

# Arotake Tuarua 2018/19

Performance Monitoring Report

*July to December 2018*

# 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

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### ***Guide to this document***

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The Bay of Plenty Regional Council Toi Moana 'Arotake Tuarua 2018/19' is the review of our performance for the second quarter of 2018/19. It provides a snapshot of our key performance focus areas, including financial and non-financial performance for the six months July to December, with key highlights from our work programme during October to December 2018.

This document is used to inform our Council and the community about our recent work, financial situation, trends and risks, while supporting key decision making processes.

This report allows the reader to track the work we are doing and our progress towards achieving our vision and community outcomes, contained within our Long Term Plan 2018-2028 strategic framework (illustrated opposite).



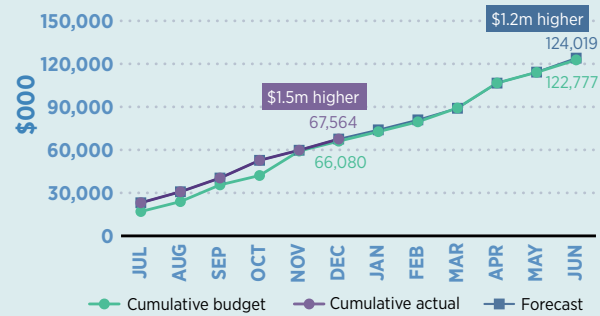
# Highlights

The dashboard below provides a high level overview of key performance information. Further detail on each of these areas is contained later in the report.

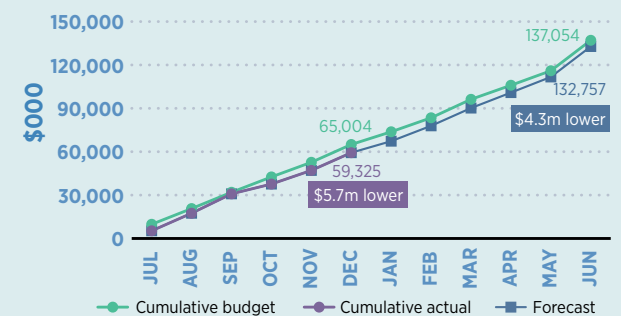
## Summary Financials for the six months ending 31 December 2018

Bay of Plenty Regional Council Toi Moana 2018/19 budget compared to the year to date actual/annual forecast

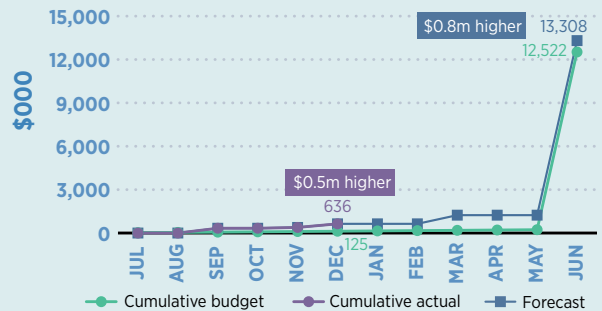
### OPERATING REVENUE



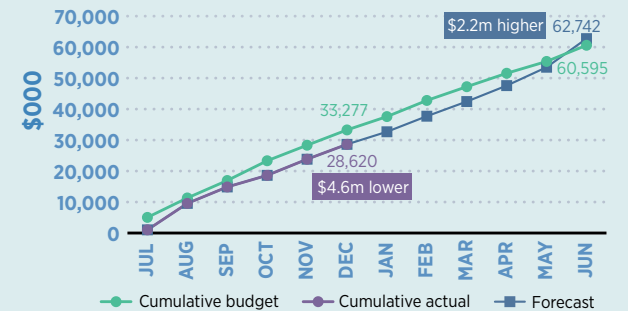
### OPERATING EXPENDITURE



### CAPITAL REVENUE



### CAPITAL EXPENDITURE



## Major capital projects

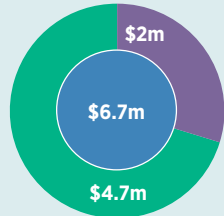
### RANGITĀIKI FLOODWAY UPGRADE PROJECT



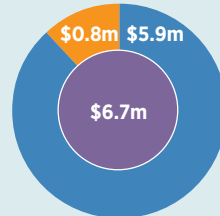
\*\$1m budget request to bring forward budget from 2019/20 to be considered by Council

● Year to date actual ● Annual budget remaining ● Overspend ● Budget

### KOPEOPEO CANAL REMEDIATION PROJECT

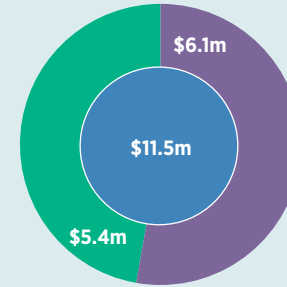


### KAITUNA RIVER RE-DIVERSION PROJECT\*

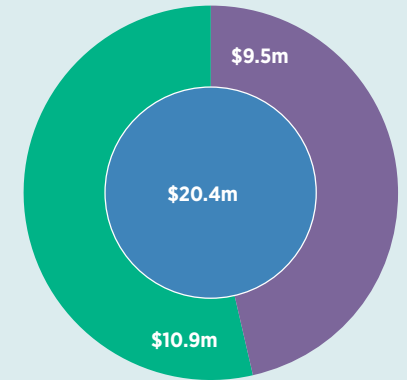


\*\$4.5m budget request to bring forward funds from 2019/20 to be considered by Council

### FLOOD REPAIR PROJECT



### BUILDINGS UPGRADE PROJECT



## Treasury

Current Credit Rating **AA**

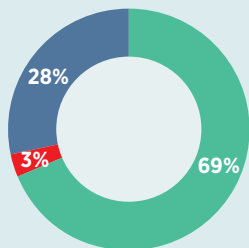
Investments\* **\$165.6m**  
Avg interest rate on investments **3.68%**

Borrowings\* **\$90m**  
Avg interest rate on borrowings **2.11%**

\* excludes borrowings of \$50m on-lent to Quayside Holdings Limited

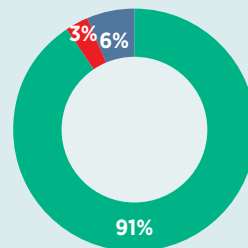
## Key performance indicators

### YEAR TO DATE



- 22 KPIs on track
- 1 KPI not on track
- 9 KPIs no data

### YEAR END FORECAST



- 29 KPIs on track
- 1 KPIs not on track
- 2 KPIs no data

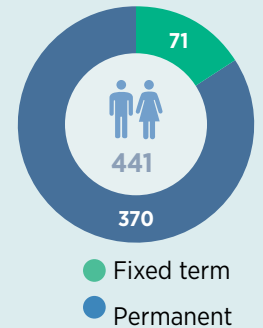
## Our people

**9.55%** Rolling turnover of employees percentage

### FULL TIME EQUIVALENTS

	Permanent	Fixed term
July	350	32
August	352	30
September	350	33
October	354	37
November	354	75
December	352	69

### HEADCOUNT



## Health and safety

Year to date

**STAFF TRAINING COMPLETED** 250  
**TOTAL NEAR MISSES** 51  
**ALL INJURIES** 16

# Our community outcomes

At the centre of our Long Term Plan 2018-2028 strategic framework are our four community outcomes: a healthy environment; freshwater for life; safe and resilient communities; and a vibrant region. Each includes a set of objectives to drive the delivery of our community outcomes.

This section highlights work carried out during the period, aligning it to our community outcomes and 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

Biosecurity manager Greg Corbett won **the Minister's Biosecurity Award** in the 2018 New Zealand Biosecurity Awards. Biosecurity Minister Damien O'Connor said Greg has shown leadership "from the grass-roots up" for more than 35 years, protecting farms, forests and waterways from animal pests since 1983.

Council adopted the **Regional Coastal Environment Plan** in October and it has been referred to the Minister of Conservation for final approval. This is a significant milestone in the sustainable management of coastal resources in our region; it is the culmination of tangata whenua, stakeholder and community input through submissions, hearings and Court processes.

### 2. WE MANAGE OUR NATURAL RESOURCES EFFECTIVELY THROUGH REGULATION, EDUCATION AND ACTION

The **catfish control programme** is gathering pace, with catch rates and sizes increasing over summer. Marine pest workshops were held in October to encourage anglers and lake users to be more vigilant. However, there continue to be challenges, with six catfish caught in Lake Rotorua in December, highlighting the importance of ongoing surveillance and action.

We are collaborating with Tauranga City Council on a **summer industrial audit programme** aimed

at identifying potential stormwater contamination risks from industrial sites, potential sites requiring discharge consents and improving stormwater discharge quality.

**Successful prosecutions** were brought against two companies: one for discharge of sediment contaminated stormwater into the Kaitemako Stream, Ohauti, and another for spillage of hydraulic oil into Tauranga Harbour. Another company is being investigated for a drilling fluid spill near Ōhope.

### 3. WE WORK COHESIVELY WITH VOLUNTEERS AND OTHERS, TO SUSTAINABLY MANAGE AND IMPROVE OUR NATURAL RESOURCES

October saw the launch of **Tauranga Moana Biosecurity Capital** (TMBC), a partnership of local and national government, iwi, businesses and other organisations coming together to promote and coordinate biosecurity actions across Tauranga Moana. The launch involved a week of biosecurity activities, during which we ran an interactive pond pest pop-up event, marine pest workshops, and took part in two days of hands-on biosecurity lessons for 40 western Bay of Plenty school children.

**Predator Free Bay of Plenty** held a workshop on 27 November to encourage more people keen to join the fight on backyard pests, to bring native birds back to our neighbourhoods. We also supported the establishment of a predator control programme on Prestidge Island and along the Wainui Estuary margin by the **Morton Prestidge Estuary Care Group**.

We are partnering with Department of Conservation (DoC), Tangata Whenua Roopu, Te Roroa iwi from Waipoua, Auckland Council, and Northland and Waikato Regional Councils, to install new road signs as part of the ongoing campaign to save kauri trees from **kauri dieback**.

**Project Parore**, a community-led group in the Te Mania catchment, which includes some of our land management officers, has initiated an environmental plan looking ahead 50 years. This plan could potentially be applied as a blueprint across all 17 catchments feeding into Tauranga Harbour.

#### 4. OUR ENVIRONMENTAL MONITORING IS TRANSPARENTLY COMMUNICATED TO OUR COMMUNITIES

Six new **air quality monitoring** stations in the Mount Maunganui industrial area are now operational and collecting data. New monitoring stations have also been deployed at De Havilland Drive and Aerodrome Road where there have been ongoing concerns about nuisance dust.

October marked the start of a **shellfish restoration trial**, co-funded with NIWA and bringing together marine scientists from NIWA, Auckland and Waikato Universities. The project will be growing and restoring mussel spat on lines in Ōhiwa Harbour and is the first of its kind to trial different design methods with natural (Mātauranga Māori) and artificial materials.

## 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

A five-yearly State of the **Ōhiwa Harbour** Environment report has been compiled which covers 50 monitoring parameters and provides recommendations for further work to improve the harbour and catchment environment.

The **University of Waikato Regional Council Science Chairs in Lake and Freshwater Science and Coastal Science** have been renewed until December 2024. The achievements and volume of outputs by both Chairs are valuable and provide significant benefits to our work as a Regional Council.

Informal community consultation on **On-site domestic wastewater systems (Draft Plan Change 14)** closed on 26 October. A number of comments were received, including feedback from community meetings. This information will be used to develop Proposed Plan Change 14 which is expected to be publicly notified in the second half of 2019.

### 2. WE LISTEN TO OUR COMMUNITIES AND CONSIDER THEIR VALUES AND PRIORITIES IN OUR REGIONAL PLANS

Council approved the final regional '**swimmability targets**' of 95.7% for specified rivers and 85% for specified lakes to be swimmable by 2030, as required by the National Policy Statement for Freshwater Management. Our region has already met and exceeded the national 2030 targets for swimmable rivers and lakes and the national 2040 target for rivers.

The Environment Court appeal period for the proposed **Region-wide Water Quantity Plan Change (Plan Change 9)** closed on 21 November, with 14 appeals lodged. The new provisions, which were publicly notified in October, aim to strengthen water allocation limits and management in the Bay of Plenty. The appeals will delay their implementation. Work on the Rotorua Nutrient Management (Plan Change 10) appeal continues with staff preparing evidence for hearings in March 2019.

In December, Council revised the indicative timetable for the staged implementation of **National Policy Statement for Freshwater Management (NPSFM)**; in light of implementation uncertainties, including proposed amendments to the National Policy Statement for Freshwater Management in 2019 and Resource Management Act reform. The timeline for complete implementation has been extended to 31 December 2030.





### 3. WE COLLABORATE WITH OTHERS TO MAINTAIN AND IMPROVE OUR WATER RESOURCE FOR FUTURE GENERATIONS

180 students from schools around the Bay of Plenty took part in the **Hands-on Water Expo**, hosted at Redwood Valley Farm in Paengaroa by Council on 14 and 15 November. The event was held in partnership with NZ Landcare Trust, Department of Conservation, Western Bay of Plenty District Council, Tauranga City Council, Emergency Management Bay of Plenty, Maketū Ongatoro Wetland Society, and Hemi O'Callaghan.

Our new **Groundwater Allocation Tool** went live in December: this is a publically available interactive mapping tool that enables resource consent applicants and water users to see water availability at a catchment level within surface and groundwater systems across the region.

### 4. WE DELIVER SOLUTIONS TO LOCAL PROBLEMS TO IMPROVE WATER QUALITY AND MANAGE QUANTITY

As part of the **Tarawera Lakes Restoration Plan**, we supported the development of 48 customised **Farm Environment Plans (FEPs)** in a project led by local farmer group Rerewhakaiitu Incorporated, along with Beef and Lamb NZ and Fonterra. We also visited 15 dairy farmers in the **Waiōtahe catchment** to discuss their FEPs, being developed with Fonterra, and how we can support their implementation

Fonterra added the lower Rangitāiki Plains to their 50 Catchments programme, part of the Living Water Partnership with the Department of Conservation. For the Rangitāiki catchment specifically this will mean approximately 22 dairy farms will have **FEPs** developed for implementation by Fonterra staff working alongside regional councils, community groups and iwi.

### 5. WE RECOGNISE AND PROVIDE FOR TE MANA O TE WAI (INTRINSIC VALUE OF WATER)

In October, Central Government released a blueprint document for the management of freshwater – **Essential Freshwater: Healthy Water, Fairly Allocated**, which outlines key actions to be completed over the next two years. Government also released a supporting document, Shared Interests in Freshwater, which emphasises the need for Māori to be engaged and involved in the development of actions identified within Essential Freshwater.

We are developing an implementation plan that will give effect to **Te Mana o te Wai framework** and will sit across the organisation to inform our strategic, policy and operational work on freshwater.

We are also developing a **Mātauranga Māori Implementation Plan** that will provide guidance on ways that Council may implement mātauranga Māori to inform decision-making processes.



## 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

Work is progressing on the Council's **climate change action plan**, with an internal cross-departmental working group established to identify pathways and actions for greenhouse gas emissions reductions and engaging in climate change adaptation.

### 2. WE SUPPORT COMMUNITY SAFETY THROUGH FLOOD PROTECTION AND NAVIGATION SAFETY

Drier spring weather allowed work to start again on stage four of the **Rangitāiki Floodway Upgrade Project** which is now complete. This is part of a wider flood mitigation project to protect the Edgumbe township, and the Rangitāiki Plains, from up to a '100 year' flood event. We have also been progressing the April 2017 **flood repair work**, with 169 of the 520 identified sites (32.5%) completed by the end of 2018.

We participated in the **"No Excuses" campaign** with Maritime New Zealand, which focuses on lifejackets and speeding. We interacted with more than 4,000 people during the boat show in November. Our summer patrols have been out daily since 7 December and we have interacted with approximately 2,000 boaties to date.

A new camera was installed above the Bay of Plenty's most dangerous bar – the **Kaituna Cut livecam**. The live feed will help boaties judge the conditions,

especially with the current works happening as part of the Kaituna River Re-diversion Project, affecting access to the groyne and fishing platform. Public feedback of the Bar camera has been positive and there have been more than 4,000 views to December even though it only became operational in late October.

### 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

On Sunday 25 November the Bay of Plenty Civil Defence and Emergency Management Group carried out a successful test of the region's **public alerting systems**. This test was run in conjunction with the national test of the Emergency Mobile Alerts system. Public feedback on the test was largely positive and indicated an improvement in the reach with the mobile alerts.

**Exercise Ranginui** was held on Tuesday 4 December. This involved participation by 26 of our staff in an exercise testing their response to a severe weather event and to increase their understanding of the role of the Group Coordination Centre in this type of response.

We are working collaboratively with Rotorua Lakes Council and the community to develop and implement a joint action plan to **reduce flood risk to the Ngongotahā area**. The two councils are developing a programme of flood-mitigation actions

in conjunction with the community to implement recommendations from the independent panel review of the April 2018 severe weather and flood event that affected the Rotorua district. We have been stabilising stream banks with rock armouring, re-establishing trout habitats and have planted more than 700 native plants to help regenerate the Ngongotahā Stream. Repairs to the Utuhina and Puarenga streambanks have been completed with 700 tonnes of rock armouring.

### 4. WE WORK WITH COMMUNITIES AND OTHERS TO CONSIDER LONG TERM VIEWS OF NATURAL HAZARD RISKS THROUGH OUR REGIONAL PLANS AND POLICIES

We are progressing an application through the Provincial Growth Partnership to seek funding for the **Rangitāiki Floodway Upgrade Project** in conjunction with four other regions (Northland, Horizons, Gisborne, and West Coast). The total funding sought is close to \$19 million.

In October, our **innovative risk-based planning and engagement for natural hazards** used in our Regional Policy Statement, was named overall winner in the inaugural Commonwealth Association of Planners Awards for Outstanding Planning Achievement in the Commonwealth and received the Award for Excellence.

## 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

The **Regional Public Transport Plan**, which provides a statement of Council policies, information and infrastructure that support bus services across the region, came into force in December.

Implementation of the **Western Bay of Plenty Public Transport Blueprint** began on December 10 with the roll out of the new bus network. The Blueprint provides more direct and regular buses, longer operating hours and new technology to provide users with better information. We will be reviewing feedback on the new network and implementing any required changes in 2019.

We are continuing to upgrade the technology associated with our public transport system: the Text-a-bus service that has been used in our region since the end of 2013 was phased out in December, replaced with the real time **Transit App**.

### 2. WE CONTRIBUTE TO DELIVERING INTEGRATED PLANNING AND GROWTH MANAGEMENT STRATEGIES ESPECIALLY FOR SUSTAINABLE URBAN MANAGEMENT

Consultation on SmartGrowth's proposed **Future Development Strategy** (FDS) closed in early November, with the SmartGrowth Leadership Group

considering feedback at their December meeting. Further deliberations will follow in early 2019 and a revised FDS is due to be approved by August 2019. The FDS will help manage urban growth for the medium and long term in the western Bay of Plenty sub-region, including showing where capacity will be available for housing an expected population increase of 64,400 people over the next 30 years.

Our **Regional Policy Statement** was updated in December 2018 to include a new policy with targets for housing development capacity in the western Bay of Plenty. The new policy introduces the estimated number of new houses to be enabled over the next 30 years with targets for the district plans of Tauranga City and western Bay of Plenty in accordance with the requirements of the National Policy Statement on Urban Development Capacity (NPS-UDC). The locations and processes for delivering this housing will be addressed through the Future Development Strategy.

### 3. WE WORK WITH AND CONNECT THE RIGHT PEOPLE TO CREATE A PROSPEROUS REGION AND ECONOMY

On 6 November, the Hon David Cunliffe presented the final **Eastern Bay of Plenty: Regional Development Project** report. Sponsored by the Regional Growth Leadership Group (a collaboration of the Ōpōtiki, Whakatāne and Kawerau District Councils, Bay of Plenty Regional Council, Toi-EDA and iwi leaders), the report presents economic development opportunities focused on the eastern Bay of Plenty.

On 14 December in Ōpōtiki, Minister Shane Jones announced a suite of projects through the **Provincial Growth Fund** (PGF) for the eastern Bay totalling \$25m. This brings total PGF funding for Bay of Plenty to \$38.7m.

Following consideration of an independent review of the **Bay of Connections regional growth development framework**, Council agreed to a new operating model that will take account of the changing political and economic development environments. Bay of Connections Governance Group was disestablished, with a new group to be formed in early to mid-2019.

Early planning and preliminary work has been undertaken on the **Urban Form and Transport Initiative (UFTI)** project, drawing together local government and NZTA in the western Bay of Plenty. This initiative will look to develop a strategic approach for the future development of western Bay of Plenty's urban form and transport system to enable, support and shape a sustainable and vibrant urban environment.

The Bay of Plenty **Triennial Agreement Meeting** was held in Rotorua on 16 November and the **Regional Sector Meeting** for regional and unitary council Chairs, Mayors and Chief Executives was held on 30 November 2018.

### 4. WE INVEST APPROPRIATELY IN INFRASTRUCTURE TO SUPPORT SUSTAINABLE DEVELOPMENT

Staff are working on funding options for the **Coastal Marine Research Centre** with the University of Waikato and Tauranga City Council.

A new multimillion-dollar, architecturally-designed, three-storey building is being developed on Fenton St as the new home of the **Bay of Plenty Regional Council Rotorua office**. This is a joint venture between Tony Bradley, TPB Properties, and Quayside Holdings, the investment arm of the Regional Council.

# The way we work

*Our Long Term Plan 2018-2028 strategic framework includes a set of working principles, these are termed – the way we work.*

The following section profiles how our work programmes demonstrate 'the way we work' principles.

## *We provide great customer service*

### CASE STUDY: WEBSITE UPGRADE

Making the information Council provides more easily accessible has been a key focus as we've worked through our website rebuild project, which went live in December 2018.

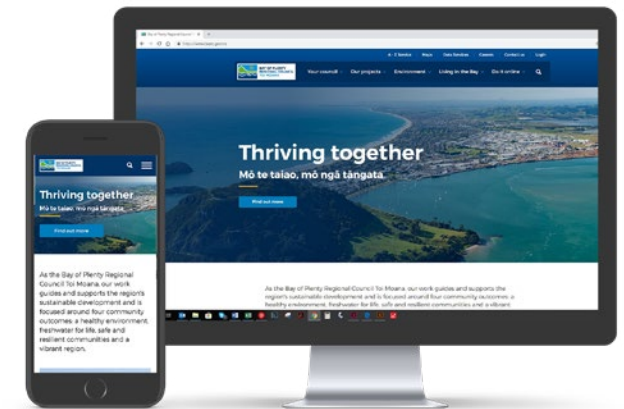
It's not been a small project. Starting with an out of date platform which had more than 18,000 pages, of which nearly 1000 were live, there was a lot of information to assess whether it was current, useful and related to the work we do.

That information has now been distilled to approximately 500 pages. The content on each page has been rewritten, new photography showcases the work we do and our beautiful region and a simpler and logical navigation makes it easier for people to find what they're after.

All this work has transformed our website into a useful resource for people wanting to find out about the work we're doing across the region, how they can get involved in what we do and, a key feature – people can now interact with us online. For example, our customers can now make a payment, whether that is to pay for fees associated with consents, laboratory services or moorings, directly via the website.

The website is a gateway to useful data and information that we make available to the public – including environmental data such as rainfall, wave heights (great for surfers) and river and lake levels, and GIS data including maps. Many datasets can be downloaded by people to use in their own projects.

The website will continue to be developed and new functionality added. Visit us at [www.boprc.govt.nz](http://www.boprc.govt.nz)





# Financial summary

To achieve our Long Term Plan 2018-2028 community outcomes we need to deliver our work programmes efficiently and effectively. We regularly monitor, evaluate and forecast our financials and key performance indicators to enable timely, accurate and targeted performance information for key decision making processes. The following provides an update on our financial performance for the six months ending 31 December 2018.

## Annual (full year) financial forecast

### OPERATING REVENUE AND EXPENSE BY GROUP OF ACTIVITIES

Group	Operating Revenue			Operating Expenditure			Operating Surplus / (Deficit)		
	ANNUAL			ANNUAL			ANNUAL		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
Integrated Catchment Management	21,831	19,559	(2,272) ▶	26,747	20,695	6,052 ▶	(4,916)	(1,136)	3,780 ▶
Flood Protection and Control	15,180	15,197	17 ▶	13,300	14,905	(1,605) ▶	1,880	292	(1,588) ▶
Resource Regulation and Monitoring	18,417	19,760	1,343 ▶	17,685	18,839	(1,154) ▶	732	921	189 ▶
Transportation	25,466	25,281	(185) ▶	26,033	25,485	548 ▶	(567)	(204)	363 ▶
Regional Development	1,518	1,746	228 ▶	13,394	13,450	(56) ▶	(11,876)	(11,704)	172 ▶
Regulatory Planning and Engagement	19,897	19,938	41 ▶	19,897	19,509	388 ▶	0	429	429 ▶
Emergency Management	3,439	3,438	(1) ▶	3,437	2,977	460 ▶	2	461	459 ▶
Technical Services	14,450	14,662	212 ▶	14,450	13,537	913 ▶	0	1,125	1,125 ▶
Corporate Services*	2,579	4,438	1,859 ▶	2,111	3,360	(1,249) ▶	468	1,078	610 ▶
<b>Total</b>	<b>122,777</b>	<b>124,019</b>	<b>1,242</b> ▶	<b>137,054</b>	<b>132,757</b>	<b>4,297</b> ▶	<b>(14,277)</b>	<b>(8,738)</b>	<b>5,539</b> ▶

#### Variance Indicators

- ▶ **Low** <10% (Revenue) Lower revenue
- ▶ **Medium** 10% to 30% (Expenditure) Higher expenditure
- ▶ **High** >30% (Surplus/Deficit) Unfavourable

\*Figures include overheads and recoveries. See page 43 for Corporate Services figures excluding overheads and recoveries.

## STATEMENT OF REVENUE AND EXPENSE BY CLASS

Class	ANNUAL		
	Budget	Forecast	Variance
<b>OPERATING REVENUE</b>			
General rates	25,728	25,728	0 ▶
Targeted rates	24,780	24,799	19 ▶
Dividends	31,300	31,296	(4) ▶
External interest income	6,725	7,127	402 ▶
Internal interest income	4,074	4,497	423 ▶
Operating grants and subsidies	17,770	15,459	(2,311) ▶
Other revenue	1,775	3,775	2,000 ▶
Fees and charges	10,625	11,315	690 ▶
Revaluation and asset disposal gains	0	23	23 ▶
<b>Total operating revenue</b>	<b>122,777</b>	<b>124,019</b>	<b>1,242</b> ▶
<b>OPERATING EXPENDITURE</b>			
Administration expenses	7,365	8,178	(813) ▶
Grants and subsidies	15,843	15,357	486 ▶
Other expenses	19,434	13,776	5,658 ▶
Employee expenses	38,685	36,861	1,824 ▶
Consultancy fees	6,034	6,094	(60) ▶
Contract work	35,439	37,716	(2,277) ▶
Finance costs	6,901	7,452	(551) ▶
Depreciation and asset disposal	7,363	7,438	(75) ▶
Net recoveries	(10)	(115)	105 ▶
<b>Total operating expenditure</b>	<b>137,054</b>	<b>132,757</b>	<b>4,297</b> ▶
<b>Total operating surplus / (deficit)</b>	<b>(14,277)</b>	<b>(8,738)</b>	<b>5,539</b> ▶
<b>CAPITAL REVENUE</b>			
Operating subsidies - capital	5,100	5,308	208 ▶
Insurance recoveries - capital	7,422	8,000	578 ▶
<b>Total capital revenue</b>	<b>12,522</b>	<b>13,308</b>	<b>786</b> ▶
<b>Total surplus / (deficit)</b>	<b>(1,755)</b>	<b>4,570</b>	<b>6,325</b> ▶

## CAPITAL EXPENDITURE BY GROUP OF ACTIVITIES

Group	ANNUAL		
	Budget	Forecast	Variance
Integrated Catchment Management	9,378	13,499	(4,121) ▶
Flood Protection and Control	23,175	22,974	201 ▶
Resource Regulation and Monitoring	106	106	0 ▶
Transportation	1,030	1,215	(185) ▶
Regional Development	122	133	(11) ▶
Regulatory Planning and Engagement	0	0	0 ▶
Emergency Management	36	34	2 ▶
Technical Services	1,171	1,043	128 ▶
Corporate Services	25,577	23,738	1,839 ▶
<b>Total capital expenditure</b>	<b>60,595</b>	<b>62,742</b>	<b>(2,147)</b> ▶

## CAPITAL EXPENDITURE BY MAJOR PROJECT

Project	ANNUAL		
	Budget	Forecast	Variance
Kopeopeo Canal Remediation Project	6,700	6,700	0 ▶
Flood Repair Project	11,470	11,470	0 ▶
Kaituna River Rediversion Project	5,975	10,475	(4,500) ▶
Buildings Upgrade Project	20,356	19,300	1,056 ▶
Rangitāiki Floodway Upgrade Project	1,442	1,504	(62) ▶
<b>Total capital expenditure (major projects)</b>	<b>45,943</b>	<b>49,449</b>	<b>(3,506)</b> ▶

## Year to date financials for the six months ending 31 December 2018

### OPERATING REVENUE AND EXPENSE BY GROUP OF ACTIVITIES

Group	Operating Revenue			Operating Expenditure			Operating Surplus / (Deficit)		
	YEAR TO DATE			YEAR TO DATE			YEAR TO DATE		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Integrated Catchment Management	10,507	10,237	(270) ▶	10,538	8,166	2,372 ▶	(31)	2,071	2,102 ▶
Flood Protection and Control	6,592	6,623	31 ▶	5,171	6,696	(1,525) ▶	1,421	(73)	(1,494) ▶
Resource Regulation and Monitoring	9,242	10,231	989 ▶	8,279	8,970	(691) ▶	963	1,261	298 ▶
Transportation	13,003	12,076	(927) ▶	12,855	10,639	2,216 ▶	148	1,437	1,289 ▶
Regional Development	755	848	93 ▶	8,715	6,955	1,760 ▶	(7,960)	(6,107)	1,853 ▶
Regulatory Planning and Engagement	9,948	9,991	43 ▶	9,749	9,338	411 ▶	199	653	454 ▶
Emergency Management	1,672	1,672	0 ▶	1,692	1,473	219 ▶	(20)	199	219 ▶
Technical Services	7,880	8,075	195 ▶	6,803	6,186	617 ▶	1,077	1,889	812 ▶
Corporate Services*	6,490	7,811	1,321 ▶	1,202	902	300 ▶	5,288	6,909	1,621 ▶
<b>Total</b>	<b>66,089</b>	<b>67,564</b>	<b>1,475</b> ▶	<b>65,004</b>	<b>59,325</b>	<b>5,679</b> ▶	<b>1,085</b>	<b>8,239</b>	<b>7,154</b> ▶

#### Variance Indicators

- ▶ **Low** <10% (Revenue) Lower revenue
- ▶ **Medium** 10% to 30% (Expenditure) Higher expenditure
- ▶ **High** >30% (Surplus/Deficit) Unfavourable

\*Figures include overheads and recoveries. See page 43 for Corporate Services figures excluding overheads and recoveries.



## STATEMENT OF REVENUE AND EXPENSE BY CLASS

Class	YEAR TO DATE		
	Budget	Actual	Variance
<b>OPERATING REVENUE</b>			
General rates	12,864	12,968	(104) ▶
Targeted rates	11,764	11,889	(125) ▶
Dividends	20,850	20,896	(46) ▶
External interest income	3,362	4,065	(703) ▶
Internal interest income	2,037	1,921	116 ▶
Operating grants and subsidies	8,204	7,157	1,047 ▶
Other revenue	891	1,860	(969) ▶
Fees and charges	6,117	6,741	(624) ▶
Revaluation and asset disposal gains	0	67	(67) ▶
<b>Total operating revenue</b>	<b>66,089</b>	<b>67,564</b>	<b>(1,475) ▶</b>
<b>OPERATING EXPENDITURE</b>			
Administration expenses	3,810	3,663	147 ▶
Grants and subsidies	9,504	7,039	2,465 ▶
Other expenses	6,665	5,486	1,179 ▶
Employee expenses	19,364	18,692	672 ▶
Consultancy fees	2,753	2,254	499 ▶
Contract work	15,781	14,983	798 ▶
Finance costs	3,450	3,239	211 ▶
Depreciation and asset disposal	3,681	4,076	(395) ▶
Net Recoveries	(4)	(107)	103
<b>Total operating expenditure</b>	<b>65,004</b>	<b>59,325</b>	<b>5,679 ▶</b>
<b>Total operating surplus / (deficit)</b>	<b>1,085</b>	<b>8,239</b>	<b>7,154 ▶</b>
<b>CAPITAL REVENUE</b>			
Operating subsidies - capital	125	636	511 ▶
Insurance recoveries - capital	0	0	0 ▶
<b>Total capital revenue</b>	<b>125</b>	<b>636</b>	<b>511</b>
<b>Total surplus / (deficit)</b>	<b>1,210</b>	<b>8,875</b>	<b>7,665 ▶</b>

## CAPITAL EXPENDITURE BY GROUP OF ACTIVITIES

Group	YEAR TO DATE		
	Budget	Actual	Variance
Integrated Catchment Management	4,327	6,928	(2,601) ▶
Flood Protection and Control	11,710	9,612	2,098 ▶
Resource Regulation and Monitoring	26	18	8 ▶
Transportation	431	469	(38) ▶
Regional Development	61	71	(10) ▶
Regulatory Planning and Engagement	0	0	0 ▶
Emergency Management	18	4	14 ▶
Technical Services	432	182	250 ▶
Corporate Services	16,272	11,336	4,936 ▶
<b>Total capital expenditure</b>	<b>33,277</b>	<b>28,620</b>	<b>4,657 ▶</b>

## CAPITAL EXPENDITURE BY MAJOR PROJECT

Project	YEAR TO DATE		
	Budget	Actual	Variance
Kopeopeo Canal Remediation Project	5,154	1,982	3,172 ▶
Flood Repair Project	5,049	6,092	(1,043) ▶
Kaituna River Rediversion Project	3,275	6,729	(3,454) ▶
Buildings Upgrade Project	13,636	9,487	4,149 ▶
Rangitāiki Floodway Upgrade Project	386	1,336	(950) ▶
<b>Total capital expenditure (major projects)</b>	<b>27,500</b>	<b>25,626</b>	<b>1,874 ▶</b>

## Financial variances for the six months ending 31 December 2018

### OPERATING REVENUE

Activity	Class	YEAR TO DATE \$000				ANNUAL \$000				Explanation of variance	
		Budget	Actual	Variance		Budget	Forecast	Variance			
<b>Integrated Catchment Management</b>	<b>Rotorua Lakes</b>	Grants and subsidies received	2,689	2,330	(359)	Lower	5,378	3,045	(2,333)	Lower	Lower revenue forecast for the Ministry for the Environment subsidy as Rotorua Lakes is forecasting less expenditure for land use change incentives agreements.
<b>Resource Regulation &amp; Monitoring</b>	<b>Biosecurity</b>	Other revenue	125	437	312	Higher	250	832	582	Higher	Biosecurity is forecasting additional costs associated with the Biocontrol Programme, administered on behalf of the other regional councils. These costs are recoverable from other regional councils, resulting in a higher revenue forecast.
	<b>Resource Consents</b>	Fees & charges	999	1,355	356	Higher	2,298	2,732	434	Higher	Additional fees and charges revenue has been generated as a result of contractors assisting with processing applications.
<b>Transportation</b>	<b>Passenger Transport</b>	Fees & charges	2,140	1,840	(300)	Lower	4,309	3,966	(343)	Lower	Lower revenue is forecast because of fewer than anticipated ticketing machines due to delays in the Regional Integrated Ticketing System implementation.
<b>Corporate Services</b>	<b>Finance and Corporate Planning</b>	External interest received	3,309	4,007	698	Higher	6,618	7,014	396	Higher	Council borrowed an additional \$40 million to pre-fund capital expenditure and invested the surplus funds to obtain an interest enhanced position. The Toi Moana Fund is earning term deposit rate levels of interest in lieu of transferring to Quayside Holdings Limited.
		Other revenue	20,850	21,287	437	Higher	31,300	32,287	987	Higher	Additional \$390,000 revenue received for sale of a bond before maturity and additional \$600,000 subventure income from Quayside Holdings Limited in lieu of interest income on the Toi Moana Fund.

## OPERATING EXPENDITURE

	Activity	Class	YEAR TO DATE \$000				ANNUAL \$000				Explanation of variance
			Budget	Actual	Variance		Budget	Forecast	Variance		
Integrated Catchment Management	Rotorua Lakes	Other expenses	1,942	309	1,633	Lower	8,393	1,820	6,573	Lower	Rotorua Lakes is forecasting a budget underspend for land use change incentives. The Integrated Catchments review is underway and exploring alternate options to achieve the nitrogen reductions. A proposed new approach is expected in March 2019. In addition, a change request transferring budget from the land use change incentives programme to the Gorse Conversion programme was approved by the Project Steering Group on 21 November 2018.
		Contract work	980	917	63	Lower	2,157	2,960	(804)	Higher	
	Kaituna	Contract work	334	632	(298)	Higher	668	997	(328)	Higher	
Flood Protection and Control	Rivers and Drainage	Other expenses	405	893	(488)	Higher	1,996	2,428	(432)	Higher	As reported to Council at 22 November 2018 meeting, infrastructural insurance costs for all schemes are more than budgeted for 2018/19.
		Depreciation & amortisation	705	1,587	(882)	Higher	1,410	2,062	(652)	Higher	1 July 2018 revaluation for Rivers and Drainage assets were processed in December. This has resulted in higher forecast depreciation.
Resource Regulation & Monitoring	Biosecurity	Contract work	436	563	(127)	Higher	1,374	2,009	(635)	Higher	Biosecurity is forecasting approximately \$500,000 higher expenditure as a result of the Biocontrol Programme administered on behalf of other councils. This is a cost recoverable initiative. An additional \$120,000 expenditure has also been forecast to help address the discovery of catfish in Lake Rotorua at the end of 2018.
	Resource Consents	Contract work	202	708	(506)	Higher	454	950	(496)	Higher	Additional contract works to cover staff vacancies. These charges are generally recoverable from applicants.
Transportation	Passenger Transport	Contract work	10,880	9,134	1,745	Lower	22,035	21,904	131	Lower	To date actual expenditure is lower than budget due to the introduction of the new bus services contract for Tauranga. Variations to the new bus contract and route changes are expected to bring the contract costs close to full year budget.
All Activities	All	Employee expenses	19,364	18,692	671	Lower	38,685	36,861	1,824	Lower	Forecast savings from staff vacancies and fit for purpose review.
	All	Administration expenses	3,810	3,663	147	Lower	7,365	8,178	(813)	Higher	Efficiency savings budgeted for in Administration expenses are now forecast and achieved in employee expenses across all activities.



## CAPITAL EXPENDITURE

Activity	Class	YEAR TO DATE \$000				ANNUAL \$000			Explanation of variance		
		Budget	Actual	Variance		Budget	Forecast	Variance			
<b>Integrated Catchment Management</b>	<b>Rotorua Lakes</b>	Tikitere Diversion	250	80	170	Lower	500	85	415	Lower	Lower expenditure is forecast as other alternatives to achieve the nitrogen target is being investigated with a recommendation to be proposed in March 2019.
		Nutrient Assessment Benchmarking Database	128	0	128	Lower	255	0	255	Lower	The Nutrient Assessment Benchmarking Database has been put on hold as funds are required for the protection work for the Waitangi Stream (as below).
		Lake Okareka Pipeline Upgrade	163	0	163	Lower	326	620	(294)	Higher	Additional expenditure of \$289,000 to fund the protection works on the Waitangi Stream, approved at 13 December 2018 Council Meeting.
	<b>Kaituna</b>	Kaituna River Rediversion	3,275	6,729	(3,454)	Higher	5,975*	10,475	(4,500)	Higher	Progress on the Kaituna River Rediversion Project is ahead of schedule. The contractor is making better than expected progress through the scheduled programme of works. A report to 14 February Council meeting is requesting \$4.5m to be brought forward from 2019/20.
<b>Flood Protection and Control</b>	<b>Rivers and Drainage</b>	Rangitāiki Floodway	386	1,336	(950)	Higher	1,442*	1,504	(62)	Higher	Forecast expenditure relates to Stage 4 widening which is complete. Planning and scoping is underway for bifurcation, bridge and Thornton Hall Road works (Stage 5). A contract award for Stage 5 is in progress along with a request to bring forward capital budget from 2019/20.
		Rangitāiki Tarawera Flood Damage Repairs	2,474	3,862	(1,388)	Higher	5,498	5,750	(252)	Higher	Flood damage repairs are progressing in the Rangitāiki Tarawera scheme. The majority of expenditure for the year to date relates to the College Road stopbank realignment project which is completed.
		Whakatāne Tauranga Flood Damage Repairs	1,515	566	948	Lower	3,366	2,400	966	Lower	A lack of rock in the Whakatāne scheme is delaying work – discussions are continuing with rock supply vendors.
		Waioeka Otarā Flood Damage Repairs	555	1,463	(907)	Higher	1,234	1,948	(713)	Higher	The availability of rock supply in this area has meant that works can be undertaken along with rock stockpiling, resulting in a higher capital expenditure forecast.
		Kopeopeo Canal Remediation Capital	5,154	1,982	3,172	Lower	6,700	6,700	0	Lower	Dredging has been progressing at a slower pace than originally anticipated. Works will be completed in June 2019.
<b>Transportation</b>	<b>Passenger Transport</b>	Electronic Ticketing Tauranga	0	469	(469)	Higher	0	469	(469)	Higher	Additional forecast expenditure will be offset by the NZTA subsidy to be received for the Regional Integrated Ticketing System. To date \$305,000 has been claimed from NZTA.
<b>Corporate Services</b>	<b>Corporate Property</b>	Regional Building Capital	11,129	6,623	4,506	Lower	16,549	15,500	1,049	Lower	Progress on the Regional House site is slower than expected. It is now anticipated that works will be complete in August rather than May. A request to carry forward the forecast \$1 million underspend is likely as part of the Annual Plan 2019/20 process.

\* Budget request to bring forward budget from 2019/20 to be considered by Council on 14 February 2019.

## Treasury performance update

<b>Current Credit Rating</b>		<b>AA</b>
		<b>QHL</b>
<b>Investments</b>	<b>\$165.6m</b>	<b>\$50m</b>
<i>Avg interest rate on investments 3.68%</i>		
<b>Borrowings</b>	<b>\$90m</b>	<b>\$50m</b>
<i>Avg interest rate on borrowings 2.11%</i>		
<b>Net</b>	<b>\$75.6m</b>	<b>\$-</b>

\*Interest rates are calculated using weighted average formula

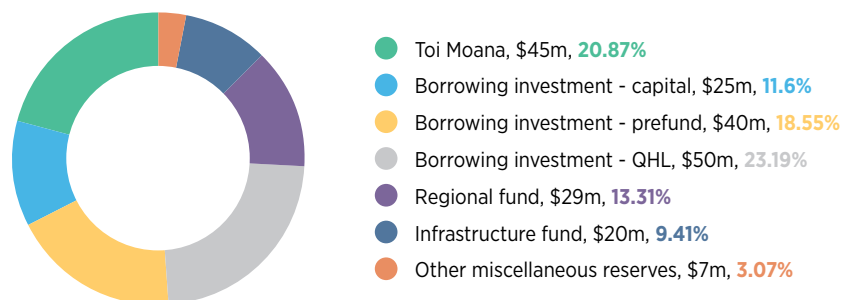
### INVESTMENTS

Our total investment portfolio is \$165.6m plus \$50 million on-lent to Quayside, with the allocation by cash reserve shown in the graph above. The \$45 million Toi Moana Fund is expected to be transferred to Quayside once the relevant legal/taxation implications have been finalised. Until then, these funds have been placed on short dated term deposits and a subventure payment has also been proposed.

The average bond yield is 6.21% along with the average term deposit yield of 3.14% gives the portfolio an average yield of 3.68%. The on-lending to Quayside has an average yield of 2.09% plus a margin of 0.2% giving an average return yield of 2.29%.

The interest earned on investments and cash to date is \$4million, with a forecast year end total of \$7.1 million compared to the annual budget \$6.7 million.

### INVESTMENT FUND BY RESERVES AS AT 31 DECEMBER 2018



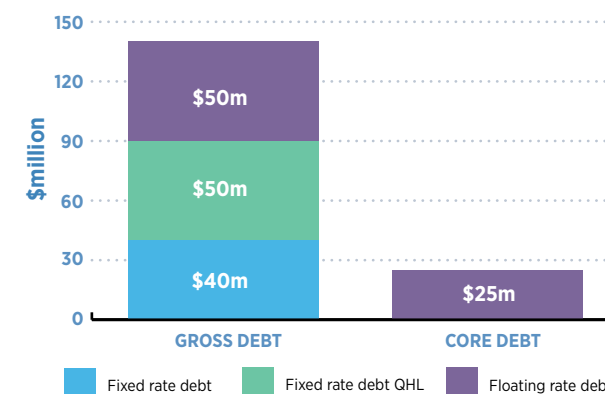
### BORROWINGS

Council has borrowed \$140 million from the LGFA. We pre-funded \$50 million of the 2018/19 capital expenditure and a further \$40m of these funds were invested in term deposits with maturity dates aligning to expected cashflow requirements. In October 2018, \$50 million borrowing was undertaken and on-lent to Quayside.

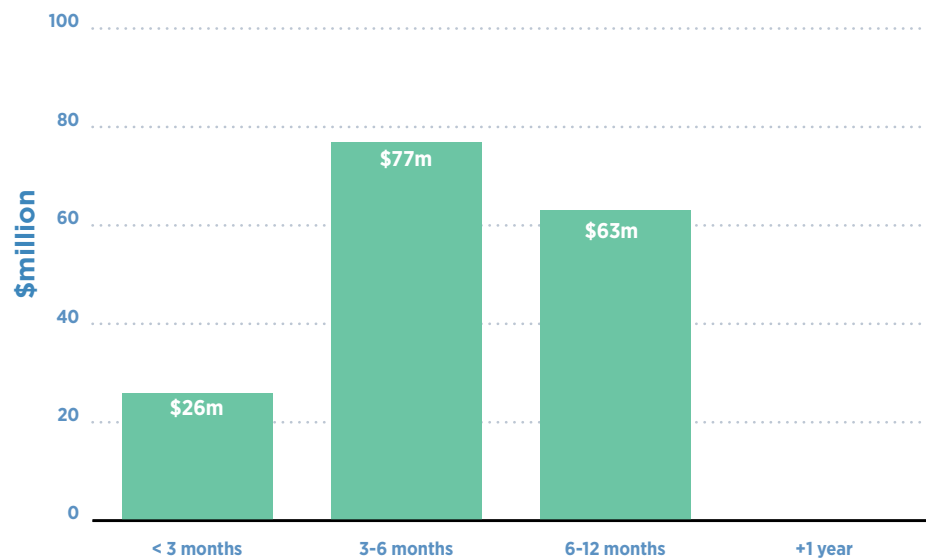
\$25 million of the \$90 million pre-funding is core debt as it has matured from the Investment Portfolio to meet capital expenditure requirements. This leaves the capital pre-funding balance at \$65 million at 31 December 2018.

Total interest expense to date is \$1.1 million, with a forecast year end total of \$2.75 million, compared to the annual budget of \$2.8 million. The average interest rate on borrowing is 2.11%.

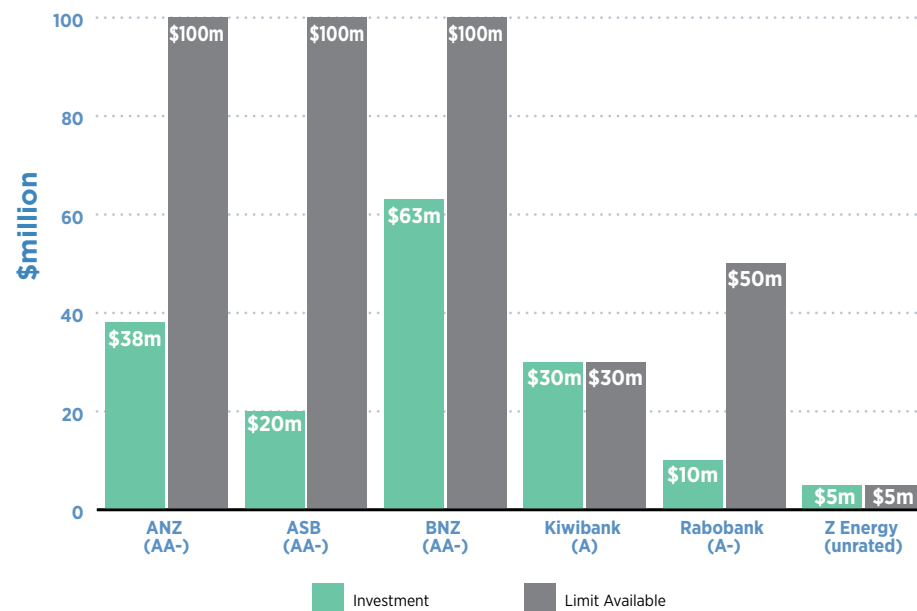
### BORROWINGS AS AT 31 DECEMBER 2018



## INVESTMENT MATURITY PROFILE



## INVESTMENT EXPOSURE BY COUNTERPARTY



Ratio	Policy Limit	Actual to date	Forecast year end	Compliant with Treasury Policy
% of net interest expense of total revenue	<20%	(4%)	(5%)	✓
% of net external debt of total revenue	<250%	(136%)	7%	✓
% of net interest of rates and levies	<30%	9%	(10%)	✓
% of available financial accommodation of external debt	>110%	143%	127%	✓

# Major capital projects

## Koapeo Canal Remediation Project

*The objective of the Koapeo Canal Remediation Project is to safely remove elevated levels of dioxin-contaminated sediment from 5.1 kilometers (km) of the Koapeo Canal at its eastern extremity.*

### DELIVERY

As of the end of December 2018, approximately 2.8 km of canal has been dredged (compared to 2.3 km at end of September) and chemically verified to meet the remediation target. Dredging is on hold in January 2019 while the Water Treatment Plant is shifted to the Keepa Road Containment site. Dredging will recommence in February 2019.

The project is due to be completed in June 2019.

### BUDGET

- A request for additional funding has been made to the Ministry for the Environment Contaminated Sites Remediation Fund - a cost share of 50% of the new \$3.9 million funding that was approved as part of the LTP process.
- Project spending is within the current revised budget of \$6.7 million while a contract variation is implemented to complete dredging in June 2019.

### Delivery ● Budget ●

<i>Budget to actual/forecast \$000</i>		
	<b>Year to date</b>	<b>Annual</b>
<b>Budget</b>	5,154	6,700
<b>Actual/Forecast</b>	1,982	6,700
<b>Variance</b>	3,172	-

## Rivers and Drainage Flood Repair Project

*Bay of Plenty Regional Council is carrying out repairs to approximately 520 sites that were damaged during the April 2017 flood event.*

### Delivery ● Budget ●

This is a four year project being delivered by the Rivers and Drainage Flood Repair Project Team that covers all of our managed river schemes. Project funding will be partially supported by insurance claims, Central Government and other agencies.

<i>Budget to actual/forecast \$000</i>		
	<b>Year to date</b>	<b>Annual</b>
<b>Budget</b>	5,049	11,470
<b>Actual/Forecast</b>	6,092	11,470
<b>Variance</b>	(1,043)	-

### DELIVERY

The target number of sites for completion in 2018/19 is 145: as at the end of December, 50 sites have been completed. In total, 169 out of 520 (32.5%) of identified sites are completed to date.

It is likely that the 2018/19 target will not be reached. Work will also be concentrated in the Kaituna Catchment and the Waioeka-Otara Rivers Scheme where rock supply is secure. Work on the College Road stopbank realignment is now complete, while flood damage repairs are progressing in the Rangitāiki-Tarawera Scheme. Steady progress has been made with the Ministry of Civil Defence and Emergency Management (MCDEM) response and essential infrastructure claims. Claim 3 was approved and paid in December (approximately \$1.02 million) and the project team are working on Claim 4 (infrastructure) and Claim 5 (College Road). Discussions have also commenced with Trustpower to agree a process for contribution to repairs on the Rangitāiki River as per the resource consent.

### BUDGET

The overall repair project budget for 2018/19 is \$11.47 million: there are variances in the individual scheme budgets due to resource limitations in some schemes slowing down planned stockpiling work. Despite this, it is planned to finish the year close to annual budget.



## Kaituna River Re-diversion and Te Awa o Ngatoroirangi/Maketū Estuary Enhancement Project

*The Kaituna River re-diversion project, being delivered by the Kaituna Activity, will redivert the Kaituna River through the Ongatoro/Maketū Estuary, create new wetlands and maximise ecological and cultural benefits to the area.*

### DELIVERY

At 31 December, 46% of the project construction has been completed while being only 28% into the scheduled construction period.

Completion of the project was originally budgeted for June 2020. It is now likely to be early 2020.

Risks associated with this project, which include damage to roads, estimate inaccuracy, flooding and damage to existing infrastructure, have all been managed and mitigated appropriately.

### BUDGET

A request to Council is in process to rephase \$4.5 million of the overall LTP approved capital budget from 2019/20 to the current year and is due to be considered by Council at their 14 February meeting.

**Delivery** ● **Budget** ●

<i>Budget to actual/forecast \$000</i>		
	<b>Year to date</b>	<b>Annual</b>
<b>Budget</b>	3,275	5,975
<b>Actual/Forecast</b>	6,729	10,475
<b>Variance</b>	(3,454)	(4,500)

## Buildings Upgrade Project

*Bay of Plenty Regional Council is upgrading its two main offices in Whakatāne and Tauranga.*

This work, being delivered by the Corporate Property activity, includes the refurbishment of Regional House in Tauranga and the Whakatāne office as well as upgrading Wallingford House in Tauranga to an IL4 building to accommodate the Civil Defence Emergency Management Group Emergency Coordination Centre. The environmentally sustainable design features being installed in each of these sites aim to reduce the organisation's energy use carbon footprint by 50%.

**Delivery** ● **Budget** ●

<i>Budget to actual/forecast \$000</i>		
	<b>Year to date</b>	<b>Annual</b>
<b>Budget</b>	13,636	20,356
<b>Actual/Forecast</b>	9,487	19,300
<b>Variance</b>	4,149	1,056

### DELIVERY

**Whakatāne Office** – Stage 1, which included the new public interface, Council meeting rooms and staff accommodation in the eastern end of the building was completed this quarter. The laboratory has now been completed and work on Stage 2, which includes the top floor office area of the main octagon, is nearing completion. Overall completion is due in October 2019 (previously July).

**Regional Office** – The upgrade of the Tauranga building has been progressing with some delays which will push the completion date for Regional House out to August 2019 (previously May). These delays include sub-contractors availability being affected by other significant construction projects in the Tauranga area.

### BUDGET

The forecast underspend of approximately \$1 million may result in a budget carry forward to 2019/20.

## Rangitāiki Floodway Upgrade Project

*The purpose of this project is to design and complete upgrades to the Rangitāiki floodway and spillway as part of a wider flood mitigation project to protect the Edgcumbe township, and the Rangitāiki Plains, from up to a '100 year' flood event.*

### DELIVERY

Stage 4 widening is now complete. Planning and scoping is underway for bifurcation, bridge and Thornton Hall Road works (Stage 5). A contract award for Stage 5 is in process.

### BUDGET

A request to bring forward capital budget of \$1.06 million from 2019/20 will be presented to Council at the 14 February 2019 meeting. The forecast estimates will be updated to reflect the approved work programme following the contract award to deliver Stage 5.

*Delivery* ● *Budget* ●

<i>Budget to actual/forecast \$000</i>		
	<b>Year to date</b>	<b>Annual</b>
<b>Budget</b>	386	1,442
<b>Actual/Forecast</b>	1,336	1,504
<b>Variance</b>	(950)	(62)

# People and culture

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

## 1. Strategy and Key Projects

### PROJECTS

### CURRENT AND FUTURE WORK

#### People & Culture Strategy

The People & Culture Strategy will pull together various elements such as workforce planning, REM2020 outcomes and leadership into one cohesive strategy. This work is in its early stages and is progressing well.

#### REM2020

The REM2020 project is a review of our current Performance & Remuneration Policy with a view to designing remuneration and performance frameworks that are fit for purpose for our organisation.

Research into the key drivers of performance has helped inform thinking and based on this research a new performance framework has been designed and tested with the help of the project team and pilot teams from across the organisation.

Appropriate change management support is being provided to assist a successful implementation as and when required.

#### Collective Bargaining

Collective bargaining between the two representative unions and the employer commenced on 13 November 2018 and is still in progress.

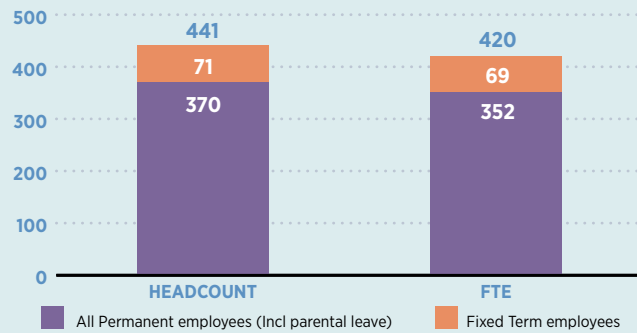
## 2. People and Turnover Key Performance Indicators

### HIGHLIGHTS

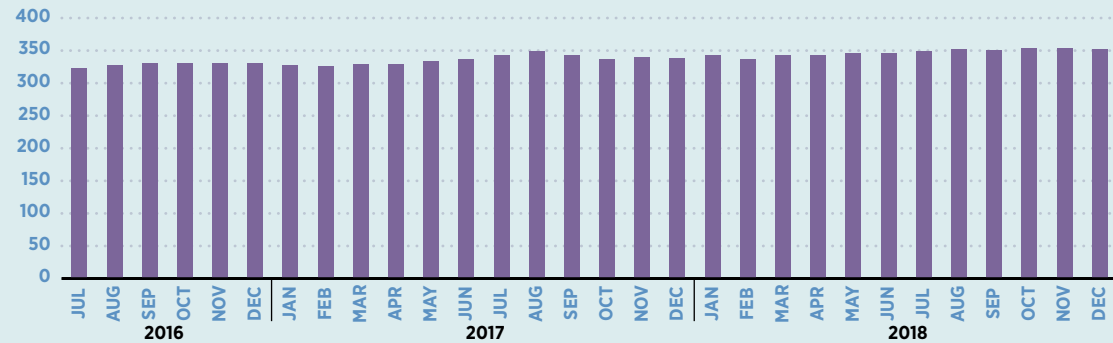
Employee levels as at 31 December comprised of 352 Permanent Full Time Equivalents (FTE) against an annual budget of 425 FTE.

The total headcount comprised of 441 (420 FTE), the total employee headcount includes 71 (69 FTE) fixed term positions which includes 34 (34 FTE) Summer Students and 4 (4 FTE) permanent staff on parental leave. The permanent FTE numbers increased marginally from 350 to 352 over the quarter. Rolling turnover percentage decreased during the quarter from 10.5% to 9.55%. Several key metrics are presented in the figures below.

### HEADCOUNT INCLUDING FIXED TERM EMPLOYEES



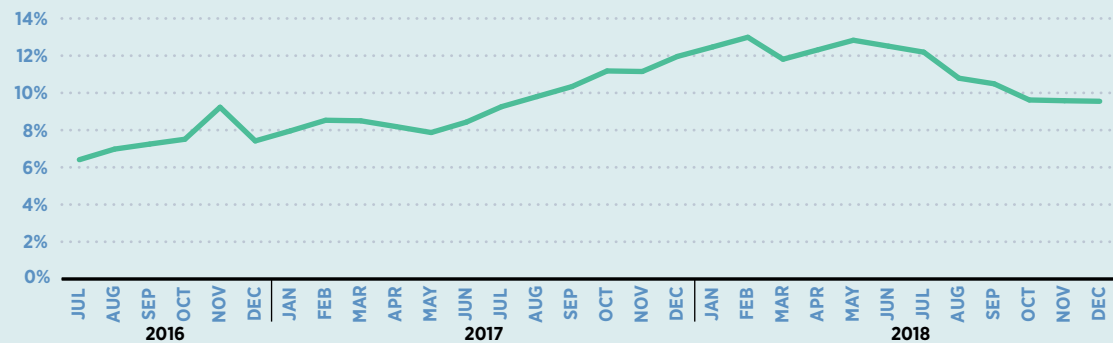
### PERMANENT EMPLOYEE FTE



### HEADCOUNT BY GENDER as at 31 December 2018



### ROLLING MONTH BY MONTH TURNOVER PERCENTAGE



### HEADCOUNT BY LOCATION as at 31 December 2018

LOCATION	TAURANGA	WHAKATĀNE	ROTORUA	MOUNT MAUNGANUI	EDGE CUMBE	ŌPŌTIKI	REMOTE
NUMBER	179	159	47	39	14	2	1

# Health and safety

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

## Projects – Current and Future work

### LONE WORK

The contract for lone work devices (inReach GPS) was awarded in December. Introduction to service is planned to occur the week of 22 January, which involves user training and process set-up.

### H&S REPRESENTATIVE TRAINING

Training is being organised for all BOPRC health and safety representatives over 12-13 February. This will provide professional development for the 24 H&S representatives.

### H&S TEAM TRAINING

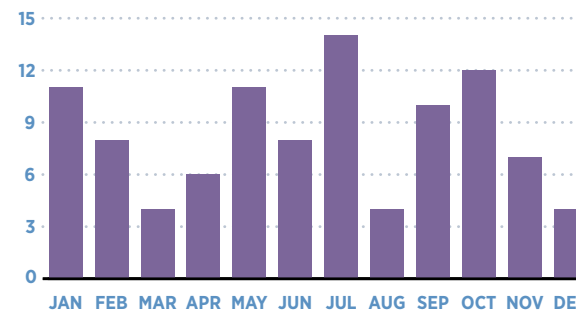
The H&S team completed asbestos awareness training in November and Incident Cause Analysis Method (ICAM) training in December.

### SOFTWARE

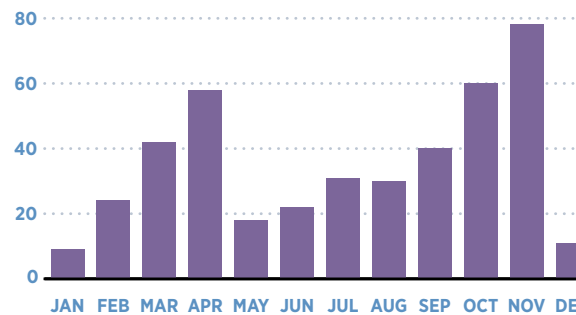
The Council’s H&S software was upgraded to the latest version in November; this is providing better usability and utility.

## Performance Indicators – Lead Indicators

### NEAR MISSES REPORTED PER MONTH, LAST 12 MONTHS



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



**Commentary** - The November spike is due to summer student training needs (first aid, 4WD, river safety, etc)

### OTHER LEAD INDICATORS

Workers acknowledged by the H&S Committee for good H&S performance.	2
Number of corrective actions implemented.	30
H&S Committee meetings held	3
Elected Member H&S training attended	0
Chief Executive H&S training attended	1
General Manager H&S training attended	0
H&S staff training attended	8

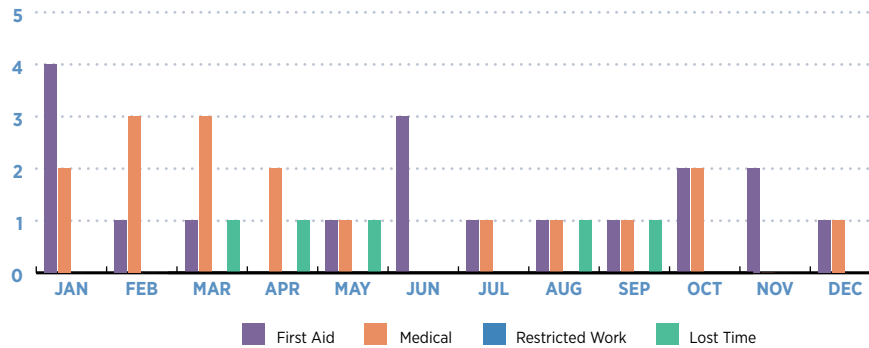
### Commentary

- The corrective actions count includes amendments of existing risk controls as part of the risk review process.
- The Chief Executive attended the Business Leaders’ Health & Safety Forum, CEO Session.



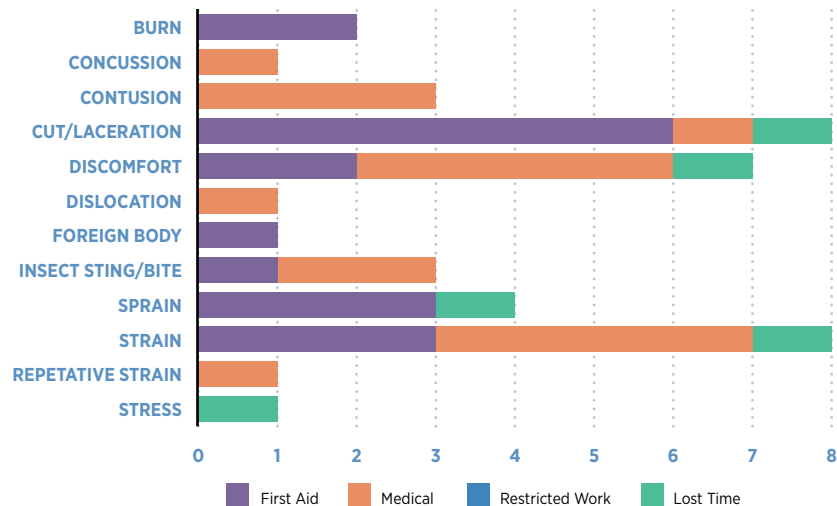
## Performance Indicators – Lag Indicators

### INJURIES LAST 12 MONTHS



**Commentary** – Pleasing to see nil lost time due to injuries/illnesses last quarter.

### INJURIES BY CATEGORY LAST 12 MONTHS



# The work we do

*Our work is carried out over 33 activities which are split into nine groups of activities. These nine groups deliver the services and infrastructure, and perform the functions outlined in our Long Term Plan 2018-2028.*

The following pages report on the second quarter of 2018/19 with specific reference to each one of the nine Groups of Activities and their specific work programmes, financial performance and key performance indicators.

### GROUPS OF ACTIVITIES

- Integrated Catchment Management
- Flood Protection and Control
- Resource Regulation and Monitoring
- Transportation
- Regional Development
- Regional Planning and Engagement
- Emergency Management
- Technical Services
- Corporate Services

#### Key

- = on track
- = at risk
- = not on track
- = data not available



# Integrated Catchment Management

## Te Whakahaere Tōpū i Ngā Wai

*Delivery* ●

*Budget* ●

*KPI* ●

### *Delivery*

#### TAURANGA HARBOUR

- There are currently 123 active Environmental Programmes in the Tauranga Harbour catchments. These agreements are our primary way of working with landowners to undertake environmental work on private land.
- Summer students are undertaking a water quality study in the upper Wairoa catchment as well as a survey of freshwater fish barriers throughout the Harbour catchment.
- Work continues in the Kaiate and Uretara catchments with planning, investigations and landowner negotiations. These two catchments will remain a priority for the new Coastal Catchments Team.

#### KAITUNA

- We are working closely with landowners, tangata whenua and industry groups in four of the priority sub-catchments based on poor water quality: Puanene, Kopuaroa, Parawhenuamea and Waitepuia.

- We supported Maketū Ongatoro Wetlands Society to protect and restore biodiversity at four priority biodiversity sites.
- The Kaituna River re-diversion the work programme is 46% complete, putting the project well ahead of schedule. Our quarterly community meeting was held on 7 November at Tukotahi Marae and included a tour of the rediversion construction site and progress updates from the Project Manager, contractor’s representative and Cultural Monitors.
- Te Pourepo o Kaituna Wetland Creation Project is on track to lodge a consent application with tangata whenua and other stakeholders in 2019; current work is focused on modelling and concept design development. In addition, a substantial area of new wetland has been created where sand for the Kaituna Re-diversion has been taken.

#### ROTORUA LAKES

- A further incentives deal for 1.2 tonnes has been approved by the Lake Rotorua Incentives Committee bringing the total amount of nitrogen secured to 20.4 tonnes. A Strategic Review of

the Lake Rotorua Incentives Scheme is currently underway, as required by the Committee’s Terms of Reference.

- A further 90 hectares of land use change in the Lake Rotorua Catchment has been approved by the Regional Council and will receive joint funding from the Ministry for the Environment and Council.
- A blessing was held late October at Mount Tarawera at the commencement of the 2018/19 wilding pine control project which we support. Along with ecological benefits, the project creates year round employment for locals when combined with the winter Acacia control project at the base of Tarawera.
- Full applications have closed for round two of the Low Nitrogen Land Use Fund with 10 applications received totalling \$1.9 million. The applications include proposals to establish glass bottling for fresh milk, a hemp trial, sheep milking, eco-tourist cabins and further development of a feijoa orchard.

- In September 60 community volunteers and staff from Bay of Plenty Regional Council planted more than 1500 native trees and shrubs around the Ngongotahā Stream to assist with erosion control.

## EASTERN CATCHMENTS

- Baseline bird monitoring for the Rangitāiki Wetlands Project has been completed.
- Also in the Rangitāiki, Maramara a tawa follow-up willow control has been completed. The site is showing significant change as a result of the initial operation with the indigenous understorey thriving and becoming more visible.
- A meeting for the Rangitāiki community group was held on 23 October. The workshop covered surface water quality modelling outputs for the Rangitāiki Water Management Area, including E.coli concentrations and suspended solids, nitrogen and phosphorus loads and yields for four different scenarios
- A new Priority 1 Biodiversity Site in the Rangitāiki catchment has been agreed with Ngāti Manawa Incorporation. The site includes eight hectares of mixed podocarp (rimu, matai, totara)/kahikatea remnant wetland, a vegetation type with less than 5% of the estimated original cover remaining in the region.
- In the other Eastern catchments, programmed pest animal control has been completed. Our sites continue to show low rat and possum tracking indices over time, as a result of consistent management. We are also seeing increasing small bird abundance at sites being monitored.
- Twelve interpretation panels have been installed to mark the new Ōhiwa Harbour Heritage Trail, Ngā Tapuwai o Tairongo. Development of the trail has been instigated and overseen by the Ōhiwa

Harbour Implementation Forum, a collaborative partnership we are involved in, working to realise the Ōhiwa Harbour Strategy.

## Budget

Forecast operating expenditure is \$6.0 million lower than budget mainly due to the reduction in the Rotorua Lakes Activity land use change incentive agreements expected to be signed this year. As a result, the revenue forecast for the Ministry for the Environment subsidy is \$2.3 million lower than budget.

Capital expenditure is forecast \$4.1 million higher than budget. \$4.5 million additional capital expenditure is forecast on the Kaituna River Re-diversion Project with progress well ahead of schedule. A request to bring forward funds from 2019/20 is to be considered by Council at the February 14 2019 meeting. Forecast capital expenditure for the Rotorua Lakes Activity Tikitere Diversion Project is \$0.4 million lower than budget while other alternatives to achieve the nitrogen target are investigated.

## KPI commentary

Two of the three KPIs are reported annually. The remaining KPI is on track and forecast to be exceeded for the year.

## 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

TARGET	RESULT	YTD	FORECAST
4	4	<span style="color: green;">●</span>	<span style="color: green;">●</span>

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

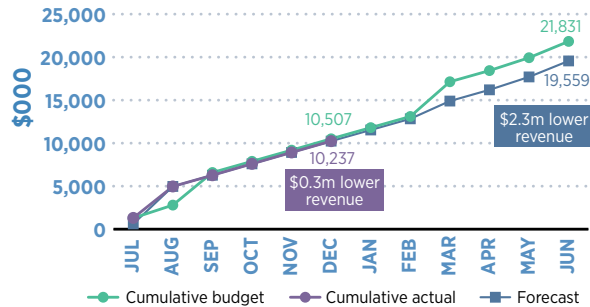
TARGET	RESULT	YTD	FORECAST
2	<span style="color: blue;">●</span>	<span style="color: blue;">●</span>	<span style="color: blue;">●</span>

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

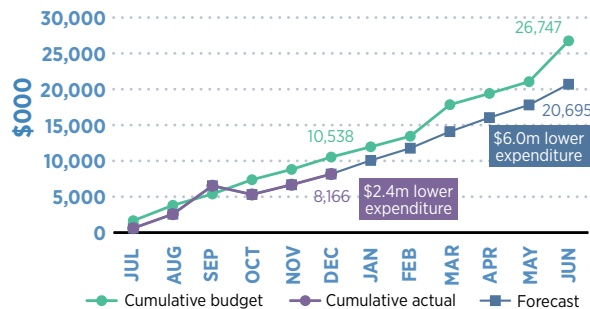
TARGET	RESULT	YTD	FORECAST
75%	<span style="color: blue;">●</span>	<span style="color: blue;">●</span>	<span style="color: blue;">●</span>

## Integrated Catchment Management Budget compared to Actual and Forecast 2018/19

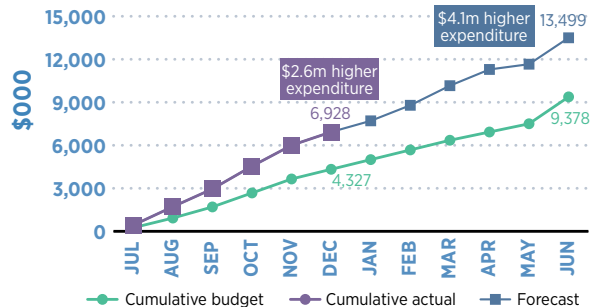
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE



# Flood Protection and Control

## Te Pare me te Whakahaere Waipuke

Delivery ●

Budget ●

KPI ●

### Delivery

#### RIVERS AND DRAINAGE SCHEMES

- Maintenance and renewals works in accordance with the Asset Management Plan have been undertaken for the following rivers and drainage schemes: Kaituna, Rangitāiki-Tarawera, Whakatāne-Tauranga, Waioeka-Otara and Rangitāiki Drainage Schemes.
- A meeting of the Rangitāiki Drainage Scheme Advisory Group was held on 31 October, and individual communal pump scheme meetings are progressing.
- Where appropriate staff are carrying out maintenance work in conjunction with the Flood Repair Project across the major schemes including upper Kaituna streams at Rotorua.

- College Road stopbank construction and road realignment is now complete and the road has been re-opened.
- Flood damage repairs to the Ngongotahā Stream after the April 2018 flood event were undertaken. Nine out of the 41 sites have been completed.
- Rangitāiki Floodway Upgrade Project: Completion of Stage 4 earthworks was achieved in December 2018. Procurement and contract award for Stage 5 in process.
- Modelling of the Utuhina and Uretara Streams is underway.

#### KOPEOPEO CANAL REMEDIATION

- Details on this project are provided in the section on Major Capital Projects on page 21.

#### REGIONAL FLOOD RISK

- Flood damage repairs across the region were completed on 34 sites between October and December (giving a total of 50 completed sites for 2018/19 year), bringing the total number to 169 of the 520 scheduled for attention after the April 2017 flood event.



## Budget

The revenue forecast for the Group is consistent with the budget.

Forecast operating expenditure is \$1.6m higher than budget, \$0.4m of this is due to interest costs as the internal loan balance for the project is higher than budget. Note, this is offset with the increase in internal interest revenue within the Finance and Corporate Activity in Corporate Services. Forecast overspends are also expected due to the 1 July 2018 revaluation for Rivers and Drainage assets which has resulted in higher depreciation and higher than expected insurance costs for infrastructural assets.

Capital expenditure forecast is \$0.2 million lower than budget, mainly due to a lack of rock supply in the Whakatāne-Tauranga scheme which is expected to delay the completion of some work. Additional work in the Waioeka-Otara scheme is forecast and rock stockpiling is taking place.

## KPI commentary

Performance Measures are on track

### 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)

TARGET	RESULT	YTD	FORECAST
90%	59%	●	●

### LEVEL OF SERVICE

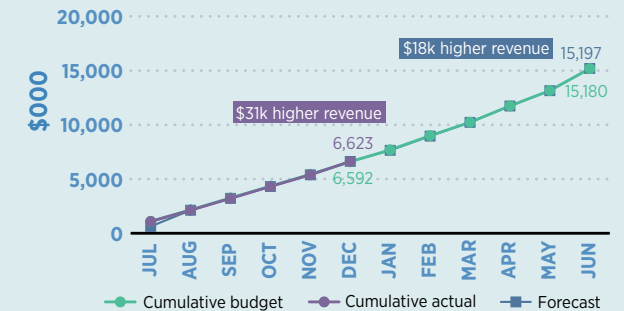
#### Provide the community with timely warning of potential flooding

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

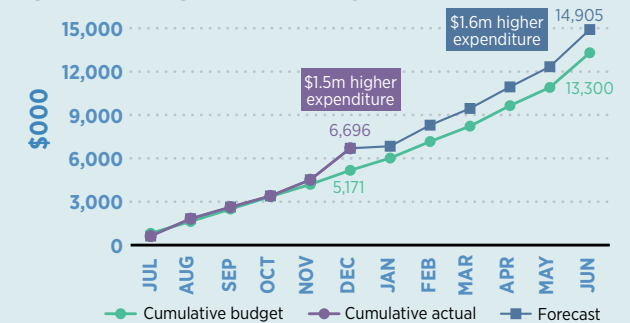
TARGET	RESULT	YTD	FORECAST
90%	100%	●	●

## Flood Protection and Control Budget compared to Actual and Forecast 2018/19

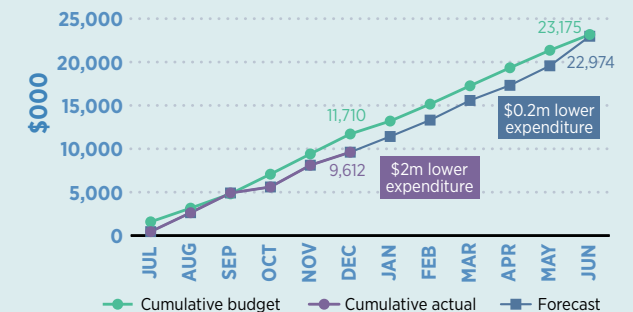
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE





# Resource Regulation and Monitoring

Ngā Ture Rawa me te Aroturuki

*Delivery* ●

*Budget* ●

*KPI* ●

## Delivery

### BIOSECURITY

- Submissions on the proposed Regional Pest Management Plan closed on 6 November 2018 with 56 submissions received. We are currently meeting with submitters to discuss and clarify points made in their submissions.
- Along with Waikato Regional Council, we supported the Department of Conservation's appointment of a project manager to enhance the implementation of the wallaby programme. A satellite population of wallabies in Kaharoa, which was detected in 2017, has been successfully controlled.
- The latest round of Mediterranean fanworm surveillance in the Tauranga marinas had zero detections. This is the first clear surveillance in the marinas since surveillance commenced in 2014.
- Large numbers of catfish continue to be caught in Lake Rotoiti with over 15,000 being caught since August. Six catfish were also caught in Lake Rotorua near Mokoia Island in December.

### AIR QUALITY

- Hearings on Regional Air Quality (Proposed Plan Change 13) have been completed and Commissioners are drafting the Hearings Report.
- Advance planning for Hot Swap Winter advertising is underway. Re-tendering and contracting for Hot Swap service providers is in progress.

### RESOURCE CONSENTS

- From 1 July to 20 December, two new applications (4% of total applications) have received discounts due to Council exceeding processing timeframes – our target is to keep discounted applications below 5% of applications over the year.
- During the quarter October to December, we received 178 applications: 46 of these progressed to the decision stage, 96% of which were processed within statutory timeframes.
- In total, 111 decisions have been made between October to December (including applications lodged prior to 1 October). A total of 656 applications are currently in process, including a mix of historical consents on hold.

### REGULATORY COMPLIANCE

- Between 1 October and 13 December 2018, the Regulatory Compliance team received and responded to 727 service requests (complaints) via our Pollution Hotline. We issued 19 abatement notices and two infringement notices during this time.
- Throughout October and November, we completed the annual dairy inspection project. This year we inspected 365 dairy sheds, which is one of our biggest years. Early results indicate that performance has improved markedly on the previous year, with only four discharges identified for further investigation, compared to 15 in 2017/18.

- We received some notable decisions from the courts in relation to prosecutions:
  - In November, Specialised Container Services (Tauranga) Limited were fined \$40,000 for a discharge of hydraulic oil into the Tauranga Harbour in September 2017.
  - Waiotahi Contractors Ltd were convicted for two separate offences, being fined \$88,200 for a discharge of sediment contaminated stormwater into the Kaitemako Stream from an earthworks site in Ohauti, and \$41,250 for a discharge of sediment contaminated stormwater from an aggregate washing facility in Tāneatua.

## MARITIME

- The first summer patrols for 2018 went out over Labour Weekend and issued a high number of bylaw breaches:
  - eight breaches of bylaw for exceeding five knots; 10 for failing to carry enough personal floatation devices; four for unnamed boats or unregistered personal water craft, including Jetski; and three for towing with no observer.
- Our summer students conducted 26 boat ramp surveys and we participated in two safety videos which were both well received and widely distributed.
- A boating grant of \$27,000 was awarded for the continuation of MarineMate app programme, with the addition of two smaller projects.
- Council and Emergency Management Bay of Plenty staff attended the Maritime New Zealand Oil Spill Conference on 4-5 December in Tauranga. The conference had a range of speakers talking on leadership development and identifying lessons from past events.

## Budget

Resource Regulation and Monitoring is forecasting to receive an additional \$1.3 million revenue, offset by an additional \$1.2 million in expenditure through the Biosecurity and Resource Consents activities.

The Biosecurity Activity is forecasting an increase in revenue and expenditure as a result of additional work from the Biocontrol Programme. This programme sees Council administering cost recoverable work on behalf of the other regional councils.

The Resource Consents Activity is forecasting additional fees and charges revenue, achieved by engaging contractors to assist with processing applications, therefore also increasing forecast expenditure.

## KPI commentary

Performance Measures are on track (where data are available)

## LEVEL OF SERVICE

### Improve air quality

**Key Performance Measure:** Replacement of non-compliant burners in Rotorua Airshed attributed to the Rotorua Air Quality programme

TARGET	RESULT	YTD	FORECAST
200	121	●	●

## 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

TARGET	RESULT	YTD	FORECAST
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).

TARGET	RESULT	YTD	FORECAST
5% (lower is better)	1.5%	●	●

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

TARGET	RESULT	YTD	FORECAST
80%	●	●	●

## 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

TARGET	RESULT	YTD	FORECAST
95%	100%	●	●

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

TARGET	RESULT	YTD	FORECAST
80%	92%	●	●

## 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

TARGET	RESULT	YTD	FORECAST
80%	●	●	●

## 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

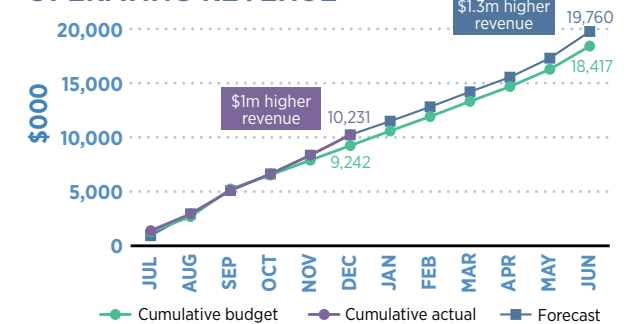
TARGET	RESULT	YTD	FORECAST
90%	100%	●	●

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

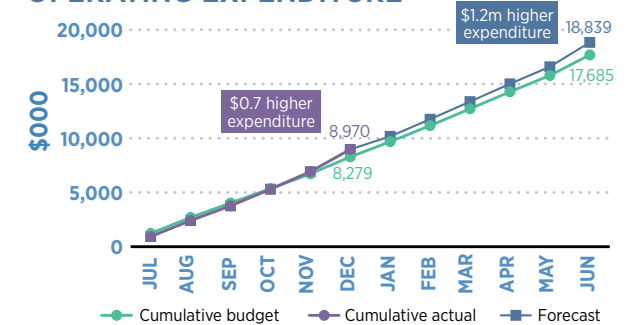
TARGET	RESULT	YTD	FORECAST
95%	100%	●	●

## Resource Regulation and Monitoring Budget compared to Actual and Forecast 2018/19

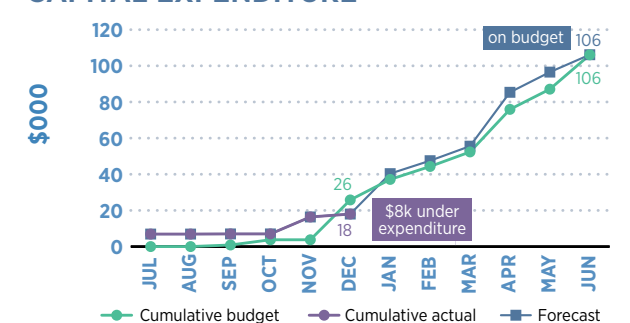
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE





# Transportation Ikiiki

Delivery ●	Budget ●	KPI ●
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## Delivery

- December saw the conclusion of the GoBus contract for provision of services in Tauranga. This contract finished after 9½ years with minimal disruption to passengers.
- The Regional Public Transport Plan became operational on 10 December 2018.
- Council is closely monitoring the implementation of the new bus contracts which began in the western Bay on 10 December 2018.
- Free bus services were provided for the public for the royal visit of the Duke and Duchess of Sussex to Rotorua on October 31.
- Work has begun on plans to offer fare-free buses for students living in Welcome Bay as a one-year trial for 2019.

## Budget

Lower forecasts for operating expenditure of \$0.5 million and subsidy revenue of \$0.2 million are due to adjustments in the timing of the implementation of the new ticketing system. The forecast higher capital expenditure for the integrated ticketing system is expected to be offset by a subsidy from NZTA.

## KPI commentary

While the percentage of planning and policy reports that are rated satisfactory or higher has yet to be assessed, based on previous assessments this is forecast to be achieved.

No actions were identified in latest NZTA audit.

## LEVEL OF SERVICE

*Provide a quality cost-effective public transport system*

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

TARGET	RESULT	YTD	FORECAST
2,800,000	1,240,608 (November)	●	●

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

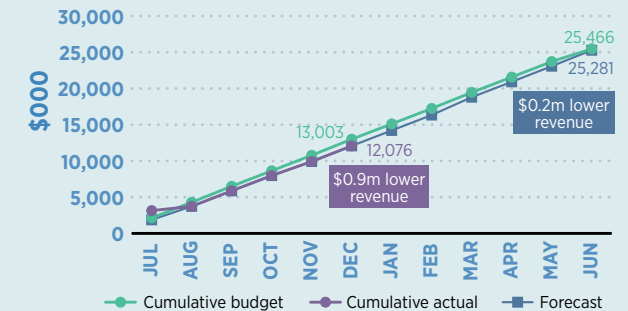
TARGET	RESULT	YTD	FORECAST
100%	100%	●	●

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

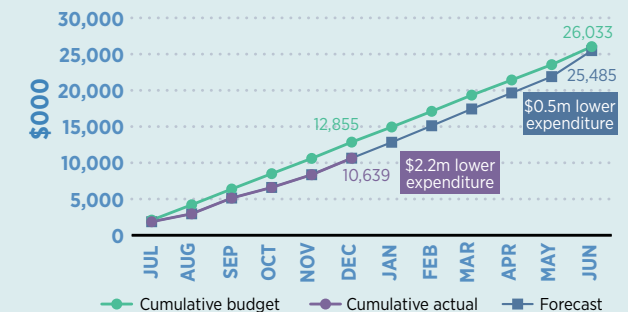
TARGET	RESULT	YTD	FORECAST
80%	●	●	●

## Transportation Budget compared to Actual and Forecast 2018/19

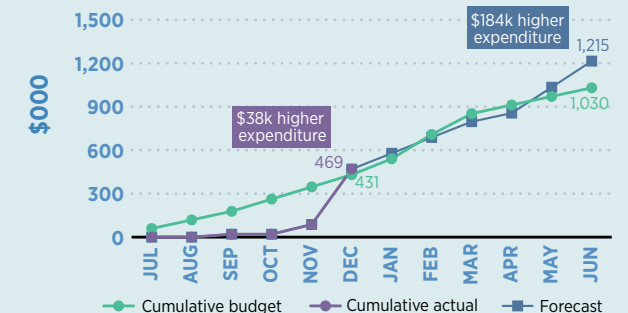
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE





# Regional Development

## Whanaketanga ā-Rohe

Delivery ●

Budget ●

KPI ●

### Delivery

#### REGIONAL INFRASTRUCTURE

- Tertiary campus final pre-retentions payments have been made and the campus is on track to open for the 2019 academic year.
- Construction at SCION is expected to begin in 2019, with Central Government approval being sought for the increased total cost.
- Ōpōtiki Harbour Transformation project is currently being rescoped and reassessed.

#### REGIONAL DEVELOPMENT

- The Bay of Connections (BOC) review has been completed and the BOC Governance Group, supported by Regional Council, has recommended a change in the delivery of sustainable regional development support, with disestablishment of the current framework and governance group providing a fresh start.
- As part of Bay of Connections geothermal business development, Sequel Lumber has found a way to tap into geothermal energy to dry timber, the majority of which is then exported to 17 different countries.

### REGIONAL PARKS

- Visitor numbers at Pāpāmoa Hills are tracking upwards as the weather warms and the carpark at Poplar Lane is often at or near capacity even on weekdays.
- The stock yards at Pāpāmoa Hills have been constructed and the woolshed construction began in December. This work will make the park's grazing operation independent of the neighbour's and allow for the reintroduction of sheep which have been absent from the park for some time.

### Budget

All budgeted Regional Infrastructure Fund grants within the Regional Infrastructure Activity are expected to be paid in this financial year. The Regional Economic Activity is forecasting additional consultant costs of \$0.2 million for the Toi Moana BOP Economic Action Plan and the Bay of Connections review. The costs will be partly funded by the Ministry of Business, Innovation and Employment, and Provincial Growth Fund.

### KPI commentary

Performance measures are on track

### LEVEL OF SERVICE

#### Facilitate regional economic development

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

TARGET	RESULT	YTD	FORECAST
1	1	●	●

### LEVEL OF SERVICE

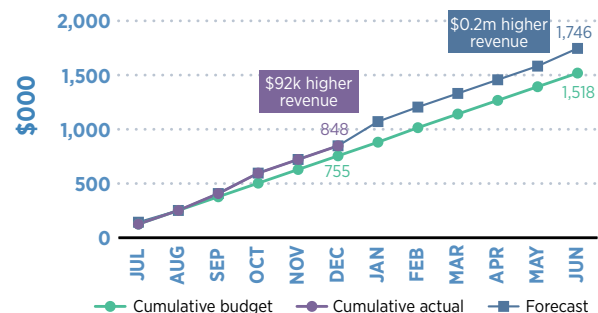
#### Manage our Regional Parks sustainably

**Key Performance Measure:** Number of visitors to our Regional Parks

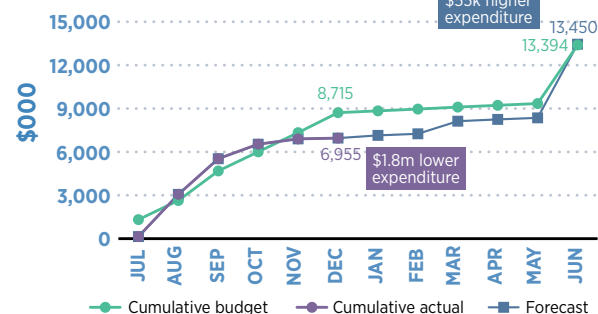
TARGET	RESULT	YTD	FORECAST
100,000	51,392	●	●

## Regional Development Budget compared to Actual and Forecast 2018/19

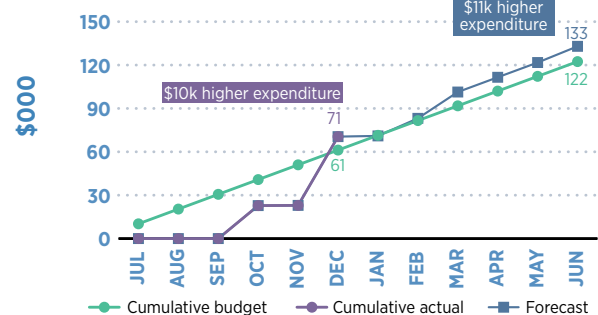
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE



# Regional Planning and Engagement

## Te Hanga Mahere ā-Rohe me te Whakawhitiwhiti

Delivery ●

Budget ●

KPI ●

### Delivery

#### REGIONAL PLANNING

- Rangitāiki River catchment (Change 3) and Tauriko West Urban Limit (Plan Change 4), which amends the urban limits line, became operative.
- Our Regional Policy Statement was updated with targets for housing development capacity in the western Bay of Plenty.
- Consultation on SmartGrowth's proposed Future Development Strategy closed in early November.
- Informal community consultation on On-site domestic wastewater systems (Draft Plan Change 14) closed on 26 October.
- Submissions to Awatarariki Fanhead (Plan Change 17) closed on 11 December.
- A draft Climate Change Action Plan has been developed for refinement during 2019.
- Work continues on developing the Katiuna River catchment Proposed Change 5 to the Regional Policy Statement and modelling work is progressing for Kaituna Pongakawa-Waitahanui and Rangitāiki Water Management Areas (Plan Change 12 to the Regional Natural Resources Plan).
- Twenty five parties have joined the appeals process on Region-wide Water Quantity Plan Change (Plan Change 9), as s274 (RMA) parties, which enables them to be part of the appeal resolution discussions. We will be required to report to the Environment Court on progress towards settling these appeals in mid-January and April 2019.
- Council provided approval for staff to discuss the estimated contaminant load limits and potential pathways to achieving them over time with the community during the planned engagement for Kaituna-Pongakawa-Waitahanui and Rangitāiki Water Management Areas (Plan Change 12).
- The current focus for the Tauranga Moana Water Management Area (Proposed Change 16) is building an information base and

developing constructive working relationships with tangata whenua and stakeholders.

- Work on the Rotorua Nutrient Management (Plan Change 10) appeal continues.
- Groundwater accounts have been updated and are now available online.
- Staff reviewed the implications on Council's work of Central Government's blueprints for freshwater: Essential Freshwater Healthy Water, Fairly Allocated and Shared Interests in Freshwater, which were released in October.
- National Policy Statement for Freshwater Management (NPSFM): the final regional 'swimmability targets' were confirmed and the timeline for NPSFM implementation was extended to the end of 2030.

## MĀORI POLICY

- The updated version of He Korowai Mātauranga (HKM) was approved, with minor changes, by Council on 4 December 2018. The preparation of the implementation plan for HKM will begin in 2019 and will be completed by June 2019. Consultation with staff on the plan will be undertaken during its preparation.
- A series of three RMA workshops were completed. The final one for 2018 was held in Waimana on 7 December 2018.
- We processed and received Iwi Management Plans for Ngāti Whakaue ki Tai and Ngā Potiki. Ngāti Awa also confirmed that the Mataatua Declaration is to be recognised by Council as an iwi planning document.
- Te Maru o Kaituna is working with our planning teams on Kaituna River catchment (Change 5).

- Māori Policy is engaged with Nga Puna Wai o Te Tokotoru in the preparation of a Mana Whakahono a Rohe.

## GEOTHERMAL

- The Ahi Ka Group was established to provide input from local communities (Ōhinemutu, Whakarewerewa and Ngāpuna) into the Rotorua System Management Plan.
- The Rotorua Geothermal Liaison Group meeting was held.
- Staff presented at the New Zealand Geothermal Workshop and continue to liaise with the national steering group on the National Policy Statement for biodiversity (from a geothermal perspective).
- A significant contract on survey work for Lake Rotorua has been agreed and is due to begin April 2019, subject to iwi agreement.

## COMMUNITY ENGAGEMENT

- We supported community engagement on the Rangitāiki Floodway, Tauranga Moana Biosecurity Capital and Future Development Strategy.
- Six Environmental Enhancement Fund applications totalling \$104,742 were approved, with another three applications in process and one declined. Successful projects included the installation of 32 photovoltaic (solar) panels on the administration building's roof at Trident High School, Whakatāne, with support from Eastern Bay Energy Trust, and the restoration of Te Kahika Pā at Makahae Marae near Te Puke.
- The latest Pollution Busters magazine on Marine and Coastal was distributed to more than 500 homes.

## GOVERNANCE

- A new Council Agenda Management process is now in place as a result of an efficiency review initiated earlier in the year. This process manages the compilation of Council/Committee meeting agendas, papers, minutes.

## Budget

This Group of Activities is forecast to be on budget at year end.

## KPI commentary

Performance Measures are on track (where data are available).

## 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

TARGET	RESULT	YTD	FORECAST
80%	●	●	●

## 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

TARGET	RESULT	YTD	FORECAST
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

TARGET	RESULT	YTD	FORECAST
80%	●	●	●

## LEVEL OF SERVICE

### *Support community projects which help improve our environment*

**Key Performance Measure:** Percentage of completed projects that have achieved their measured goals

TARGET	RESULT	YTD	FORECAST
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

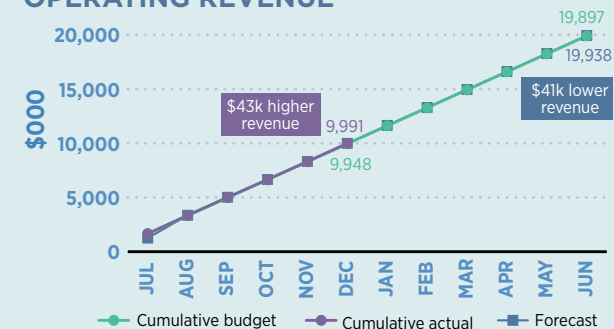
TARGET	RESULT	YTD	FORECAST
95%	100%	●	●

**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

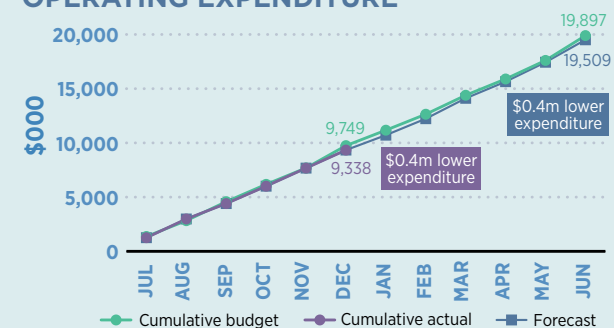
TARGET	RESULT	YTD	FORECAST
95%	100%	●	●

## *Regional Planning and Engagement Budget compared to Actual and Forecast 2018/19*

### OPERATING REVENUE



### OPERATING EXPENDITURE



*No capital expenditure in this Group of Activities*



# Emergency Management

## Te Whakahaere Mate Whawhati Tata

<i>Delivery</i> ●	<i>Budget</i> ●	<i>KPI</i> ●
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### Delivery

- More than 40,000 students across the Bay of Plenty, covering 60% of the region's schools, took part in ShakeOut, the National Earthquake Drill held on Thursday 18 October at 9.30am.
- Emergency Management Bay of Plenty supported the November Hands On Water Expo with a Civil Defence Emergency Management stand for the two day event. Students participated in interactive activities learning about the hazards of flood waters and why it is important to store water in case of an emergency.
- Several CDEM professional development courses have been conducted at Tauranga over this quarter, with several more planned for next quarter around the Region. The courses aimed to enhance the professional knowledge and confidence for staff when conducting a role within either an Emergency Operations Centre or Emergency Coordination Centre. This quarter saw the following Bay of Plenty Regional Council staff attendance at training:
  - Integrated Training Framework Coordination Centre Intermediate course - 11 People
  - Integrated Training Framework Public Information Management - 6 People
  - Psychological First Aid Training - 4 People
  - Bay of Plenty Controllers Forum - 1 Person
  - ITF Delivery of Welfare Services in a Civil Defence Centre - 1 Person
- A report on the independent Bay of Plenty Civil Defence Emergency Management Group (BOP CDEM) Service Delivery Review 2018 was received on 23 November 2018. The report has highlighted several opportunities for improvement in the way that the Bay of Plenty CDEM group enables our communities to respond to and recover from emergencies. BOP CDEM is reviewing the recommendations for implementation through a reform programme.
- The Athenree Community Response Plan, originally prepared in 2015, has been updated by the community response team. This is part of a district-wide programme by Western Bay of Plenty District Council and Emergency Management Bay of Plenty to bring all community response strategies up to date and recruit people into community response teams.

### Budget

Forecast operating expenditure is \$0.4 million lower than budget as recruitment of four new staffing positions is deferred until 2019.

### KPI commentary

Progress to meet the Percentage of staff identified for roles in the Emergency Coordination Centre that are trained to an appropriate level. KPI will be a challenge this year. The trained standard has increased to include participation in the ITF intermediate Coordination Centre Course. A programme is in place to offer this training to all EOC staff but is reliant on enough staff attending the training available. While no interim training targets were set for years one and two of the LTP, the intent is that Council will meet its training KPI by year three (2020/21).

### 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

TARGET	RESULT	YTD	FORECAST
85%	88%	●	●

**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

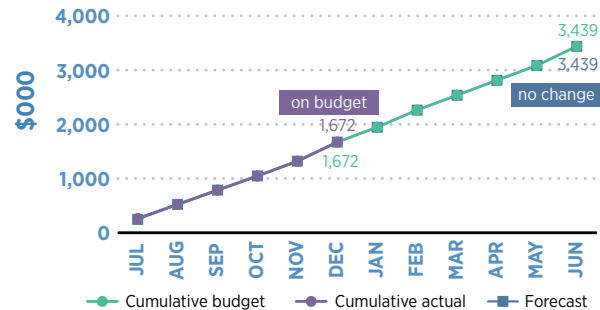
TARGET	RESULT	YTD	FORECAST
85%	35%	●	●

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

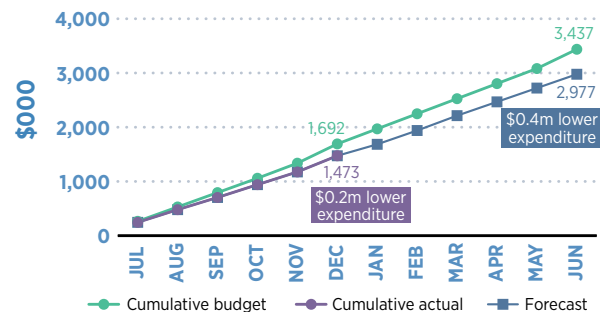
TARGET	RESULT	YTD	FORECAST
8	4	●	●

## Emergency Management Budget compared to Actual and Forecast 2018/19

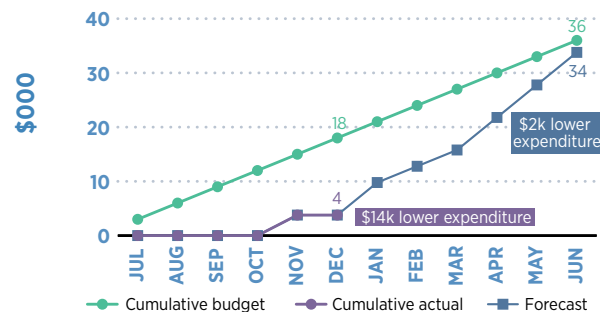
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE



# Technical Services

## Ngā Ratonga Hangarau

Delivery ●	Budget ●	KPI ●
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### Delivery

#### GEOSPATIAL

- The public rollout of the Groundwater Availability and Consented Allocation tool was completed in December. This is a user-friendly online mapping application that shows water allocation for groundwater management zones to support the implementation of the Region-wide Water Quantity Plan Change (Proposed Plan Change 9).
- The contract to capture updated aerial imagery and LiDAR (elevation data) for all urban centres in the Bay of Plenty was confirmed. The data will be captured between December 2018 and March 2019 and made available to the community by July 2019.

#### ENGINEERING

- We provided 47 internal technical reviews for the resource consents team, supported 82 district consent applications and provided floor level information to 100 parties.
- In addition, our Technical Experts provided general advice to and worked with the TAs in regards to flood risk assessments, flood risk mitigation and stormwater management. For

example, we are providing advice on Tauranga City Council's Plan Change 27 (Flooding from Intense Rainfall Events), Tauriko West Structure Plan, Te Tumu Structure Plan.

#### DATA SERVICES

- Two new lysimeters and rain gauges were installed in the upper Rangitāiki catchment to support science and engineering demands.
- The bulk of the new air monitoring programme, measuring parameters of interest such as particulate matter, SO<sub>2</sub>, CH<sub>3</sub>Br and meteorological data at Mt Maunganui and Sulphur Point, have been activated.
- The monitoring programme in the Kaituna wetland was implemented.

## SCIENCE

- An interim report on the location, flow and water quality of small freshwater springs in the Bay of Plenty was completed to support the implementation of the National Policy Statement on Freshwater Management. This includes information on 96 spring sites; 25 of which have been selected for further investigation.
- A report on the water quality and ecology of drainage schemes in the Kaituna and Rangitāiki catchments was published.

## Budget

Revenue is forecast \$0.2 million higher than budget due to actual billing of Resource Management Act (section 36) fees and charges in the Science and Data Services activities.

Capital expenditure is forecast to be \$0.1 million underspent due to delays in the historical imagery digitisation project. This is being monitored and if required will be requested to be carried forward.

## KPI commentary

Performance Measures are on track.

### 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

TARGET	RESULT	YTD	FORECAST
95%	99%	●	●

### LEVEL OF SERVICE

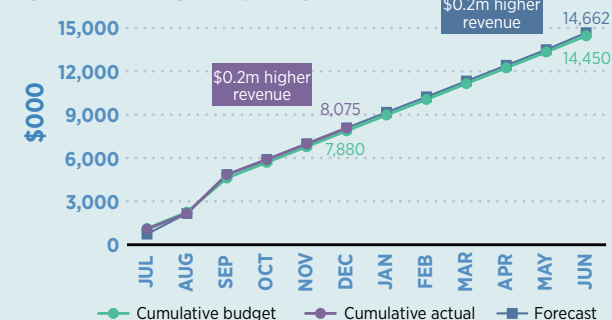
*Provide accessible, trusted and relevant science*

**Key Performance Measure:** Number of environmental indicators with online scorecards

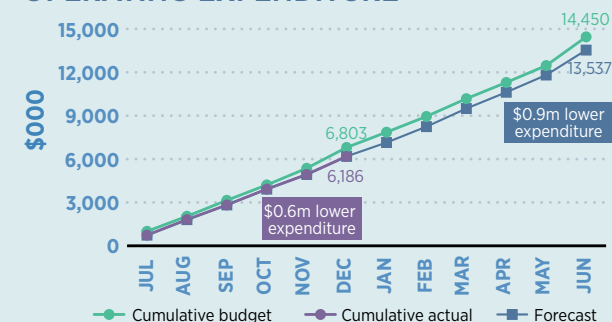
TARGET	RESULT	YTD	FORECAST
7	6	●	●

## Technical Services Budget compared to Actual and Forecast 2018/19

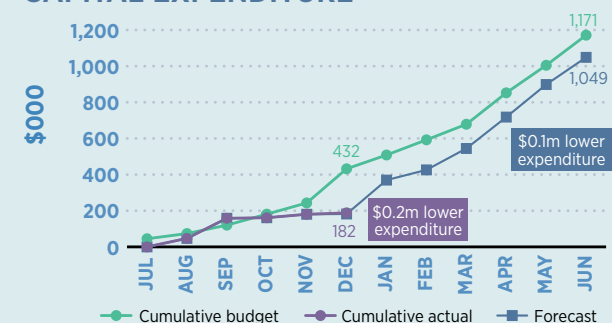
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE





# Corporate Services

## Ngā Ratonga Rangatōpū

*Delivery* ●

*Budget* ●

*KPI* ●

### *Delivery*

#### INTERNAL SERVICES

- The renovated Whakatāne Office reception opened on 1 November 2018 with a formal blessing.
- The electronic visitor system has been installed in the Whakatāne Office reception and has had positive feedback so far.
- During October and November the afterhours call centre answered 26 calls.
- Electronic receipting has been implemented across all our office receptions.

#### FINANCE AND CORPORATE PLANNING

- Work is progressing on the Annual Plan 2019/20 and Council approved consultation to take place in early 2019.

#### PROPERTY

- The Whakatāne Laboratory refurbishment is now complete and work on stage 2 of the Whakatāne building refurbishment has begun.
- Investigation work into a design solution for the Whakatāne deck remediation is underway.
- Pressure on the construction industry due to the number of large building projects in progress at the moment has placed considerable demand on contractor resourcing which has the potential to cause delays to the Buildings Upgrade Project.

#### COMMUNICATIONS

- A targeted campaign to educate people about the impact of catfish in our lakes has reached more than 800,000 people; our Biosecurity 24/7 video reached more than 30,000 people through Facebook alone.
- A community tour and update meeting held for the Kaituna River Rediversion Project was well received with approximately 50 people attending. Associated online updates and project progress videos have been viewed by more than 7000 people. The latest videos on our Kaituna River and Maketū Estuary are available on our YouTube playlist.
- The launch of the new western Bay Bayhopper Bus network in December included a comprehensive marketing and stakeholder awareness campaign to ensure both existing and new users of the network were aware of changes.

- We launched our new website with refreshed, rewritten and restructured information about the work we do and our region. A key feature is the ability for people to now make online payments through the site.

## Budget

An additional \$1.9 million revenue is forecast. A significant amount of the forecast increased revenue is due to Council borrowing an additional \$40 million from LGFA to pre-fund capital expenditure while the borrowing rates are low, and investing surplus funds to obtain an interest enhanced position. Forecast internal interest revenue is also \$0.4 million higher than anticipated due to internal loans within the Rivers and Drainage Schemes Activity being higher than budget due to capital project delivery and associated subsidies. This revenue is offset by an increase in internal interest costs.

An additional \$1.2 million operating expenditure is forecast. This is mainly due to the \$0.8 million efficiency savings budget no longer forecast within the Finance and Corporate Planning Activity and achieved across all activities as part of the 'fit for purpose' review. Interest costs are also higher than anticipated as a result of the additional borrowings from LGFA.

Capital expenditure is forecast to be \$1.8 million underspent. Progress on the Regional House building upgrade is slower than expected; it is now anticipated that works will be complete in August, rather than May 2019. A request to carry forward the forecast \$1 million underspend will be made as part of the Annual Plan 2019/20 process prior to the adoption of the Annual Plan. The Information

and Communication Technology Activity is also forecasting a capital underspend of \$0.7 million on several projects while resources are realigned for delivery.

## KPI commentary

Performance Measure is due to be reported on annually.

## LEVEL OF SERVICE

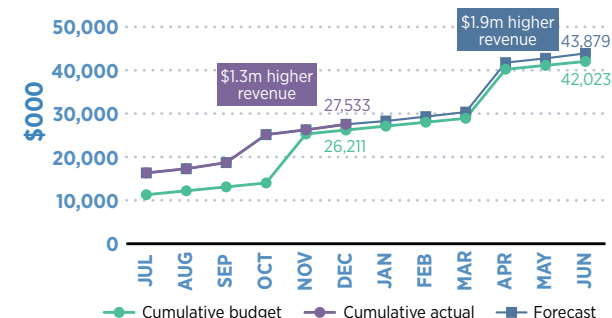
*Reduce carbon emissions through the installation of energy efficient systems in building refurbishments*

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

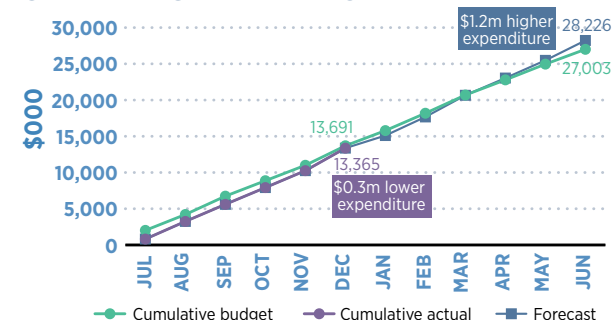
TARGET	RESULT	YTD	FORECAST
80% of baseline	●	●	●

## Corporate Services Budget compared to Actual and Forecast 2018/19

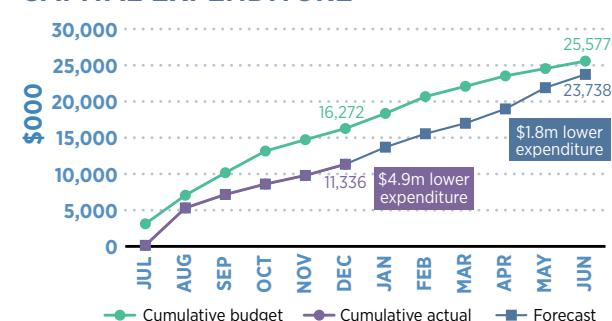
### OPERATING REVENUE *excludes investment income allocated*



### OPERATING EXPENDITURE *excludes overheads allocated*



### CAPITAL EXPENDITURE







*For more information visit our website  
[www.boprc.govt.nz](http://www.boprc.govt.nz), call 0800 884 880  
or email [info@boprc.govt.nz](mailto:info@boprc.govt.nz)*