Planning and policy reports that are rated satisfactory or higher (%) [PT]	100%	N/A				N/A	●	This independent review is completed on an annual basis. This review will be completed, and result reported at the end of the 2022/23 financial year.
Number of shared decision making arrangements operationalised and supported by Council	Increase from PY	N/A				N/A	●	At year end June 2022 there were six shared decision-making arrangements. Currently there is no change in the numbers however support continues for existing arrangements.
Completed EEF projects that have achieved their measured goals (%)	90%	0				0	●	There were no EEF projects completed during this quarter.
Return on investment (\$ Council funds committed : \$ of volunteer labour) for EEF projects	1:1.5	N/A				N/A	●	As there were no EEF projects completed during this quarter it is not possible to calculate the return on investment for this period.
Demographic representativeness of people that take part in formal engagement with Council (%)	0.62	N/A				N/A	●	There was no formal engagement undertaken in the first quarter.
Council and Committee agendas that are available at least two working days before meetings (%)	100%	100%				100%	●	There were 23 agendas published and all were completed within the required timeframes during the quarter.
Draft Council and Committee meeting minutes that are published within 10 working days (%)	95%	78%				78%	●	There was a total of 23 minutes published during the quarter, of which 18 were within identified timeframe. The target was not achieved for the quarter due to increased workloads at the end of the previous triennium.
Council reports on Council agendas that are publicly excluded (%)	Reduce from PY	14%				14%	●	There was a total of 92 reports on Council Agendas of which 13 (14%) were publicly excluded during the quarter.
Council and Committee meetings live streamed to members of the public (%)	90%	100%				100%	●	All Council meetings held in Chambers were livestreamed during the quarter.
Number of new jobs created through Bay of Connections and/or Bay of Plenty Regional Council	Increase from PY	N/A				N/A	●	Data not available until end of financial year.

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 first Quarter ending September 2022.

Revenue and expense - operating and capital

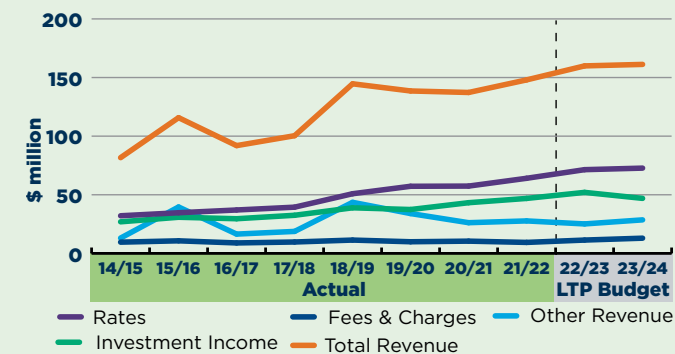
The statement provides year to date financials for the three months ending 30 September 2022 and annual (full year) forecast.

	Year to Date \$000				Annual \$000			
	Revised Budget	Actual		Variance	Revised Budget	Forecast		Variance
Operating revenue								
Rates	17,739	17,883	144	Higher	71,060	71,410	350	Higher
Dividends	900	91	(809)	Lower	46,000	46,091	91	Higher
Finance revenue	1,702	859	(843)	Lower	6,807	5,944	(863)	Lower
Fees and charges	3,024	2,269	(755)	Lower	12,096	11,357	(739)	Lower
Other revenue	6,090	7,060	970	Higher	24,265	25,124	860	Higher
Total operating revenue	29,455	28,163	(1,292)	Lower	160,228	159,925	(302)	Lower
Operating expenditure								
Employee expenses	12,007	11,449	(558)	Lower	52,313	51,497	(816)	Lower
Contractors and consultants	15,205	12,803	(2,402)	Lower	61,599	64,348	2,749	Higher
Finance costs	2,097	1,094	(1,003)	Lower	8,390	6,809	(1,581)	Lower
Other expenditure	15,983	13,935	(2,047)	Lower	52,758	49,728	(3,030)	Lower
Total operating expenditure	45,292	39,281	(6,011)	Lower	166,670	165,573	(1,097)	Lower
Total operating result	(15,837)	(11,118)	4,719		(6,443)	(5,648)	795	
Total capital revenue	1,006	3,113	2,106	Higher	4,064	6,410	2,346	Higher
Total capital expenditure	8,007	2,332	(5,675)	Lower	34,370	38,705	4,335	Higher

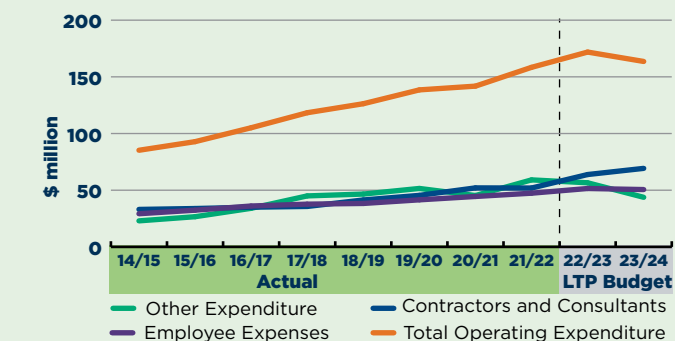
10 years performance

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

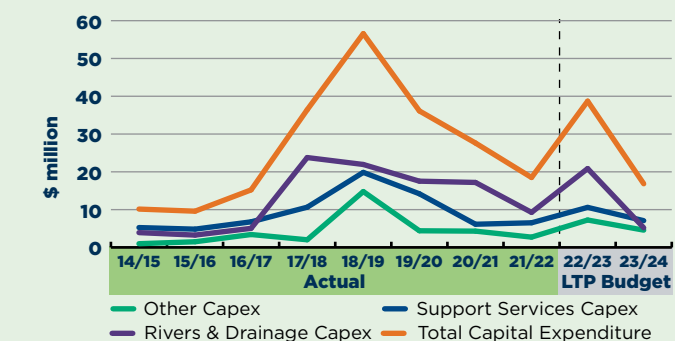
Revenue



Operating expenditure

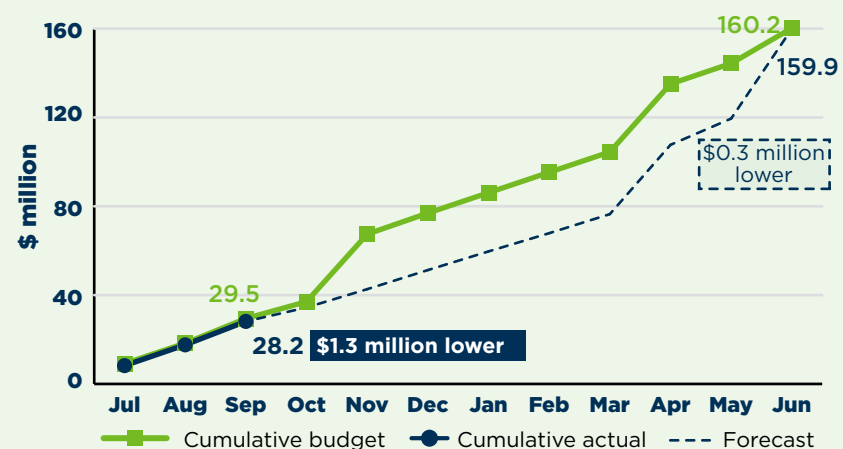


Capital expenditure



Operating revenue

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

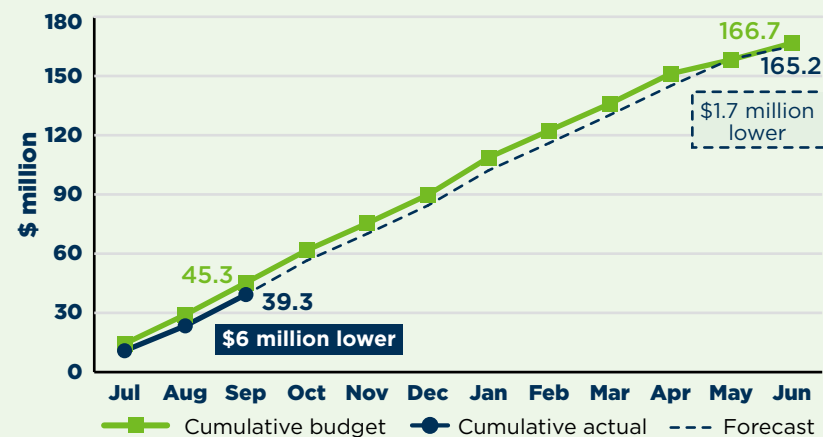


Top 5 variances

Activity	Year to Date \$000				Annual \$000				Full Year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Actual	Variance		
Public Transport	5,266	5,337	71	Higher	20,836	22,219	1,383	Higher	Forecast is \$1.4m higher than budget due to \$2m in increased subsidies expected for half price fares, driver wages funding, and indexation costs, offset by \$0.6m in reduced fare revenue from TGA's reduced timetable and half price fares.
Resource Consents	1,125	1,214	89	Higher	4,501	4,900	400	Higher	Forecast is \$0.4m higher than budget due to specialised contractors being used. There is an offset increase in operating costs.
Rotorua Lakes	1,079	675	(404)	Lower	4,316	3,974	(342)	Lower	Forecast is \$0.3m lower than budget mainly due to a reduced uptake in the Land Incentives Scheme for the Rotorua Te Arawa Lakes Enhancement programme.
Corporate Support	12,350	10,906	(1,445)	Lower	1,863	1,223	(640)	Lower	Forecast is \$0.6m lower than budget due to the timing of QHL borrowings from Council.
Biosecurity	1,908	2,280	372	Higher	7,634	6,356	(1,278)	Lower	Forecast is \$1.2m lower than budget due to unspent Wallaby 2021/22 budget being funded from reserves.

Operating expenditure

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

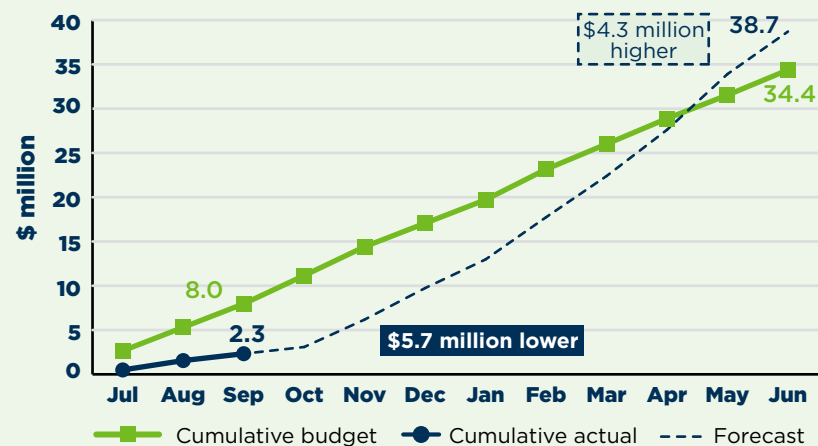


Top 5 variances

Activity	Year to Date \$000				Annual \$000				Full year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Forecast	Variance		
Public Transport	9,102	9,240	138	Higher	36,173	39,384	3,212	Higher	Forecast is \$3.2m higher than budget due to indexation uplifts, anticipated driver wage increases, emergency procurement of TGA School bus services, delivery of projects with consultancy help, offset against a reduction in the TGA bus timetable.
Rotorua Lakes	2,364	1,287	(1,077)	Lower	9,572	8,833	(739)	Lower	Forecast is \$0.7m lower than budget mainly due to reduced interest in the Land Incentives Scheme for the Rotorua Te Arawa Lakes Enhancement programme.
Corporate Support	9,778	8,944	(833)	Lower	39,672	38,827	(845)	Lower	Forecast is \$0.8m lower than budget due to timing of the QHL borrowings from Council offset against a number of vacancies, and a change in software accounting treatment.
Policy and Planning	1,534	904	(631)	Lower	6,394	5,249	(1,145)	Lower	Forecast is \$1.1m lower than budget mainly due to vacancies in the team, and reduced consultant costs due to lower engagement with Iwi relating to Freshwater projects.
Rivers and Drainage Schemes	3,238	2,672	(565)	Lower	13,275	10,992	(2,283)	Lower	Forecast is \$2.3m lower than budget due to \$3.3m identified for flood events being ring fenced, offset against a \$1m increase in depn for the Kopeopeo Canal which relates to subsequent to budget advice received.

Capital expenditure

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



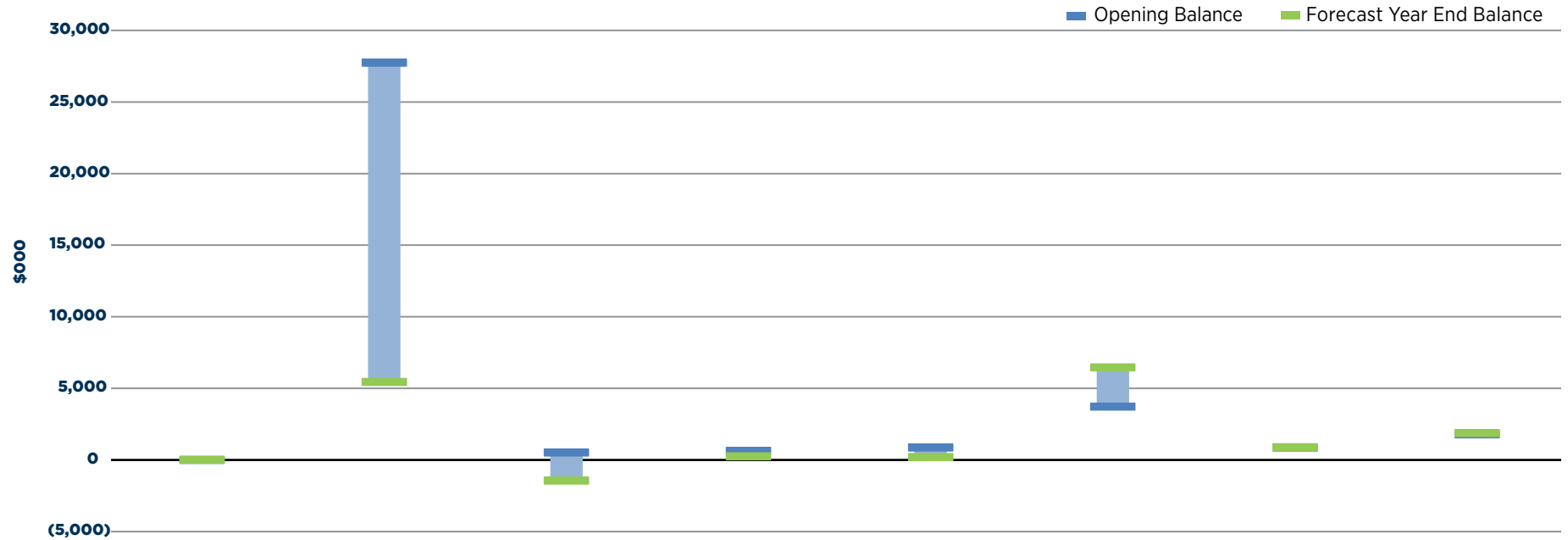
Top 5 variances

Activity	Year to date \$'000				Annual \$'000				Full year forecast variance explanations
	Revised Budget	Actual	Variance		Revised Budget	Forecast	Variance		
Rivers and Drainage Schemes	4,460	789	(3,671)	Lower	18,441	20,863	2,422	Higher	Forecast is \$2.4m higher than budget due to delays in 2021/22 works, budget is requested to move to the 2022/23 FY: \$0.8m for Kaituna-related projects, \$0.4m for Rangitāiki-Tarawera repairs, \$0.9m for Whakatāne-Tauranga stopbanks, and \$0.3m on Ngongotahā Stream Catchment works.
Regional Parks	621	86	(534)	Lower	2,483	3,326	844	Higher	Forecast is \$0.8m higher than budget due to the Pāpāmoa Regional Hills Project construction costs increasing. It is proposed to fund the increased costs with underspends in Coastal Catchments projects.
Coastal Catchments	999	388	(611)	Lower	3,995	2,488	(1,507)	Lower	Forecast is \$1.5m lower than budget due to the Rangitāiki re-connection project not going ahead as all landowners have not come to agreement. It is proposed the underspend will be used to fund the anticipated Pāpāmoa Regional Park costs.
Corporate Support	1,580	1,065	(516)	Lower	8,063	10,594	2,530	Higher	Forecast is \$2.5m higher due to a number of budget carry forward requests from 2021/22: \$1m Regional house upgrades, \$0.7m in ICT due to supply delays, and \$0.8m for the mobile civil defence centre and Rivers & Drainage replacement programme.
Technical Services	152	4	(148)	Lower	608	749	141	Higher	Forecast is \$0.1m higher than budget due to a carry forward request for monitoring equipment needed.

Forecast funding sources 2022/23

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 30 September 2022.

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 2022*	0	27,741	515	637	865	3,729	868	1,785
Approved and Direct Use	0	(17,287)	(713)	0	9	550	0	(219)
Forecast Movement	0	(5,011)	(1,251)	(385)	(673)	2,182	19	321
Forecast Year End Balance 30 June 2023	0	5,443	(1,449)	252	202	6,461	887	1,887

* Subject to audit

Commentary – The forecast closing balances for Passenger Transport are:
Tauranga \$1,902k deficit, Rotorua \$548k, Western Bay \$133k, Whakatāne \$227k deficit

Treasury performance update

As at 30 September 2022, Council had \$192.5 million of external loans and \$194.5 million of investments.

Investments

Our total investment portfolio is \$194.5 million comprising term deposits \$15 million, call accounts / working capital \$54.4 million, Toi Moana Trust \$70 million, Quayside (on-lend) \$55.1 million.

Council has on-lent the first \$5.1 million of the \$100 million Rangiuru 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 Council group.

An extra \$25 million was invested into the Toi Moana Trust on 1 July 2022, which is projected to return 5% per annum.

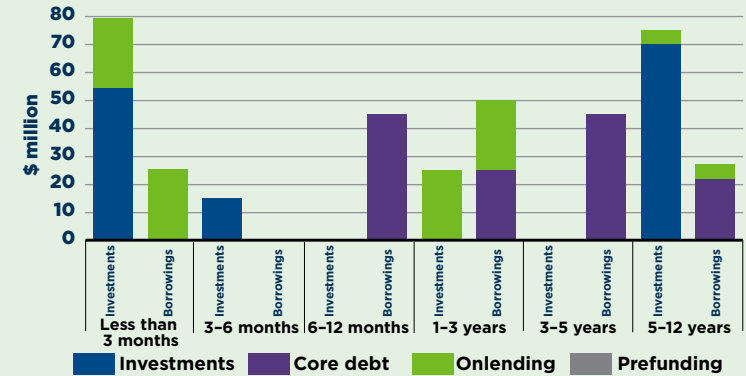
The investment portfolio has an average yield of 3.56%. The 'positive carry' between the average cost of debt and the average investment return as at 30 September 2022, was 1.31%. As interest rates rise, Council will benefit due to investment maturities being shorter term than borrowing maturities.

Borrowings

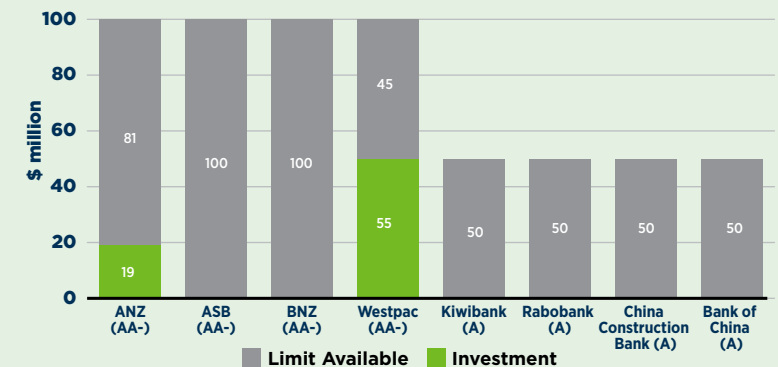
Council has borrowed \$192.5 million from the Local Government Funding Agency with \$55.1 million on-lent to Quayside. The remaining \$137.4 million has been borrowed to fund capital expenditure, which is less than the Long-Term Plan forecast for 2022/23 of \$146 million.



Maturity profile - borrowings and investments



Investment exposure by counterparty



Te hauora me te haumarutanga

Health and safety

Lead health and safety indicators

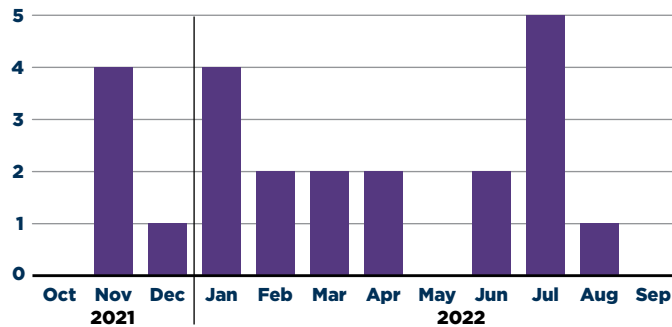
Notifiable events

There were no notifiable events in Quarter One.

Near misses reported per month

last 12 months

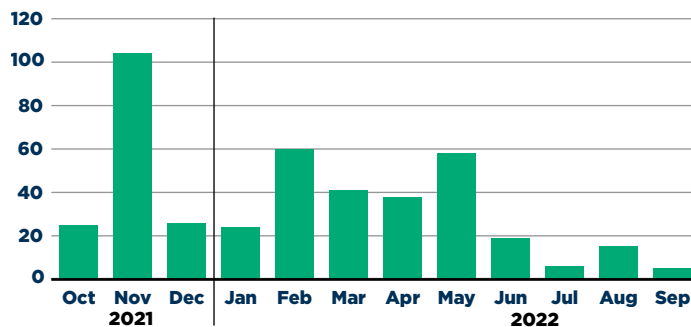
There were six near misses in Quarter One.



H&S training completed

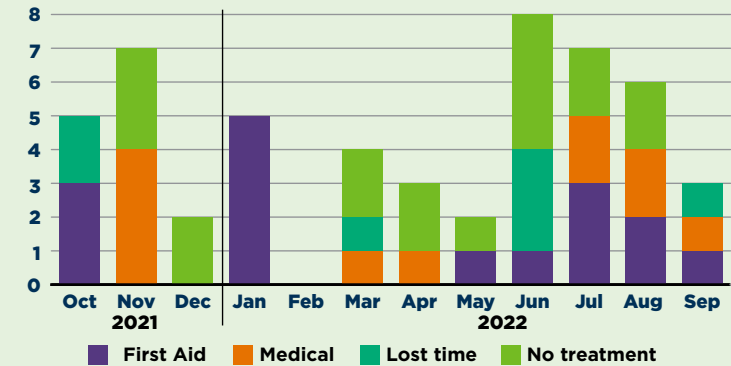
last 12 months

26 people have completed H&S training in Quarter One.



Health and safety lag indicators

Injuries *last 12 months*



There were 16 injuries in Quarter One. Six required first aid and five medical treatment. One injury in September resulted in lost time.

Injuries by category *last 12 months*

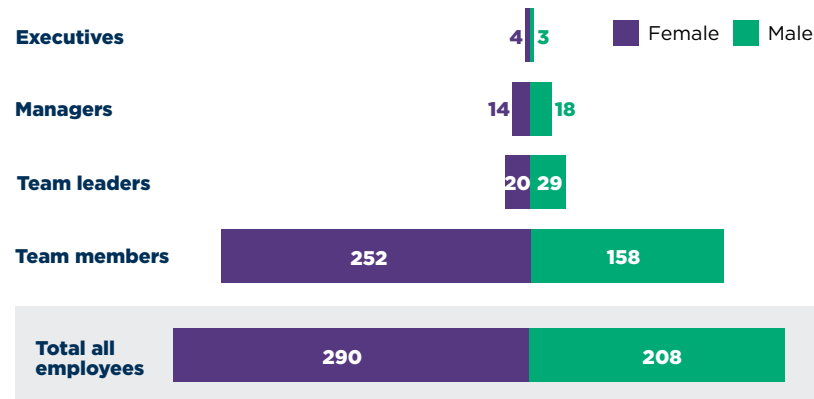


Over the past twelve months, strain (ten injuries) and cuts/lacerations (nine) have been the most common injury categories.

Pūmanawa tangata

People and culture

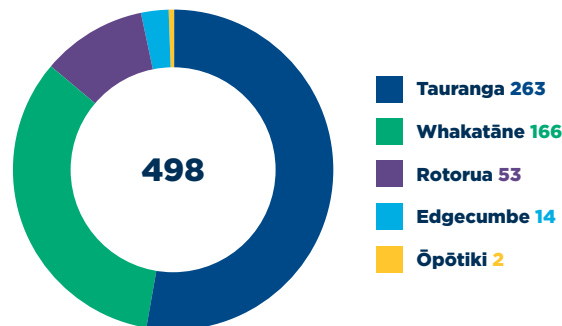
Managerial levels by gender



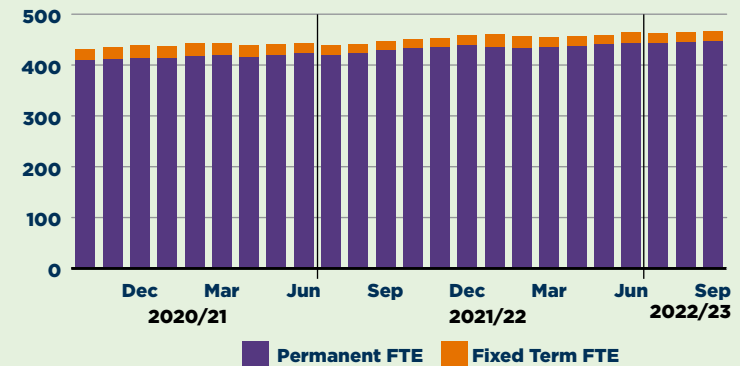
58% of our staff are female, and we have well balanced gender equality at the executive and manager level combined. This is the same overall and executive-manager gender split as at the same quarter last year.

Headcount by location as at 30 September 2022

53% of staff are Tauranga-based, with the rest in Whakatāne (33%), Rotorua (11%), Edgecumbe, and Ōpōtiki (3%). This is the same split (+/- 1%) as at the same quarter last year.

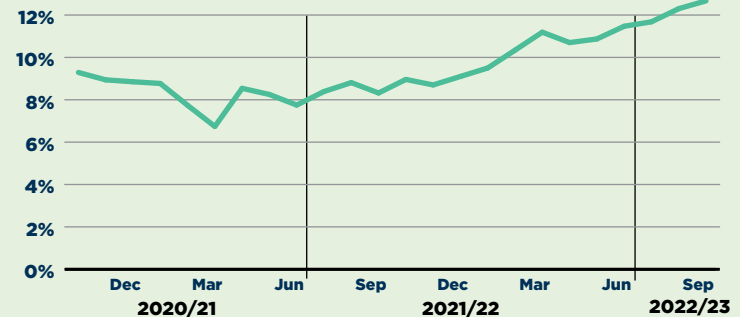


Permanent and fixed term full time employees last two years



Our employee headcount (both permanent and fixed term) is 498, which equates to 467.6 Full Time Equivalents. At the same quarter last year, we had 445.9 Full Time Equivalents.

Rolling staff turnover last two years



Staff turnover at 30 September 2022 was 12.67%, compared to 8.3% at the same time last year. Turnover measures the rate of staff departure over the preceding twelve months.



**BAY OF PLENTY
REGIONAL COUNCIL
TOI MOANA**