



Regional Council Agenda

NOTICE IS GIVEN that the next meeting of the Regional Council will be held in Council Chambers, Regional House, 1 Elizabeth Street, Tauranga on:

Thursday 22 December 2022 COMMENCING AT 11.00 am

This meeting will be livestreamed and recorded.

The Public section of this meeting will be livestreamed and recorded and uploaded to Bay of Plenty Regional Council's website. Further details on this can be found after the Terms of Reference within the Agenda. [Bay of Plenty Regional Council - YouTube](#)

Fiona McTavish
Chief Executive, Bay of Plenty Regional Council Toi Moana
15 December 2022

Council

Membership

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

Purpose

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

Role

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

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

Delegations from Council to committees

- Council has a role to monitor the functioning of all committees.
- Council will consider matters not within the delegation of any one Council committee.
- Council may at any time, revoke or modify a delegation to a Council committee, either permanently, for a specified time or to address a specific matter, if it considers there is good reason to do so.
- The delegations provided to committees may be further delegated to subcommittees unless the power of further delegation is restricted by Council or by statute.

- It is accepted in making these delegations that:
- The committees, in performing their delegated functions, powers or duties, may, without confirmation by the Council, exercise or perform them in a like manner and with the same effect as the Council itself could have exercised or performed them.
- The delegated powers given shall at all times be subject to their current policies and principles or directions, as given by the Council from time to time.
- The chairperson of each committee shall have the authority to exercise their discretion, as to whether or not the delegated authority of the committee be used where, in the opinion of the chairperson, circumstances warrant it.

Powers that cannot be delegated

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

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

Livestreaming and Recording of Meetings

Please note the Public section of this meeting is being recorded and streamed live on Bay of Plenty Regional Council's website in accordance with Council's Live Streaming and Recording of Meetings Protocols which can be viewed on Council's website. The recording will be archived and made publicly available on Council's website within two working days after the meeting on www.boprc.govt.nz for a period of three years (or as otherwise agreed to by Council).

All care is taken to maintain your privacy; however, as a visitor in the public gallery or as a participant at the meeting, your presence may be recorded. By remaining in the public gallery, it is understood your consent is given if your image is inadvertently broadcast.

Opinions expressed or statements made by individual persons during a meeting are not the opinions or statements of the Bay of Plenty Regional Council. Council accepts no liability for any opinions or statements made during a meeting.

Bay of Plenty Regional Council - Toi Moana

Governance Commitment

**mō te taiao, mō ngā tāngata - our environment and our people
go hand-in-hand.**

We provide excellent governance when, individually and collectively, we:

- Trust and respect each other
- Stay strategic and focused
- Are courageous and challenge the status quo in all we do
- Listen to our stakeholders and value their input
- Listen to each other to understand various perspectives
- Act as a team who can challenge, change and add value
- Continually evaluate what we do

**TREAD LIGHTLY, THINK DEEPLY,
ACT WISELY, SPEAK KINDLY, JOURNEY TOGETHER.**

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

Agenda

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

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

- 1. Opening Karakia**
- 2. Apologies**
- 3. Public Forum**
- 4. Items not on the Agenda**
- 5. Order of Business**
- 6. Declaration of Conflicts of Interest**
- 7. Reports**

Decisions Required

- 7.1 Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2022** **8**
 - Attachment 1 - 2-BOPRC Draft Annual Report Summary 2021-2022 draft for adoption 21
 - Supporting Document 1 - 1-BOPRC Draft Annual Report 2021-2022 draft for adoption
- 8. Consideration of Items not on the Agenda**
- 9. Closing Karakia**



Report To: Regional Council

Meeting Date: 22 December 2022

Report Writer: Kumaren Perumal, Chief Financial Officer; Olive McVicker, Corporate Performance Team Lead and Nolene Naude, Financial Accounting Team Lead

Report Authoriser: Mat Taylor, General Manager, Corporate

Purpose: Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2022

Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2022

Executive Summary

The purpose of this report is to present the Annual Report and the Summary Annual Report (the Annual Reports) for the year ended 30 June 2022 to the Council for adoption.

The Annual Reports contain the financial and non-financial performance results of the Council (as the parent of the reporting entity) and consolidated financial statements for the Council Group which includes the wholly owned subsidiaries, Quayside Holdings Limited (Quayside) and Toi Moana Trust.

Council's Long Term Plan 2021-2031 includes 44 performance measures with set targets for the 2021/22 financial year. We achieved 32 (73%) of the targets that were set for the year ended 30 June 2022. The main reasons for the financial and non-financial variations are outlined in sections 2.1 and 2.2 of this report.

Council delivered its work programme through operating expenditure of \$158.4 million (2021: \$142.7 million) compared to a budget of \$163.7 million, this is \$5.4 million *lower* than budget. Total revenue of \$148.4 million (2021: \$149.0 million) compared to a budget of \$157.7 million, this is \$9.3 million *lower* than budget. As a result, Council's operating deficit for year one (2021/22) of the Long Term Plan 2021-2031 is \$10.0 million which is \$3.9 million *higher* than the budgeted deficit of \$6.1 million.

Council delivered a capital works programme with expenditure of \$18.5 million (2021: \$27.7 million) compared to a budget of \$34.6 million; this is \$16.1 million *lower* than budget partly due to the impacts of COVID-19 and material shortages.

Leon Pieterse, Audit NZ Director and Anton Labuschagne, Audit NZ Manager will attend the Council Meeting to present the audit opinion.

Recommendations

That the Regional Council:

- 1 Receives the report, Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2022;**
- 2 Receives the audit report and audit opinion from Audit New Zealand.**
- 3 Adopts the Bay of Plenty Regional Council Annual Report and Consolidated Financial Statements for the year ended 30 June 2022;**
- 4 Adopts the Bay of Plenty Regional Council Annual Report Summary for the year ended 30 June 2022;**
- 5 Authorise the Chief Executive to make minor numerical, editorial or presentation amendments prior to the final publication;**
- 6 Approves the capital expenditure budget carry forward of \$6.4 million from 2021/22 to 2022/23;**
- 7 Notes total remissions of \$0.4 million were given during 2021/22 which equates to 0.7% of the general and targeted rate revenue.**

1. Introduction

This report presents Council's actual financial and non-financial performance disclosed in the Annual Reports against the planned delivery objectives for year one of the Long Term Plan 2021-2031.

The COVID-19 global pandemic continued to impact the region during the year, with resource and supply issues. Council continues keeping a close watch on national and global developments. Despite the challenges Council was able to continue making progress across all areas of work and service delivery levels were not adversely affected.

The Annual Reports are attached as supporting documents to this report for Council consideration and adoption.

Audit New Zealand's appointed auditor, Leon Pieterse, and Audit Manager Anton Labuschagne will attend the meeting to discuss the overall audit process.

1.1 Legislative Framework

The Annual Report 2021/22 is prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

1.2 Alignment with Strategic Framework

The Annual Report presents the financial and non-financial performance of Council as set out in its Long-Term Plan 2021-2031. As a result, it supports the delivery of all four Community Outcomes and the Way We Work.

1.2.1 Community Well-beings Assessment

Dominant Well-Beings Affected			
<input checked="" type="checkbox"/> Environmental	<input checked="" type="checkbox"/> Cultural	<input checked="" type="checkbox"/> Social	<input checked="" type="checkbox"/> Economic

The Annual Report presents the financial and non-financial performance of Council and as such promotes all four aspects of community well-being.

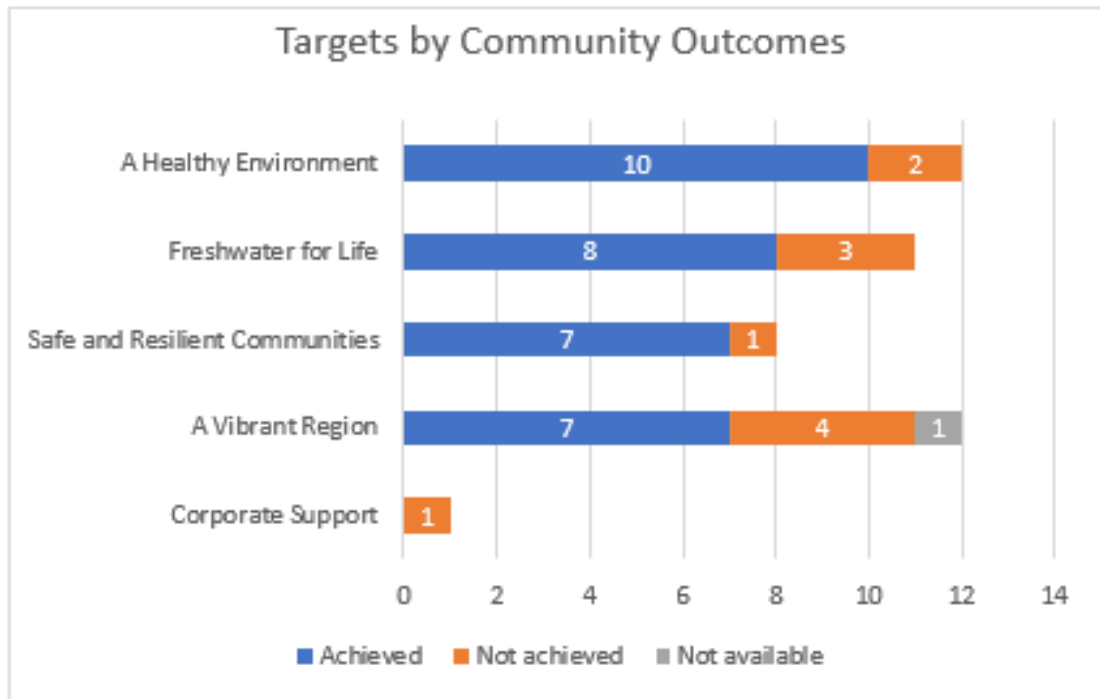
2. Annual Report 2021/22

2.1 Non-Financial Performance Summary 2021/22

Through the Long-Term Plan 2021-2031, Council set the Levels of Service it will provide to the community for each of the nine groups of activities. Council also set performance measures and targets for those Levels of Service.

In 2021/22, Council achieved 32 out of 44 key performance measures (73%) and 11 measures (25%) were not achieved. There was one measure where a survey was not completed.

By comparison, in 2020/21 Council reported on 33 KPIs and achieved 28 (85%) of the targets and did not achieve five.



2.1.1 Performance Measures not achieved

Further detail on the measures where the target has not been met are provided in the tables below.

A Healthy Environment

Biosecurity: Proportion of wallaby satellite populations (outside progressive containment area) where wallabies are no longer detected.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
New measure	70%	57%

This measure tracks progress in eliminating the seven satellite populations known to be present outside the containment area as of June 2021. At the end of June 2022 one population was eradicated and three more 'functionally eradicated' i.e. monitoring has not detected wallabies this year or only a single animal is known to be present. For these three sites monitoring will continue, until no wallabies are present, and the population is eradicated. The remaining three populations have control operations in progress.

Regional Parks: The number of visitors to regional parks.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
116,155	121,635	102,250

The number of visitors to regional parks in 2022 is 12% less than the 2021 result. The key reason for the reduction in visitors is due to the roadworks on Te Puke Highway limiting access to Pāpāmoa Hills. Traffic coming from Mount Maunganui could not access the entrance for the duration of the roadworks (mid-February to late March).

The COVID-19 alert level contributed to the reduction in the number of visitors in August 2021.

Freshwater for Life

Coastal Catchments & Rotorua Lakes: The percentage of monitored river and stream sites that meet the swimability requirements under the National Policy Statement for Freshwater Management (NPSFM).

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
79%	75%	71%

There are a total of 24 sites analysed, of which 17 were deemed swimmable during the bathing season. There were five sites deemed not swimmable, and these were consistent with the 2020/21 year. However, the results for two further sites were slightly worse which resulted in the decline to 71%. There is ongoing testing to identify the source of issues and remediation options.

Technical Support: The percentage of State of the Environment reports published.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
Not available	90%	78%

During the year 18 State of the Environment reports were scheduled to be published, of which 14 have been completed (78%). The remaining four State of the Environment reports were delayed due to resourcing and capacity issues (internal & external) alongside work priorities for the freshwater programme and consents. They are forecast to be published by the end of December 2022.

Safe and Resilient Communities

Emergency Management: The level to which the region is prepared for and can effectively respond to an emergency.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
Not available	60%	52%

There are a total 90 staff members on the emergency management roster. There are 47 staff who are fully trained and have attended a CDEM activity within the last 12 months. The remaining 19 staff have received training but have not attended a training exercise. Due to COVID-19 disruptions, a number of courses and exercises were cancelled during the year.

A Vibrant Region

Public Transport: The number of public transport trips taken in the region.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
2.66 million	Increase from prior year	2.25 million

The 2022 result of 2.25 million is 15.4% less than previous year. Patronage was impacted by the ongoing effect of COVID-19 i.e. the alert level escalation in August 2021 and the Omicron outbreak in early 2022. Due to the reduced availability of drivers the Tauranga network moved to a weekend timetable at the end of February 2022, and the Rotorua network ran a weekend timetable during March 2022.

A positive trend was identified on the Rotorua network where patronage increased by 3% in the period April – June 2022.

Community Engagement: The degree to which the demographics of the people that take part in formal engagement with Council is representative of the broader community affected by the issue.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
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0.62	Increase from prior year	0.60
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Two formal engagements took place during the year. The Pāpāmoa Bus Network was geographically focussed on the Pāpāmoa area resulting in the low score for location. The School Sustainability and Resilience Fund which provided the opportunity to vote on projects to be funded received a high overall representative score.

Governance: Percentage of draft Council and Committee meeting minutes that are published on our website within 10 working days after the meeting.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
98%	95%	93%

57 out of 61 (93%) of meeting minutes were available on time. This result was impacted by the introduction of livestreaming which increased the team's workload.

Governance: Percentage of Regional Council and Committee meetings live streamed to members of the public via a public website.

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
New measure	90%	85%

A total of 39 Regional Council and Core Committee meetings were held during the year of which 33 were livestreamed. The livestreaming facility was introduced at the end of September 2021. This meant that five meetings were held before the livestreaming was introduced.

Corporate Support: Change in total council emissions compared to prior year

2020/21 RESULT	2021/22 TARGET	2021/22 RESULT
New measure	5% reduction from prior year	10.5% increase

The Toitu carbon emission audit was completed in October 2022. The audit identified the total council emissions for the year had increased by 10.5% from the previous year. This is primarily due to the increased operation of flood pumps because of a wet winter.

Overall there is an 8.3% reduction in emissions from the 2018/19 baseline.

2.2 Financial Performance Summary 2021/22

Council delivered its work programme through operating expenditure of \$158.4 million (2021: \$142.7 million) compared to a budget of \$163.7 million; this is \$5.3

million *lower* than budget. Total revenue is \$148.4 million, this is \$9.3 million *lower* than budget of \$157.7 million (2021: 149.0 million). As a result, Council's operating deficit for year one (2021/22) of the Long Term Plan 2021-2031 is \$10.0 million which is \$3.9 million *higher* than the budgeted deficit of \$6.1 million.

Council delivered a capital works programme with expenditure of \$18.5 million (2021: \$27.6 million) compared to a budget of \$34.6 million; this is \$9.1 million *lower* than budget partly due to the impacts of COVID-19 and material shortages. Additionally, the Waioeka wetland project worth \$2.5 million has been discontinued and the funding is proposed to be reallocated across other climate readiness projects.

The following table provides a summary of financial results for the year ended 30 June 2022 as per the Annual Report 2021/22.

Statement of Comprehensive Revenue and Expense	Long-Term Plan Year 1	Annual Report (Council)	Variance	Annual Report (Group)
	2021/22	2021/22	2021/22	2021/22
	\$000	\$000	\$000	\$000
Operating Revenue	150,097	145,268	(4,819)	551,697
Capital Revenue	7,562	3,159	(4,403)	3,159
Operating Expenditure	(163,735)	(158,398)	(5,337)	(451,262)
Other revenue	-	-	-	16,963
Taxation	-	-	-	(44,526)
Total operating surplus / (deficit) after taxation	(6,076)	(9,993)	3,917	76,031*
Capital Expenditure	34,572	18,499	(16,073)	-

*\$25,728 attributable to Council

2.2.1 Operating Revenue

Operating revenue for the year ended 30 June 2022 was \$145.3 million, this is \$4.8 million *lower* than budget of \$150.1 million. The key reasons for the variances are identified as follows:

Subsidies and grants: The most notable decreases in operating revenue came from operating grants and subsidies of \$16.9 million, this result is \$4.6 million *lower* than budget mainly in the following areas:

- Funding from the Jobs for Nature programme to improve biosecurity was \$2.7 million *lower* than budget due to this work being deferred to future years.

- *Lower* than budget grants of \$2 million from the Ministry for the Environment for the Rotorua Te Arawa Lakes enhancement programme.

Trading and other revenue: Trading and other revenue was \$16.6 million, \$0.9 million less than budget across several activities

2.2.2 Operating Expenditure

Operating expenditure for the year ended 30 June 2022 was \$158.4 million, this is \$5.3 million *lower* than budget of \$163.7 million, and \$15.7 million *higher* than last year. The key reasons for the variances are identified below:

Trading and other expenses: Trading and other expenses is \$97.5 million which is \$7.3 million *lower* than budget. The key reasons for the variances are identified below:

- Contract work is \$9.7 million *lower* than budget due to several projects deferred, or no longer proceeding. Some work has not been carried out due to unavailability of technical specialists. The main areas affected are:
 - Transport and urban planning costs were \$4.2 million lower than budget due to the deferral of \$2.2 million of Transport System Plan (TSP) project costs to future years. Funding for Rotorua's planned 'A Balanced Approach' network refresh and upgrade was not approved by Waka Kotahi resulting in costs of \$1.85 million not being spent
 - Biosecurity \$1.8 million *lower* primarily due to delays in National Wallaby programme negotiations with landowners and mana whenua partners on fencing and night shoot operations
- Third party infrastructure grants are \$2 million *higher* than budget in relation to the Rotomā/Rotoiti Sewerage Scheme. After engagement with Ministry for the Environment, Rotorua Lakes Council and Te Arawa Lakes Trust this year, we anticipate that this grant will be paid to Rotorua Lakes Council in 2022/23. We have funded these third-party infrastructure grants from our financial reserves. The \$0.7 million Regional Development grant for the Lake Tarawera Sewerage project is now anticipated to be paid to Rotorua Lakes Council in 2023/24.

Depreciation and amortisation: Depreciation and amortisation expenditure of \$8.7 million is \$1.0 million *higher* than budget due to depreciation adjustments for Kopeopeo Canal remediation in line with expert valuer advice.

Employee benefit expenses: The overspend in staff costs is primarily attributable to increased staffing (\$0.9m) that has been funded by reducing other costs, for example consultancy and additional overtime and allowances (\$0.3m) required as a result disruptions during COVID-19 and flooding events.

2.2.3 Capital Revenue

Capital revenue was \$3.2 million, this is \$4.4 million *lower* than budget of \$7.6 million. The key reasons for the variances are identified below:

- Funding from Crown Infrastructure Partners for 'shovel ready' and climate resilience projects in flood protection and control was \$3.5 million *lower* than budget. This work is now planned for future years.

- Funding for Rotorua's planned 'A Balanced Approach' network refresh and upgrade was not approved by Waka Kotahi and remains a \$0.9 million future opportunity. \$0.3 million relates to capital revenue.

2.2.4 Capital Expenditure

Capital expenditure for the year ended 30 June 2022 was \$18.5 million, this is \$16.1 million *lower* than budget and \$9.1 million *lower* than last year (2021: \$27.6 million)

We invested \$9.8 million in flood protection to help keep people and properties safe. This includes \$4.9 million for the Rangitāiki Floodway Project which was on budget in 2021/22.

The Kaituna Mole project has been a community success and was completed for \$1.6 million this year, an underspend of \$0.4 million.

We invested a further \$1 million on science monitoring equipment which was on budget, and work on the Group Emergency Coordination Centre within our Tauranga offices was completed for \$2.3 million and on schedule in 2021/22. Plant and Vehicle replacement totalled \$1.7 million, \$0.7 million under budget. Due to delays in supply, IT equipment investment of \$2 million has been deferred to future years. Also deferred to future years is the Te Puke Stormwater projects.

Public Transport's Management Solution \$0.45 million has been moved to 2022/23. Rotorua's A Balanced Approach network initiative was not approved by Waka Kotahi within the 2021/22 year. We also invested \$1.4 million on our Regional Parks, with earthmoving work starting on the Pāpāmoa Regional Park.

2.2.5 Treasury

Investments totalled \$224.7 million (cash, cash equivalents and other financial assets) which includes approximately \$54.6 million on-lent to Quayside and \$45 million invested in Toi Moana. The investment in Toi Moana had a fair value \$42.8 million as at 30 June 2022 due to challenging investment market conditions. These funds are primarily attributed to general and restricted reserves, as well as unspent funds borrowed from the LGFA to pre-fund capital expenditure in advance.

During 2021/22 total borrowings increased by \$11.6 million to \$192.5 million as at 30 June 2022. The facilities are provided by the Local Government Funding Agency for a specific purpose including \$137.9 million for capital investment across multiple years of the Long Term Plan 2021-2031 and approximately \$54.6 million for on-lending to our CCO Quayside Holdings Limited which delivers benefits of lower borrowing costs to the Council Group. The average cost of debt at 30 June 2022 was 2.25%.

Our net debt is \$5.2 million which means we have high levels of liquid assets relative to our debt levels. Consequently, our net debt to revenue ratio is 4%.

We take a prudent approach to managing our debt by keeping our net debt to revenue ratio significantly within our prudential limit of 300 per cent.

We have maintained strong liquidity cover and significant borrowing capacity to support our capital investment and liquidity needs. This approach also offsets risks associated with our high debt levels, including our exposure to Quayside's perpetual preference shares and expansion plans. This is reflected in our AA credit rating which is one of the highest in the local government sector.

2.2.6 Council Group

The Annual Report 2021/22 contains both Council and Group results. Group results includes Council's wholly owned subsidiary, Quayside and Toi Moana Trust. Quayside's Annual Report for the year ended 30 June 2022 was approved by its board of directors on 2 September 2021 and received by Council on 29 September 2022, along with the annual report for the Toi Moana Trust and several Quayside subsidiaries.

Quayside holds and manages a majority shareholding in the Port of Tauranga Limited which is valued at \$2.3 billion. Quayside acts as the investment arm to build prosperity for the region with an intergenerational approach.

COVID-19 has had, and continues to have, a significant impact on the New Zealand and global economy. Despite this backdrop, 2021/22 has been a moderate financial year for the Quayside Group achieving a net profit after tax of \$125.9 million which is consolidated into the Council Group net profit after tax of \$75.3 million, of which \$25.0 million is attributed to equity holders / Council. The profit after tax in the current economic environment shows the benefits of a diversified portfolio.

This year's dividend to Bay of Plenty Regional Council of \$40 million is the largest to date. The Toi Moana Trust, which is an investment fund managed by Quayside, also paid a dividend to Council of \$2.25 million in 2021/22 in line with its Statement of Intent. A special dividend of \$2.25 million was also paid during the year as no dividend was received in the 2019/2020 financial year.

The approved Annual Report 2021/22 for Quayside and Council's subsidiaries can be found on the Bay of Plenty Regional Council website.

3. Other matters

3.1 Capital Expenditure and Capital Revenue Budget 2021/22 Carry Forward Requests

Capital expenditure was underspent by \$16.9 million in the 2021/22 year against year one in the Long-Term Plan 2021-2031.

The under-spends were primarily due to delays outside the control of Council, these include the continuing impact of COVID-19, consent delays, negotiations with land owners, and supply chain delays.

The table below shows unspent capital expenditure (\$6.4 million) that is recommended to be carried forward from financial years 2021/22 to 2022/23. Also shown is the revised 2022/23 capital expenditure budget of \$40.8 million if the carry forward recommendation is approved. Council continues to closely monitor the delivery of its capital work programme for the 2022/23 financial year.

Capital Expenditure by Group of Activity	Annual Plan 2021/22	Actual 2021/22	Variance	Annual Plan 2022/23	Cfwd from 2021/22 to 2022/23	Revised Budget 2022/23
	\$000	\$000	\$000	\$000	\$000	\$000
Catchments	4,047	2,366	(1,681)	6,477	529	7,006
Flood protection & Control	18,695	8,564	(10,131)	18,441	2,579	21,021
Resource Regulation & Monitoring	113	43	(70)	291	-	291
Transportation	1,167	1	(1,166)	462	50	512
Emergency Management	33	5	(28)	28	-	28
Technical Services	1,113	1,004	(109)	608	165	773
Corporate Services	10,269	6,513	(3,756)	8,063	3,128	11,191
TOTAL	35,438	18,496	(16,942)	34,370	6,450	40,821

3.2 Rates Remissions

Total remissions of \$0.4 million were given during 2021/22, which equates to 0.7% of the general and targeted rates revenue budgeted in year one of the Long-Term Plan 2021-2031 of \$64.1 million.

The following table shows the rates remissions approved per territorial authority, as a percentage of rates collected, noting that 'rates collected' excludes penalties.

Territorial Authority	Total Rates (collected) \$000	Total Remissions \$000	% Remissions
Kawerau District	895	9	0.99%
Ōpōtiki District	2,464	19	0.75%
Rotorua District	13,911	51	0.37%
Taupō District	174	1	0.72%
Tauranga City	27,693	182	0.66%
Western Bay of Plenty District	8,352	6	0.07%
Whakatāne District	10,571	136	1.29%
Offshore Island	30	30	100%
Total	64,090	434	0.68%

3.3 Reserves

Summary of key reserve balances below:

4. Audit Opinion

Audit New Zealand have provided verbal clearance on the Annual Reports for the year ended 30 June 2022.

Audit New Zealand's appointed auditor, Leon Pieterse, will be in attendance to present the audit opinion.

Reserves	Long Term Plan Year 1	Annual Report (Council)	Variance	Comments
	2021/22	2021/22		
	\$000	\$000	\$000	
Regional Project Fund Reserve	23,937	27,741	3,804	The higher balance is due lower capital expenditure requiring to be funded from the reserve. A number of these projects have been deferred to future years. The full \$27.7 million is committed for spend in 2022/23 and 2023/24.
Equalisation Reserve	(1,387)	683	2,070	\$622k is ring fenced operating expenditure carried forward to 2022/23 for the ferry feasibility study, bus decarbonisation and climate change projects.
PT Reserves	342	515	173	
R&D Works	3,564	3,729	165	
CDEM Reserve	1,925	1,785	(140)	
Rotorua Lakes Deed funding	0	637	637	
Toi Moana Fund	45,000	45,000	0	
Asset Replacement Reserve	45,037	29,774	(15,263)	Adjustment to reserve balance for the Annual Report.

5. Considerations

5.1 Risks and Mitigations

There are no additional direct risk implications arising as a result of this report. Council will continue to closely monitor its delivery of the Long Term Plan 2021-2031 key performance indicators and financial performance through its in-year monitoring processes.

5.2 Climate Change

There are no direct climate change implications arising as a result of this report. Climate Change is identified as a strategic challenge facing the Bay of Plenty Region. The Annual Report provides a report on the financial and non-financial performance of Council this includes work delivered through Groups of Activities to understand and respond to Climate Change implications.

5.3 Implications for Māori

There are no direct implications for Māori arising as a result of this report. The Annual Report provides a report on the financial and non-financial performance of Council. This includes reporting on work to support Māori participation in Council decision-making processes.

5.4 Community Engagement



Engagement with the community is not required as the recommended proposal / decision relates to internal Council matters only.

5.5 Financial Implications

This report and the supporting documents highlight a strong financial performance by Council despite the impacts of the COVID-19 pandemic on Council's service delivery. The majority of the capital budget underspend in 2021/22 has been carried forward to future years through the Annual Plan 2022/23 process. Council has pre-funded its capital works programme through borrowings from the Local Government Funding Agency.

6. Next Steps

The Local Government Act requires Council to release the Annual Reports to the public within one month of being adopted. The documents are planned to be released on the Bay of Plenty Regional Council's website in January 2023. Printed copies will be available in January 2023 after publishing on our website.

Attachments

Attachment 1 - BOPRC Draft Annual Report Summary 2021-2022 draft for adoption [↓](#)

Supporting Document 1 - BOPRC Draft Annual Report 2021-2022 draft for adoption [↓](#)



Te Mahere ā-Tau whakarāpopoto **Annual Report Summary 2021/22**



For the financial year 1 July 2021 to 30 June 2022

Mihi

*E ngā mana, e ngā reo, e ngā kārangarangatanga maha,
puta noa, tēnā koutou katoa!*

*Mai i ngā Kuri-ā-Whārei ki Tihirau,
Mai i Maketū ki Taupō-nui-ā-Tia,
Ko te rohe kaunihera tēnei o Toi Moana*

*Kua kaha whakarongo atu mātou o Toi Moana ki ngā reo
maha o te rohe nei, me te mea hoki, ko te oranganutanga
o ngā hapori maha te whāinga mātuatua. Ko tētahi o
ngā tino whāingā kē atu, ko te āta whakapakari, āta
whakakaha i ngā hereherenga kei waenganui i ngā kāhui
tāngata maha o te rohe nei.*

*Ko te kaunihera ā rohe o Toi Moana, he waka eke noa.
Ā, mā te āta tuitui i ngā taurahere tāngata e tika rawa ai ā
mātou mahi, e mārama hoki ai mātou ki te iti kahurangi o
tēnā, o tēnā, puta noa i tō tātou rohe.*

*Kia toi te whenua, kia toi te moana, kia toi te taiao,
kia toi te tangata! Tihei Mauriora*

*To all authorities, to all voices, to the many affiliations
across our region, we acknowledge you all.*

*From Waihi Beach to the East Cape,
From Maketū to the shores of Lake Taupō-nui-ā-Tia,
this is our region of The Bay of Plenty Regional Council.*

*We have listened, and taken on board the aspirations of
our communities confirming that we are a region seeking
wellbeing and vitality together. The focus is to strengthen
our connections and relationships with each other and our
taiao, our environment.*

*Toi Moana is a waka for all, and there are no exceptions.
Together we shall realise our collective aspirations. The
ongoing guidance from our communities ensures we never
deviate from our commitment to you, our community and
our environment.*

*Let the land prosper, let the ocean and lakes prosper,
let our environment prosper – 'tis the breath of life.*



Te rārangi kaupapa

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Te ahunga whakamua **Our strategic direction**

OUR COMMUNITY OUTCOMES

He taiao ora
A healthy environment

We protect and enhance our air, land, freshwater, geothermal, marine and coastal resources, and biodiversity for our communities. We support others to do the same.

Te mana o te wai
Freshwater for life

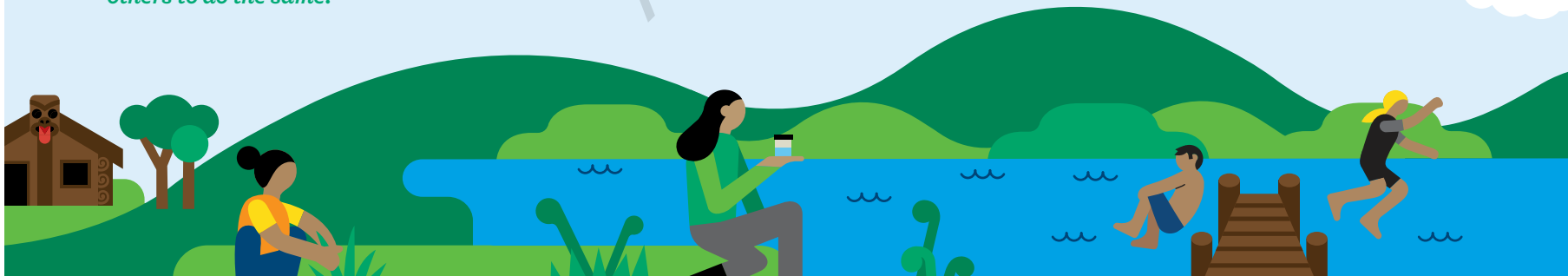
Our water and land management practices maintain and improve the life-giving ability of the region's freshwater resources.

Kia haumarū, kia pakari te hapori
Safe and resilient communities

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

Toitū te rohe
A vibrant region

Our stewardship of natural resources and the connections we make provides for sustainable economic development across our region.



OUR WELLBEINGS



He korowai tiaki taiao
Environmental wellbeing



He korowai aroha
Social wellbeing



He korowai whakamana tangata
Economic wellbeing



He korowai mātauranga
Cultural wellbeing

STRATEGIC PRIORITIES

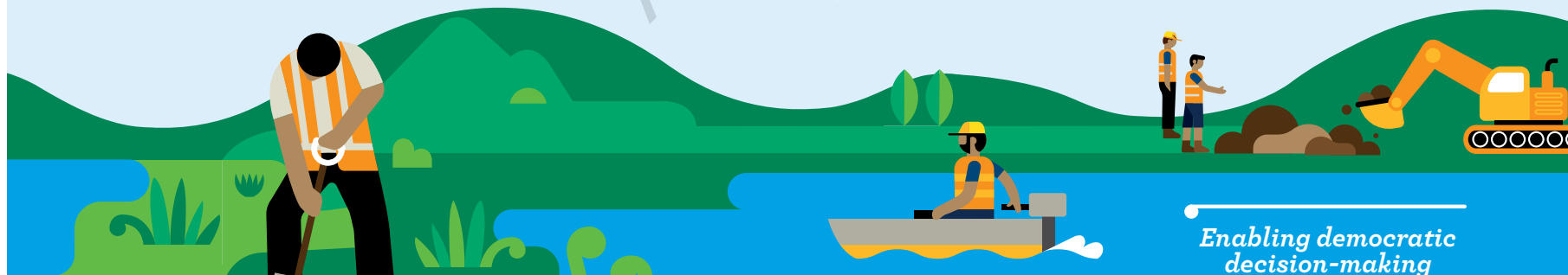
- Assisting the region to recover from COVID-19 while delivering lasting well-being for the community
- Ensuring we deliver on natural resource regulatory reform and our work programmes that deliver results on the ground
- Ensuring the region is adapting to a changing climate and helping to facilitate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

THE WAY WE WORK

- We look to add value regionally
- We think integrated
- What we do we do well
- We provide great customer service
- We honour our obligations to Māori
- We deliver value to our ratepayers and our customers
- We continually seek opportunities to innovate and improve
- We look to partnerships for best outcomes
- We use robust information, science and technology

OUR VALUES

Trust, Integrity, Courage, Manaakitanga, Kotahitanga and Whanaungatanga



*Enabling democratic
decision-making*

Te timatatanga **Introduction**

From the Chair and Chief Executive



We are pleased to present our Annual Report for the year ended 30 June 2022 (2021/22). This Report discloses the Bay of Plenty Regional Council's actual performance against what was planned for the first financial year in the Long Term Plan 2021-2031 (LTP).

The COVID-19 global pandemic continued to impact the region during the year, with resource and supply issues. While most are now used to living with it globally, here in New Zealand we are feeling some knock-on effects, with inflation at a thirty-year high and many struggling with the increased costs of living.

Despite the challenges, as an organisation we were still able to make progress across all areas of work and major projects to deliver on our Community Outcomes and improve the wellbeing of our communities. We achieved 32 of the 44 performance targets (73%) that were set through our LTP. This year has seen some significant investment on flood protection infrastructure and projects contributing to climate change mitigation. One of these projects has been the completion of Stage 7 of the Rangitāiki Floodway upgrade, which looked to continue the work from stage 6 to raise the stopbank and also involved purchasing land for the spillway. All the earthworks associated with Stage 6 A, B and C were also completed this year. The upgrade focused on taking pressure off the flood prone Rangitāiki River by diverting some of its flow during significant weather events. This is done by widening the floodway channel, raising the stopbanks and creating a second outlet into the Rangitāiki River. The final works remaining to complete the entire Rangitāiki Floodway Project are planned for next year.

Climate change was identified in the LTP as a key strategic priority, and funding allocated to deliver key actions. During the year, key actions included the

iwi-led community adaptation to climate change. This supports communities to undertake grassroots climate change adaptation planning, at their scale. We have also completed stage one of our Regional Climate Change Risk Assessment project to identify potential climate change risks that are specific to our region.

This past year has also seen further regulatory reform come from central government, in particular changes to several policies and regulations that affect regional council functions with regard to freshwater. This included draft changes to regulations for sources of human drinking water, amendments to freshwater regulations relating to wetlands, amendments to the protection of indigenous biodiversity and changes to conservation law. We took the opportunity to submit on these proposed changes and advocate on behalf of the region.

Bay of Plenty Regional Council Toi Moana and a consultancy firm (WSP) won a silver medal in the General Category at the 2021 Association of Consulting and Engineering (ACE) Awards. The award was for the Kaituna River re-diversion and Te Awa o Ngatoroirangi/Maketu Estuary Enhancement Project. The team also won a Special Award acknowledging outstanding collaboration leading to exceptional outcomes.

Councils' investment arm, Quayside Holdings Limited, continues to make a strong contribution to Council revenue and this year's dividend payout to Bay of Plenty Regional Council of \$40 million helped in reducing general rates by an average of \$348 (including GST) per property in the region.

The Council Group, which includes our 100% shareholding in Quayside Holdings Limited, is pleased to record a moderate net profit after tax attributed to Council of \$25 million. It has been a challenging year for many investment markets however the Group has benefited from a diversified investment portfolio with strong results from the Port of Tauranga and regional investment property.

Council has delivered an operating deficit of \$10.0 million for the year, against a budgeted deficit of \$6.1 million. Revenue during the year was \$148.4 million compared to budget of \$157.7 million. Operating expenditure was \$158.4 million compared to a budget of \$163.7 million. Whilst there was an underspend in operating expenditure, the lower level of revenue has been the main contributing factor to a higher than budgeted deficit.

Capital expenditure was \$18.5 million compared to a budget of \$34.5 million. A number of projects have been rescheduled to future years.

The Quayside dividend helped fund our work in 2021/22, and as we look ahead this approach will continue to ensure we keep general rates as low as possible and deliver regional benefit to our community.

As we look forward to 2022/23 and beyond, we are excited by the prospect of delivering against the objectives of our LTP. One of our main focus areas will be continuing to adapt to the changes signaled by Central Government. In particular the Resource Management Act, and updates in regard to the Three Waters Reform. We are also keen to continue to progress work in relation to climate change mitigation and creating partnerships as we seek greater partnerships with different organisations and groups within the region.
























Doug Leeder
Chairman



Fiona McTavish
Chief Executive

Community outcomes and activities

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



Ngā whakaarotau rautaki Strategic priorities

The current local government landscape is particularly changeable. There have been significant economic and social effects resulting from the COVID-19 pandemic. There is also significant regulatory reform underway at the Central Government level, with freshwater the first priority, but other issues such as urban development following close behind. There is also legislative change underway with the Resource Management Act, and more significant change coming to the roles and responsibilities of local government in the 'three waters' space. This complexity makes our relationships with tangata whenua even more important.

In order to best position ourselves we have identified eight strategic priorities through our Long-Term Plan over the next ten years. Within these eight priorities we have highlighted three as Impact Areas with more immediate focus.

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

Ngā wā whakaaweawe Impact areas



! Climate change

On 27 June 2019, Regional Councillors acknowledged climate change as a serious issue for the region by declaring a climate emergency and making a commitment to work with the community on transitioning to a low carbon future and adapting to our changed climate. In August 2021 Council adopted a revised climate change action plan for 2021-23.

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

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

Highlights from the past year include:

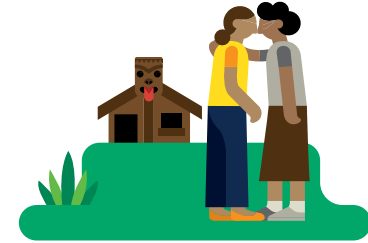
- **Community and iwi-led adaptation to climate change** – This initiative supports grassroots climate change adaptation planning undertaken directly by communities. Five community-led climate change adaptation projects were approved, receiving \$15,000 each. Three are coastal hapū, along with Ōhinemutu village on Lake Rotorua, and an iwi wide food security initiative. These projects will support adaptation planning including identification of risks, key priorities and next steps.
- Phase One of the **Regional Climate Change Risk Assessment project** was completed this year, to identify potential climate change risks to our region. Information was gathered through a survey of stakeholders and tangata whenua, and a series of workshops and hui. The key outputs are a detailed risk workbook and a summary 'He tirohanga Māori ki ngā tūraru mō te āhuarangi ki roto o Te Moana-a-Toi / Perspectives on climate change risks to Māori in the Bay of Plenty'. Phase two is underway, with the first in a series of workshops commencing in early 2022/23. Parallel to this process is a further exploration of Māori perspectives of climate change risks within the region.
- Our **2020-21 Toitu Carbon Reduce certification** was received this year with the verified emissions across our organisation for financial year 2020/21 showing we generated 999 tonnes CO2-equivalent. This represents a 3.8% reduction in emissions from 2019-20, and 15.3% reduction from the 2018-19 baseline year. The next report is due in October 2022 and will cover the financial year 2021/22.



! Partnerships with Māori

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

In August 2021, Komiti Māori approved Council's Partnerships with Māori Impact Statement. This was developed to guide governance and operations in the way we work, partner, and actively support Māori. The statement has a vision, principles, objectives, and goals, and identifies actions to enhance and innovate future partnerships. Staff have developed a specific plan of action for achieving the Impact Statement Objectives, and a Partnerships with Māori Programme to coordinate, direct and oversee specific projects and actions.



Highlights from the past year include:

- This year we had two projects that were nominated as finalists in the **Māori Award** for the **2021 Biosecurity Awards**
 - The Ruawāhia/Mount Tarawera Wilding Pine Control** Project is a partnership between Ruawāhia 2B Trust, Bay of Plenty Regional Council, Department of Conservation, and the Ministry for Primary Industries. The purpose is to eradicate wilding pines from Ruawāhia / Mount Tarawera in the Bay of Plenty.
 - The **Kei Hea ngā Papaka** project is a marine biosecurity project grounded in Mātauranga Māori principles to support whānau and hapū kaitiaki in Tauranga to help reduce the numbers of the very aggressive Asian Paddle crab which is trying to outcompete the local native crab (papaka), a taonga for the iwi of Tauranga.
- Kaituna River re-diversion and Te Awa o Ngatoroirangi/Maketū Estuary Enhancement Project** – Bay of Plenty Regional Council Toi Moana and a consultancy firm (WSP) won a silver medal in the General Category at the 2021 Association of Consulting and Engineering (ACE) Awards. The Team also won a Special Award acknowledging outstanding collaboration with tangata whenua to achieve cultural outcomes which was critical to the success of the project leading to exceptional outcomes. Seven iwi and hapū groups were involved throughout the project – Ngāti Māhino, Ngāti Pikiao, Ngāti Rangiwewehi, Ngāti Tūnohopū, Ngāti Whakaue ki Maketū, Tapuika and Waitaha.
- Kia marutau ki te wai** – Bay of Plenty Regional Council Toi Moana's Harbourmaster team completed "Kia manutau ki tew ai" – a pilot education programme providing safer boating training specific to the needs of individual iwi and hapū. Nine Safer Boating ambassadors from Ōtāwhiwhi Marae in Waihi, Te Rereatukahia Marae in Katikati, and students from Ngāti Awa iwi were put through the Coastguard boating education Day Skipper course. The pilot was so successful, it is now being rolled out across the region.
- He Toka Tū Moana Environmental Scholarship 2022** – this year we were delighted to award scholarships to six students. The scholarship aims to recognise and support students who are undertaking study, research or training that contributes to the enhancement of the taiao (natural environment).
- Pou Taiao Cultural Monitoring** – Council provided resourcing and staff support to investigate and report on a range of initiatives to strengthen hapū/iwi cultural monitoring capacity and capability. Key areas considered include measures to strengthen capacity and capability, increase pathways to hapū/iwi Rangatiratanga, and providing Local Government as well as the other agencies with consistency through streamlined engagement and consultation processes. Council has also supported Pou Taiao Ltd (collective of hapū/iwi practitioners) to develop a framework and representatives of Pou Taiao presented to Komiti Māori the "Aroturuki – Cultural Monitor Training Guide". This guide is a great resource and will be freely accessible to tangata whenua from the council website.



! Community participation and constructive relationships

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

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



Highlights from the past year include:

- **Environmental Enhancement Fund (EEF)** – EEF supports local projects that aim to improve the environment, raise environmental awareness and use the enthusiasm and skills of the community to achieve identified environmental projects which enhance, preserve or protect the region's natural or historic character. Increased demand for funding during 2021/22 has resulted in \$300,000 allocated to 18 projects across the region. Projects need to be completed within three years. It is anticipated that organisations will contribute close to 12,000 hours of volunteer work over the next three years. A total of six projects were completed during 2021/22, one was funded in 2021/22 and the remainder were funded in previous years.
- **Youth Involvement Project (YIP)** – The YIP project was designed to help Council better involve youth in our decision making and action. Through an open recruitment process a panel of rangatahi from across the region were selected and supported to develop a Youth Engagement Plan. This sets out a vision, actions and measures

for council to increase opportunities for young people to participate in decision making processes, connect with volunteering opportunities, identify career pathways, and target communications to young people. The Plan was adopted by Council on 23 June 2022. Implementation is already underway and will continue over the coming years.

- **Participatory Budgeting Trial reaches 46 communities** – Participatory budgeting is a funding approach where community propose projects which are screened by staff and funding is allocated by the public. The School Sustainability & Resilience Fund was set up for schools to trial this approach for projects related to sustainability and resilience. In this participatory budgeting trial, 1416 individuals allocated funding from 46 applications from schools, kohanga, kura, preschools, kindergartens and other education organisations from across the region

As a result 18 projects are under contract and worth more than \$150,000. The online Participate project had a representation index of 0.68 overall from 1416 participants based on age, gender, ethnicity and postcode. This is the closest match to census data yet.

- **Volunteer and environmental care groups growing** – Care groups within the region have grown to 75, from 65 which is a result of additional funding, (\$500,000 per annum). This funding has enabled growth in the capability and capacity of groups in the sector, as well as facilitating additional support from staff to existing and new care groups.

Additional funding allows the community to lead and to act on the environmental issues most important to them, such as the restoration project underway near the 125-year-old Anglican Church of Raukōkore. Volunteers are planting natives, removing weeds and trapping pests in the vulnerable coastal area to protect habitat for the resident Little Blue Penguins and preserve the historic building which is culturally significant for Te Whānau-ā-Apanui.

- **Regional Safety and Rescue Service Fund (RSRSF)** – The RSRSF helped with funding to support Surf Lifesaving NZ to deliver lifeguard services across much of the region over the 2021/22 summer period. In early 2022 a funding round was held for RSRS funding for the next two financial years with funding being allocated to several organisations that provide safety and rescue services within the Bay of Plenty including; Surf Lifesaving NZ, Coastguard NZ, the First Response Unit provided by Rotorua Mountain Bike Club, and Land Search and Rescue.



Te whakaurunga o ngāi Māori ki te tuku whakairo **Māori participation in decision making**

Our region is home to approximately 39 iwi, 260 hapū and 180 marae across the region, with more than one third of the regional population identifying as Māori.



Geographically, 40% of the region is Māori land / landholdings comprised by over 1800 land trusts covering more than 5000 Māori land blocks. Māori make a significant contribution to the region through their ownership of assets; contribution to economic development; leadership in Treaty co-governance forums; and their kaitiaki roles and responsibilities which influence conservation, preservation and management of natural resources.

Driving enhancements to Council's responsiveness to Māori is ongoing in our mahi and a catalyst for promoting transformational change. We recognise that relationships and partnerships with Māori must be a key focus and is one of our top three priorities.

In August 2021, Komiti Māori approved Council's Partnerships with Māori Impact Statement, developed to guide governance and operations in the way we work, partner, and actively support Māori. The statement has a vision, principles, objectives, and goals, and identifies actions to enhance and innovate future partnerships. Staff have developed a specific plan of action for achieving the Impact Statement Objectives, and a Partnerships with Māori Programme to coordinate, direct and oversee specific projects and actions.

During 2021/22 we also supported Māori participation in decision-making processes through a range of activities including:

- Working collaboratively with MfE to assist Māori participants of the Making Good Decisions (RMA Hearing Commissioner) certification course. The programme facilitates practical experience (to shadow an actual Hearing Panel, observe a live hearing process and be mentored by an experienced commissioner) with a view to better position Māori Commissioners for selection in future hearing panels.
- Establishment of an independent Secretariat to support iwi participation within the Co-Governance entities of Te Maru o Kaituna and the Rangitāiki River Forum
- Ngā Kairapu (Regional Sector Māori Interest Group) providing advice and directions to synergise work in the freshwater space, with Te Kahui Wai Māori.
- Delivery of tailored RMA training to support tangata whenua capability and participation.

Ngā whakatutukitanga-a-ratonga

Service Delivery Performance

Our work is carried out across 21 activities, which are sorted into seven groups of activities. These seven groups deliver the services and infrastructure, and perform the functions that enable us to deliver on the Community Outcomes outlined in our Strategic Framework. Our performance measures and targets are set in our Long-Term Plan 2021 - 2031.

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

In our Long-Term Plan 2021 - 2031 we agreed on a suite of performance measures. This is the first Annual Report to report on these measures. In year one we achieved 71% of the targets and came close with several others.

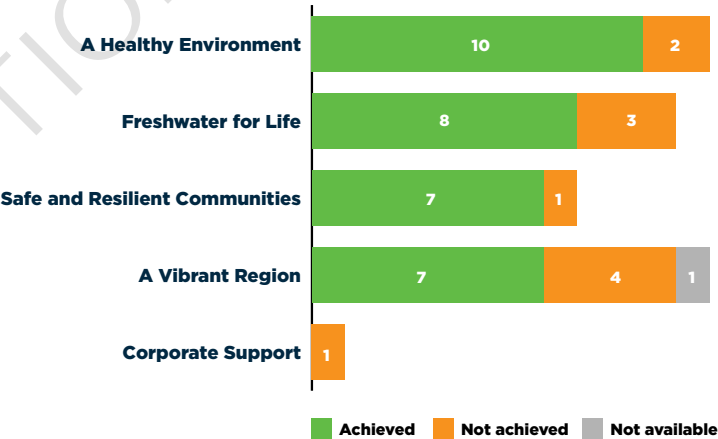
Resource Consents continued to be processed within statutory timeframes, and customer satisfaction with the process has increased. The number of air quality exceedances significantly reduced from 21 to 5 which is the result of several initiatives with key stakeholders.

Of the 44 measures monitored the 2021/22 summary graph shows that:

- We achieved the targets 32 measures (73%)
- We have not achieved the targets for 11 measures (25%)
- One measure a survey was not undertaken (2.3%)

Detail on each of the 44 measures, targets and previous results can be found under the community outcome section of this report.

Targets by Community Outcomes





Ngā whakatutukitanga ahumoni **Financial Performance**

For the year ended 30 June 2022, Bay of Plenty Regional Council has generated an operating deficit of \$10.0 million which was above our planned operating deficit of \$6.1 million (2021: \$6.3 million surplus restated).

The Bay of Plenty Regional Council Group, which includes our 100% shareholding in Quayside Holdings Limited, has achieved net profit after tax attributed to Council of \$76.0 million (2021: \$128.7 million surplus restated). We are pleased to report Quayside has paid \$40 million in dividends to Council reducing general rates in the Bay of Plenty by an average of \$348 (including GST) per property.

In June 2021 Bay of Plenty Regional Council adopted its Long Term Plan 2021-2031 in an environment attempting to recover from the impact of the COVID-19 pandemic. Compared to the prior year Council projected an increase in operating expenditure of \$21.0 million and an increase in operating revenue of \$8.6 million resulting in a planned operating deficit of \$6.1 million.

Our 2021/22 budget included a number of measures to enable relatively high levels of operating investment in the region to continue while maintaining our strong commitment to long-term financial prudence, sustainability and regional affordability. These measures included:

- using our financial reserves to lessen the impact on ratepayers, this included a 5.8% per cent average general rates increase after growth and inflation
- contributing to third party infrastructure projects using reserves and
- requesting additional funding support from central government.

For the year ended 30 June 2022 Council has delivered a robust result with an increase in operating revenue and operating expenditure compared to last year. We have delivered our work programme through operating expenditure of \$158.4 million, compared to a budget of \$163.7 million. Revenue during the year was \$148.4 million compared to budget of \$157.7 million. The deficit for the year was \$10.0 million, compared to a budget deficit of \$6.1 million.

We also delivered a capital works programme with capital expenditure of \$18.5 million, compared to a budget of \$35.4 million.

These amounts were supported by significant movements in capital revenue due to funding support from central government for our 'shovel ready' and 'climate resilience' projects, many of which have been deferred to later years due in part to material shortages and continued national lockdowns. We've also increased our investment to improve biosecurity and freshwater through the Jobs for Nature programme. Our commitment to our regions COVID-19 recovery meant there was also a strong focus on organisational agility and efficiency.

Details of changes in revenue and expenses compared to Long Term Plan 2021-2031, Year 1 and the prior year are summarised in the following sections of our annual report.

Operating expenditure

Total operating expenditure for the year ended 30 June 2022 was \$158.4 million, this is 3% and \$5.3 million lower than budget and 11%, \$15.7 million higher than last year.

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

Our commitment to the region's economic recovery from the impacts of the COVID-19 pandemic has shaped our increased investment in the key areas which enhance our four community outcomes and promote community wellbeing.

Our previously successful funding bids for central government's Jobs for Nature programme continued to improve biosecurity, freshwater, and biodiversity in the region. We also experienced higher than planned levels of engagement from landowners to access our Environmental Programmes which provide grants and subsidies for biodiversity and sustainable land management activities.

We have grown our capacity and capability to implement central government direction on freshwater, and to build thriving partnerships with tangata whenua. Regional planning, community engagement and Māori policy costs combined were around \$2.5 million lower than planned. There were significantly limited opportunities during the traffic light Covid-19 system to meet with, and organise events with community groups. Consenting and environmental enforcement has contributed to increased costs of \$0.7 million and higher recoveries. We will continue to update our work programme through the next Long Term Plan as we translate policy and strategy into action on the ground.

With the declaration of a climate emergency and increased emphasis on carbon emission reduction, we have attempted to increase our bus patronage back to pre-COVID-19 levels with a network refresh in Tauranga, and with central government's 50% fare reduction initiative. Public Transport achieved savings through the refresh of Tauranga's bus services, and lower costs due to the Transport System Planning project being re-phased to be delivered over two years and Rotorua's A Balanced Approach project not proceeding. Offsetting the

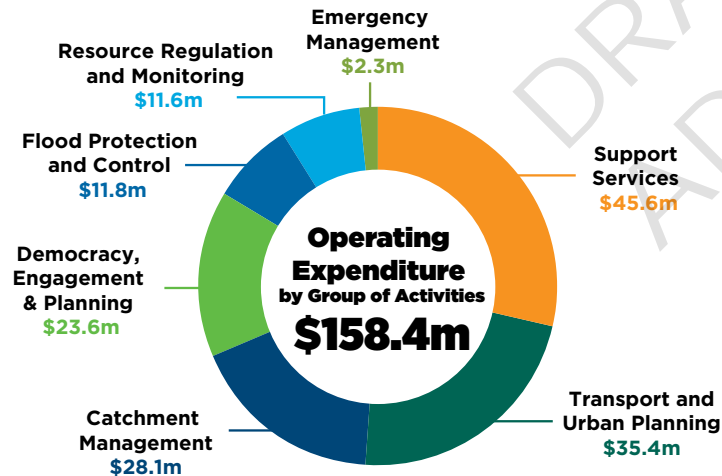
savings were increased costs for improved bus security and bus drivers receiving the living wage. Public transport costs are subsidised by Waka Kotahi.

Our incentives scheme which aims to improve the health of the Rotorua Te Arawa Lakes continues to make progress although we will carry forward \$2.4 million of unspent budget to future years. The Rotorua Lakes incentives scheme is funded 50% from the Ministry for the Environment and 50% from financial reserves.

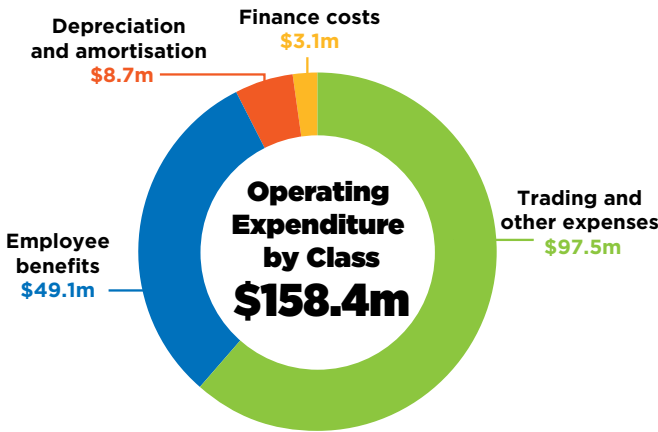
Third party infrastructure grants are \$2 million higher than budget in relation to the Rotomā/Rotoiti Sewerage Scheme. After critical engagement with MfE, Rotorua Lakes Council and Te Arawa Lakes Trust this year, we anticipate that this grant will be paid to Rotorua Lakes Council in the next financial year. We have funded these third-party infrastructure grants from our financial reserves. The \$0.7 million Regional Development grant for the Lake Tarawera Sewerage project is now anticipated to be paid to Rotorua Lakes Council in the 2023/24 fiscal year.

During the year we adjusted depreciation for the Kopeopeo Canal remediation in line with expert valuer advice. This adjustment has caused \$1 million higher than planned depreciation and amortisation costs of \$7.7 million.

Operating Expenditure by Group of Activities



Operating Expenditure by Class



Revenue

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

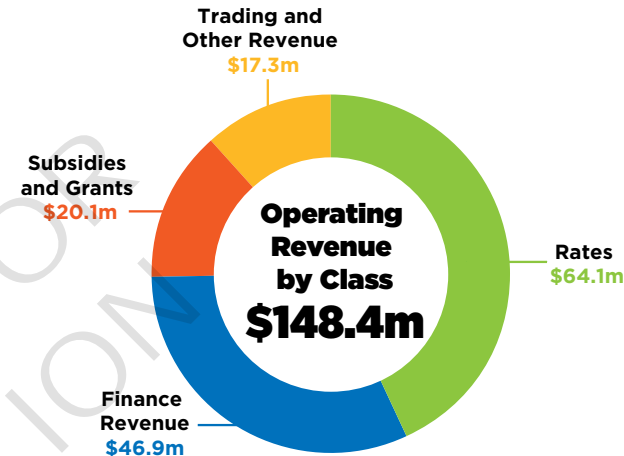
We fund around 60% of our services from non-rates revenue and unlike other councils, we have a higher reliance on investment income to fund operating expenditure. This diversified approach to funding has helped us to achieve operating revenue of \$148.4 million for the 30 June 2022 year which is \$9.3 million lower than budget of \$157.7 million and \$2.1 million lower than last year.

The most notable decreases in operating revenue came from grants and subsidies of \$20.1 million, this result is \$9.0 million lower than budget and a 40% decrease on last year. Highlights include:

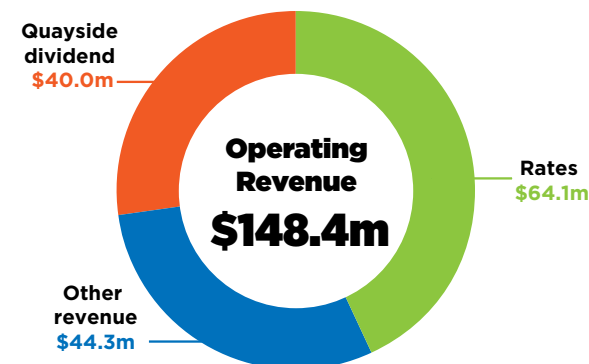
- funding from Crown Infrastructure Partners for 'shovel ready' and climate resilience projects in the area of flood protection and control was \$2.7 million lower than planned. Of the \$23 million awarded across six capital projects across the four years from 2021, \$15 million is now planned for completion in future years.
- funding from the Jobs for Nature programme to improve biosecurity was \$3.2 million less than planned due to this work being deferred to future years, this is offset by an increase in MPI funding for support for the National Conifer programme to include Rangitāiki, Kaharoa, and Mt Tarawera.
- funding for Rotorua's planned 'A Balanced Approach' network refresh and upgrade was not approved by Waka Kotahi, and remains a future opportunity.
- lower than planned grants of \$1.9 million from the Ministry for the Environment for the Rotorua Te Arawa Lakes enhancement programme due to timing. We are pleased with the interest and uptake from landowners for this scheme.

Finance revenue of \$46.9 million is on budget, this incorporates a dividend from Quayside of \$40 million and \$4.5 million from Toi Moana Trust. Quayside dividends are used for purposes that provide benefits across the region enabling all ratepayers to benefit from our investment portfolio through lower general rates.

Operating Revenue by Class



Operating Revenue



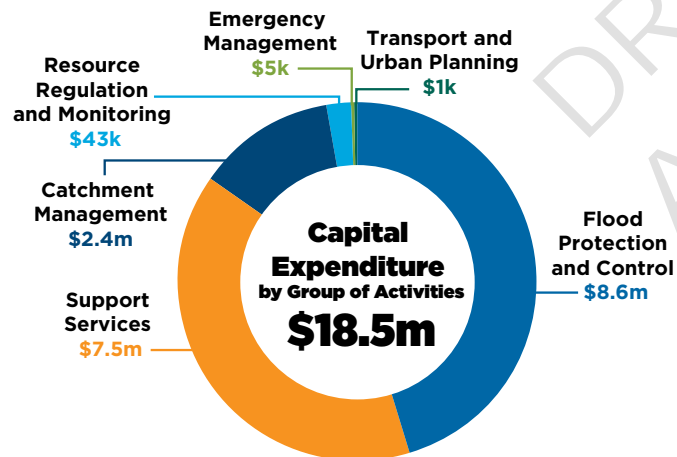
Capital Expenditure

Total capital expenditure for the year ended 30 June 2022 was \$18.5 million, this is \$16.1 million lower than budget and \$9.1 million lower than last year.

Capital expenditure is what we spend on upgrading, renewing or building new assets. We invested \$8.6 million in flood protection to help keep people and properties safe. This includes \$4.9 million for the Rangitāiki Floodway Project which was on budget. The Kaituna Mole project has been a success in the community and was completed for \$1.6 million this year, an underspend of \$0.4 million.

We invested a further \$1 million on science monitoring equipment which was on budget, and work on the Group Emergency Coordination Centre within our Tauranga offices was completed for \$2.3 million and on schedule in 2022. Plant and Vehicle replacement totaled \$1.7 million, \$0.7 million under budget. Due to delays in supply, IT equipment investment of \$2 million has been pushed into future years. Also pushed into future years is the Te Puke Stormwater project.

Public Transport's Management Solution \$0.45 million has been moved to 2022/23. Rotorua's A Balanced Approach network initiative was not approved by Waka Kotahi within the 2021/22 year. We also invested \$1.4 million on our Regional Parks, with earthmoving work starting on the Pāpāmoa Regional Park.



Prudent debt management

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

During 2021/22 we increased our total borrowings by \$11.6 million to \$192.5 million as at 30 June 2022. The facilities are provided by the Local Government Funding Agency for specific purposes including \$137.9 million for capital investment, and \$54.6 million for on-lending to our CCO Quayside Holdings Limited which delivers benefits of lower borrowing costs to the Council Group.

Our net debt is (\$5.2) million which means we have high levels of liquid assets relative to our debt levels. Consequently our net debt to revenue ratio is (4%). We take a prudent approach to managing our debt by keeping our net debt to revenue ratio significantly within our prudential limit of 300 per cent. We have maintained exceptional liquid cover and significant borrowing capacity to support our capital investment and liquidity needs. This approach also offsets risks associated with our high debt levels, including our exposure to Quayside's perpetual preference shares and expansion plans. This is reflected in our AA credit rating which is one of the highest of Councils in New Zealand.

Credit rating

Maintaining Council's AA credit rating allows us to keep interest costs on borrowings as low as possible – our average borrowing rate is 2.25% for 2021/22 (1.36% 2020/21).

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



Bay of Plenty Regional Council Group Financial Performance

\$76.0 million Council Group Net Surplus After Tax, \$25.7 million attributed to equity holders of Council.

We hold a 100 percent shareholding in Quayside Holdings Limited. Quayside holds and manages a majority shareholding in the Port of Tauranga Limited which is valued at \$2.3 billion. Quayside acts as the investment arm for the Council to build prosperity for the region with an intergenerational approach.

COVID-19 has had, and continues to have, a significant impact on the New Zealand and global economy. Despite this backdrop, 2021/22 has been a moderate financial year for the Quayside Group achieving a net profit after tax of \$125.9 million which is consolidated into the Council Group result of \$76.0 million, of which \$25.7 million is attributed to Council.

Providing strong income to the council, Quayside is focused on diversified commercial return for the good of the region, along with wider benefits such as environmental and cultural considerations and positive social outcomes. This drives intergenerational returns, reduces councils' reliance on rates and benefits the wider community by keeping rates low.

This year's dividend payout to Bay of Plenty Regional Council of \$40 million is the largest to date, reducing general rates by an average of \$348 (including GST) per property in the region.

The Port of Tauranga had another successful year with an increase in revenue reflecting the strong diversity of cargoes, resilient operations and ongoing storage revenues due to continued vessel schedule disruption. The Port has had an increase in net profit after tax to \$111.3 million up from \$102.4 million the previous year.

Quayside asset portfolio grew to \$479.2 million from \$443.7 million in 2021, reflecting both new investment and a significant revaluation in the Rangiuru Business Park. The overall Quayside group profit after tax of \$125.9m is a 18% decline on the record 2021 result.

Ground breaking and excavation are progressing on the industrial Business Park at Rangiuru and Quayside is working closely with iwi and community partners to create a vision that will benefit the entire community for future generations. This 148-hectare block of land near Te Puke is strategically placed within easy reach of the central North Island hubs creating efficient access to international markets through direct road and rail corridors to Port of Tauranga.

Item 7.1, Attachment 1



Ngā putanga a-hapori Community Outcomes



***Kia hoe ngātahi atu
ki te pae tawhiti***

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

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



We protect and enhance our air, land, freshwater, geothermal, marine and coastal resources, and biodiversity for our communities. We support others to do the same.

Objectives

Our community understands the state of our environment and is involved in its care

The diverse range of ecosystems in the region are in a healthy state

Resource users implement good practice in using our natural resources

A sound science base, including mātauranga Māori, supports decision making

Effective natural resource limits are in place, enforced and monitored

Prioritised actions are in place where natural resources do not meet community expectations

Highlights

Bay of Plenty Regional Council Toi Moana's new **Regional Pest Management Plan (RPMP) 2020–2030** became fully operative in early December 2021. Due to an Environmental Court decision, parts of the plan were required to be amended but the plan is now finalised and operational. The RPMP sets the rules and framework for how pests like wallabies, woolly nightshade, and catfish are excluded, controlled and in some cases, eradicated. In total 93 pest species are included under the new RPMP. As part of the RPMP the Pāpāmoa stormwater system was surveyed for pest fish such as perch and large goldfish. Systematic surveillance of this waterbody is ongoing, with hopes to extend the surveillance area in the future

The **Pāpāmoa Hills Revitalisation Project (Te Whakarauoratanga o Te Rae o Pāpāmoa)** was progressed with the delivery of Stage 1 site preparation works for the new entryway and carpark at Poplar Lane. Significant work on the construction of the carpark, landscaping, ablutions, site interpretation, wayfinding signage and tomokanga is due for completion in 2023. To allow for track connection from the new carpark to the existing walkway, 1,400m of walking track construction will begin in September 2022

This year the number of **Breaches of PM10 National Environmental Standards for Air Quality (NESAQ)** are showing an overall downward trend within the Mount Maunganui Airshed compared to previous years. Work continues in relation to emerging contaminants within the Mount Maunganui Industrial Area. The first two phases of the works program have now completed. Stage one involved urgent sampling of soil, sediment, and surface water to assess the potential risk to local residents and site users. The second phase included the development of an area wide preliminary site investigation report which is helping inform the direction of phase three. Phase three is scheduled for 2022/23 and is currently planned to include further sampling to build a more comprehensive picture of the extent of the contamination identified.





Performance measures

Biosecurity

This activity manages pests through the Regional Pest Management Plan (RPMP). This includes monitoring and management actions that help to protect ecosystem services to support our environment, our people, and our economy from the negative impacts of pests.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Deliver effective pest management

Proportion of wallaby satellite populations (outside progressive containment area) where wallabies no longer detected			
Previous year result	Goal 21/22	Result 21/22	Result
New measure	70%	57%	●

Commentary: The target for 2021/22 was not achieved. While a significant number of pest management programmes are tracking well, the 2021/22 target for eliminating wallaby ‘satellite populations’ was not achieved. This measure tracks progress in eliminating the seven satellite populations known to be present outside the Containment Area as of 30 June 2021. As of the end of 2021/22, one population is considered eradicated, and three more considered ‘functionally eradicated’, i.e. monitoring has not detected wallabies this year, or only a single animal is known to be present. Two other populations have control operations in progress. The final population has had initial control completed but multiple survivors have been detected and additional work is needed.

The percentage of RPMP programmes that are on-track			
Previous year result	Goal 21/22	Result 21/22	Result
78%	85%	96%	●

Commentary: The target for 2021/22 was achieved. There are a total of 112 Regional Pest Management Plan (RPMP) programmes.

At year end 107 programmes were recorded as being ‘on track’, leading to a 96% result. This result shows solid progress towards achieving RPMP objectives and exceeds the 2021/22 goal of 85%.

No incursions of exclusion pests were detected, and there was a net reduction of 125 hectares infested by ‘eradication’ and ‘progressive containment’ pest plants.

Resource Consents

The Resource Consent activity processes and makes decisions on resource consent applications, which are permissions required for activities that may have an effect on the environment. This ensures statutory requirements are fulfilled and a fair process for decision-making on regional natural and physical resource use is followed. Key beneficiaries include consent applicants, affected parties to the consent, members of the public, Regional Council staff (as part of the consent lifecycle) and tangata whenua.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Provide a clear and timely resource consent process consistent with our regional planning documents

The percentage of non-notified consents issued within statutory timeframes

Previous year result	Goal 21/22	Result 21/22	Result
95%	95%	97%	●

Commentary: The target for 2021/22 was achieved. 97% of all non-notified consents were processed within the statutory timeframes. This is consistent to the 2020/21 result (98%) and up from 95% in 2019/2020.

Timeliness was stable throughout the year, with a slight improvement in the second half of the year. The volume of processed non-notified consents was very similar compared with last year.

The number of consent decisions overturned at appeal or judicial review where the proposal has not significantly changed between Council and Court decisions

Previous year result	Goal 21/22	Result 21/22	Result
Not available	Nil	Nil	●

Commentary: The target for 2021/22 was achieved. No consent decisions were overturned at appeal or judicial review during the year.

The percentage of customers who are satisfied overall with the service provided during the consent process

Previous year result	Goal 21/22	Result 21/22	Result
84%	84%	88%	●

Commentary: The target for 2021/22 was achieved. During the year, 13% of resource consent applicants responded to the survey, resulting in an 88% satisfaction score. This exceeds the target of 84% and is a 4% improvement from the previous year.



Air Quality

The Air Quality activity is focused on the Mount Maunganui and Rotorua airsheds. Historical work has included regulation and funding to assist with the removal of solid fuel burners from the Rotorua airshed. The current focus is the monitoring and enforcement of air discharges, and investigation of exceedances when they occur.

What we said we will achieve

LEVEL OF SERVICE STATEMENT: Improve air quality			
The number of exceedances of air quality limits in priority air sheds			
Previous year result	Goal 21/22	Result 21/22	Result
21	<21	5	●
The percentage of recorded exceedances of National Environmental Standards for Air Quality (NESAQ) standards in the Mount Maunganui airshed where investigation has started within 10 working days			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	90%	100%	●

Commentary: The target for 2021/22 was achieved. There were five days during the year where air quality limits (PM10 particulate levels) were exceeded in the Mount Maunganui airshed. This is an improvement compared to last year, where exceedances were noted during 21 days. Note: One permissible exceedance occurred in the Rotorua Airshed during the year but is not included in the result above.

Commentary: The target for 2021/22 was achieved. All investigations of air quality exceedances have started within 10 working days.

Regional Parks

The Regional Parks activity includes two regional parks (Pāpāmoa Hills Regional Park and Onekawa Te Mawhai Regional Park), primarily for the protection of cultural heritage values, but also with significant environmental benefits through the protection of native plants and the planting of steep slopes to assist with the mitigation of climate change.

What we said we will achieve

LEVEL OF SERVICE STATEMENT: Manage our regional parks sustainably			
The number of visitors to regional parks			
Previous year result	Goal 21/22	Result 21/22	Result
116,155	121,635	102,250	●

Commentary: The target for 2021/22 was not achieved. The 2022 result is 12% less than the 2021 result of 116,155. Up until January, the total visitor numbers were increasing compared to last year, despite the Covid alert level escalation having led to less people visiting the parks during August.

The main reason for the subsequent decline following January, is likely to have been roadworks on Te Puke Highway. The roadworks rendered the main Pāpāmoa Hills entrance (Poplar Hill) inaccessible for traffic coming from the Mount Maunganui direction, from mid-February to late March. This led to approximately 60% lower visitor numbers during the period compared to last year.

Onekawa visitors decreased by 16% (and made out 17% of the total visitors), whilst Pāpāmoa Hills decreased by 11%.



Visitor satisfaction for visitors to regional parks			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	75%	98%	<div></div>

Commentary: The target for 2021/22 was achieved. 98% of the 254 respondents to the visitor satisfaction survey were satisfied with the regional parks (Pāpāmoa Hills Cultural Heritage Regional Park and Onekawa Te Mawhai).

The survey was conducted from March to May, and available both physically (at the parks), and in a digital format through the BOPRC website. Plenty of suggestions on how to improve the parks were received, and will be taken into consideration for future planning.

Policy and Planning

The Policy and Planning activity ensures that development occurs in a sustainable way that achieves positive social, environmental and cultural outcomes. We do this through policy analysis and plan-making, focusing on fresh water, air quality and coastal management.

This includes planning documents under the Resource Management Act 1991, such as the Regional Policy Statement (RPS), the Biosecurity Act 1993 and the Local Government Act 2002. We promote integrated regional resource management by providing input on district consent applications, district plans and other policy from Central and local government.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Provide robust and legislatively compliant planning and policy

Percentage of planning and policy reports that are rated satisfactory or higher via an independent assessment process			
Previous year result	Goal 21/22	Result 21/22	Result
100%	90%	Not yet available	<div></div>

Commentary: The NZIER report revealed all reports are satisfactory or higher.

Percentage of proposed Plan Changes and other Policy Statements agreed through the Regional Council approved policy work programme that are approved for notification by Regional Council without substantive changes and within agreed timeframes			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	100%	100%	<div></div>

Commentary: The target for 2021/22 was achieved. During the year, RPS Plan Change 5 (Kaituna) was approved for notification within timeframe and without substantive changes.

Environmental Strategy

The Environmental Strategy activity provides advice and support for climate change, regional development, and strategy development.

LEVEL OF SERVICE STATEMENT:
Provide robust and legislatively compliant planning and policy

Percentage of planning and policy reports that are rated satisfactory or higher via an independent assessment process			
Previous year result	Goal 21/22	Result 21/22	Result
100%	90%	Not yet available	<div></div>

Commentary: The NZIER report revealed all reports are satisfactory or higher.



Our water and land management practices maintain and improve the life giving ability of the region's freshwater resources.

Objectives

Our community is connected to freshwater and involved with its management

Freshwater ecosystems, along with estuarine and coastal connections in the region, are thriving

Freshwater provides for intrinsic well-being, along with cultural, recreational and economic well-beings

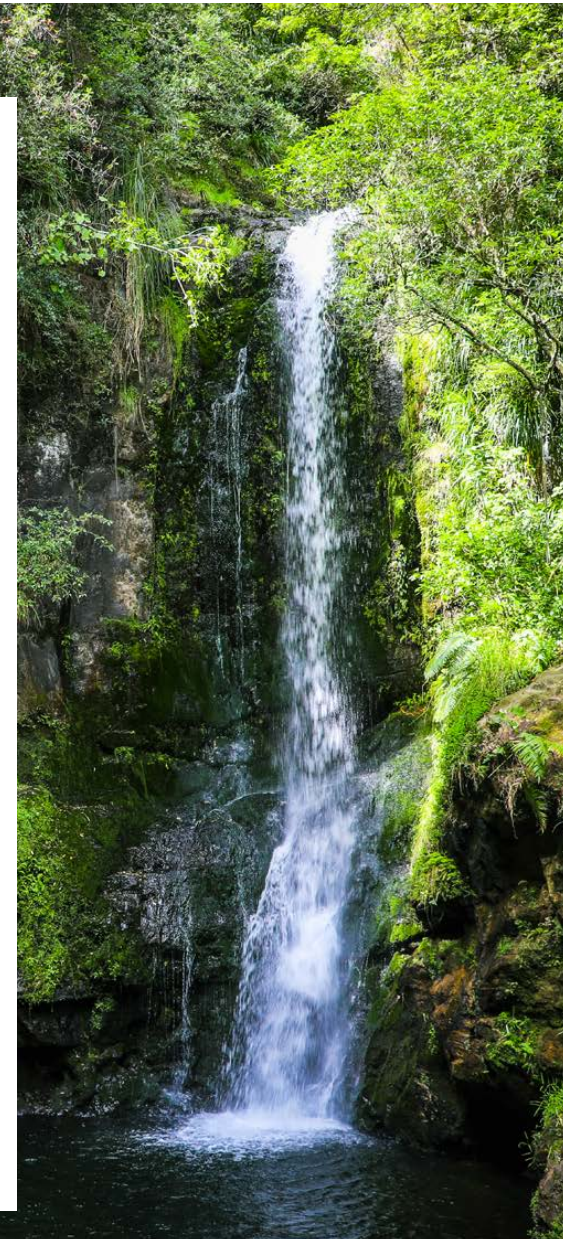
Highlights

As part of progressing the **Essential Freshwater Policy Programme** to implement the National Policy Statement for Freshwater Management (NPS-FM), a review of the Water Quantity and the Water Quality and Land Use chapters of the Regional Policy Statement, and land and water chapters of the Regional Natural Resources Plan has been undertaken. Following this, draft policy change options were identified and long term vision statements for freshwater have been drafted. Online public engagement was held in relation to these changes and engagement with tangata whenua continues to progress.

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

Our **Data Services team** this year has increased its capacity with the installation of new monitoring sites in the Tutaetoko, Rangitāiki and Waipapa catchments. This will enable better understanding of water bodies and their impacts on communities. New systems have also been built to respond to the requirements of Resource Management Regulations (Measurement and Reporting of Water Takes). This will provide approximately a thousand daily data submissions of water use by consent holders. The laboratory also maintained its essential drinking water testing services through the impacts of COVID-19 while also growing its level of support provided to external clients.

The **Low Nitrogen Land Use Fund for Lake Rotorua** has continued its work supporting trials of low nitrogen land uses in the Lake Rotorua Catchment. This year a Hedged Manuka for Oil Pilot Project has commenced with the first harvest and oil distillation set to commence shortly. Work has also continued on the Hazelnut Trial.





Performance measures

Coastal Catchments

We protect and restore biodiversity and water quality by working with landowners, tangata whenua, industry, and the wider community, usually via Environmental Programmes. These involve a range of interventions, including fencing and planting of biodiversity and stream margins, wetland enhancement, treatment wetland construction, improved drain management, and a range of other controls designed to intercept contaminants and help control animal and plant pests.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Improve indigenous biodiversity and waterbodies in the Bay of Plenty catchments

The percentage of monitored river and stream sites that meet the swimmability requirements under the National Policy Statement for Freshwater Management (NPSFM)			
Previous year result	Goal 21/22	Result 21/22	Result
79%	75%	71%	●

Commentary: The target for 2021/22 was not achieved. A total of 24 sites were analysed and 17 (2021, 19) were deemed swimmable in the bathing season. The 5 sites that were deemed 'not swimmable' in 2020/21 were also 'not swimmable' in 2021/22, but due to a slightly worse result for two further sites, the total score (71%) dropped below the target of 75%. Samples for swimmability are taken during the bathing season, which runs from October to April.

The National Policy Statement (NPS) requires data to be collected during the months people swim (October – April). There are 31 riverine swimming sites throughout the region. This measure monitors 24 riverine sites that were predetermined in 2018. Over a five-year period (maximum) there are a minimum of 60 weekly bathing samples taken from each of the specified sites. These results are summarised using an average of numeric attributes in accordance with the numeric attributes outlined in Table 9 of Appendix 2 in the NPS-FM (2020). This method typically returns the best-case result. Each site is graded A to E, where grades A-C are deemed swimmable. There has since been a change to the

guidance in the NPS and Council are assessing how to report this result compared to the targets set in LTP 2021-31.

Understanding the causes of bacterial contamination and then remediating problems is complex, but Council continues to work on identifying sources and types of *E-coli* entering waterways, and determining the best mitigation approaches. This often includes negotiating Environmental Programmes with landowners to reduce the risk of run-off through actions such as stock exclusion fencing, land retirement and buffer planting. In some circumstances such as high rainfall events it can be impossible to mitigate bacterial run-off without changing/restricting land use.

Note: This measure is also applicable to Rotorua Lakes.

The percentage of all identified Priority Biodiversity Sites that are actively managed			
Previous year result	Goal 21/22	Result 21/22	Result
42%	43%	43%	<div></div>

Commentary: The target for 2021/22 was achieved. 43% of the identified Priority Biodiversity Sites in the Bay of Plenty were actively managed during the year. In total, 185 sites were actively managed, meaning that actions have been taken to key pressures (e.g. animal and pest plants) during the last 12 months.

Note: This measure is also applicable to Rotorua Lakes.

Rotorua Lakes

The Rotorua Lakes activity integrates the delivery of services within Rotorua Te Arawa Lakes that focus on ensuring the lakes are thriving by recognising and providing for te mana o te wai (the intrinsic value of water). We protect and restore biodiversity and water quality by working with landowners, tangata whenua, industry, and the wider community through environmental programmes and other activities, including implementation of Plan Change 10 requirements. Work includes fencing and planting of biodiversity sites and stream margins, wetland enhancement and a range of other controls designed to intercept contaminants and help control animal and plant pests.

What we said we will achieve

LEVEL OF SERVICE STATEMENT: <i>Improve indigenous biodiversity and waterbodies in the Bay of Plenty catchments</i>


Number of Rotorua Lakes that have reached their Trophic Level Index (TLI), based on the three year rolling TLI			
Previous year result	Goal 21/22	Result 21/22	Result
4	3	4	<div></div>

Commentary: The target for 2021/22 was achieved, with four of the twelve Te Arawa lakes reaching their TLI Targets based on the three-year rolling average. The lakes achieving their target were: Ōkaro, Ōkātina, Rerewhakaaitu and Rotomahana.

Six of the lakes not achieving the target have a very small margin between their three year rolling TLI and their target TLI (0.2 or less units) and only two (Rotoehu and Rotokakahi) exceeded their target by more than 0.2 units.

The three-year rolling average TLI of Lake Rotorua is maintained at or close to its target through phosphorous locking (alum dosing), the algal blooms experienced on Rotorua over the last two years are reflected in the TLI result.


The percentage of monitored river and stream sites that meet the swimmability requirements under the National Policy Statement for Freshwater Management (NPSFM)

Previous year result	Goal 21/22	Result 21/22	Result
79%	75%	71%	

Commentary: Refer to commentary under the Coastal Catchments section.

Note: This measure is also applicable to Coastal Catchments.

The percentage of all identified Priority Biodiversity Sites that are actively managed

Previous year result	Goal 21/22	Result 21/22	Result
42%	43%	43%	

Commentary: Refer to commentary under the Coastal Catchments section.

Note: This measure is also applicable to Coastal Catchments.

Regulatory Compliance


The Regulatory Compliance activity promotes good environmental outcomes and environmental stewardship by delivering three core services: compliance monitoring of resource consents, responding to environmental complaints and enforcing compliance with the Resource Management Act, regional plans, and national regulations and standards. In addition, we work to promote compliance and the effective implementation of plans. We work to ensure development activities involving water, geothermal, air, land and coastal resources do not negatively impact on the natural environment or put people's health at risk.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:


Ensure consent conditions are monitored and complied with; and respond to environmental incident complaints

The percentage of scheduled compliance monitoring assessments conducted as per Regional Council's annual compliance monitoring programme

Previous year result	Goal 21/22	Result 21/22	Result
94%	90%	92%	


Commentary: The target for 2021/22 was achieved. During the year 3,719 compliance monitoring inspections were completed with an assessment result, compared to 4,861 inspections in the previous year. On-time performance was 92%, slightly lower than last year (94%) but above the target of 90%.

The percentage of urgent complaints made to the pollution hotline that are responded to within twelve hours

Previous year result	Goal 21/22	Result 21/22	Result
100%	99%	100%	

Commentary: The target for 2021/22 was achieved. All calls were responded to within required timeframes. Key reasons for complaints ranged from sewage overspill, discharges to water, hydrocarbon spillage and sediment discharge.

The percentage of non-urgent complaints made to the pollution hotline that are responded to within three working days

Previous year result	Goal 21/22	Result 21/22	Result
97%	99%	99%	

Commentary: The target for 2021/22 was achieved. A total of 3,085 non-urgent complaints were received during the year, a decrease of 17% from last year. The most common non urgent complaints related to odour, smoke, dust, and discharges to water and land.

Technical Support

The Technical Support activity is focused on providing accessible, relevant and trusted data and science, as well as technical engineering expertise and design advisory services. These are both delivered directly to the community and as support to other Regional Council activities.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Provide the community with ready access to environmental data

The percentage of State of the Environment reports published			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	90%	78%	<div></div>

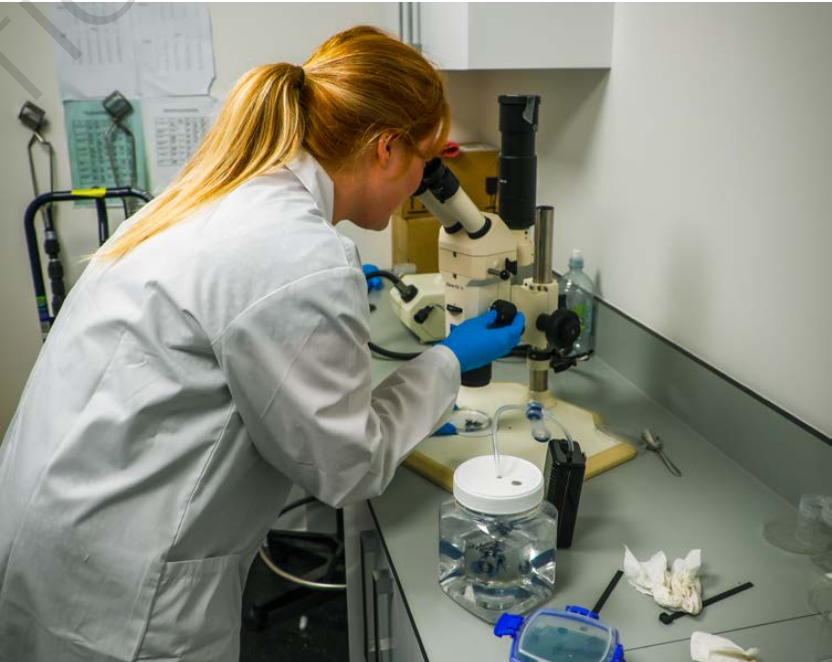
Commentary: The target for 2021/22 was not achieved. During the year, 18 State of the Environment reports were scheduled to be published, of which 14 have been completed (78%). The four outstanding reports are forecast to be published before the end of the calendar year (2022).

The percentage of available online real-time deliverable environmental data			
Previous year result	Goal 21/22	Result 21/22	Result
97%	95%	97%	<div></div>

Commentary: The target for 2021/22 was achieved. 97.0% of the datasets approved for publication had been available online at the end of June 2022. This is a slight increase compared to last year (96.8%) and higher than the target of 95%.

The percentage of designated swimming sites monitored for recreational water quality			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	90%	99%	<div></div>

Commentary: The target for 2021/22 was achieved. The swimming sites monitoring programme ran for 23 weeks, from late October through March, with weekly sampling occurring on 73 sites throughout the region. In total, only 12 out of 1679 samples were missed, due to severe weather and access being temporarily blocked at one site. 98.8% of the sites had two or less weekly samples missed throughout the period, well exceeding the annual target of 90%.





*Kia haumaru,
kia pakari te hāpori*
**Safe and resilient
communities**

*Mehemea kua haoa te mangōpare, ka whawhai mō te hemo tonu atu.
Ka tāraia hei taniwha, hei kaitiaki rānei. Ko te mahi a te kaitiaki he
haumaru i ngā mea hei tiakina mōna. He tohu hoki i te pakari.*

The caught hammerhead shark, it fights to the bitter end. Often used as a kaitiaki or guardian. The role of a kaitiaki is to keep safe that which it is protecting. It can also represent resilience.

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

Objectives

Our communities understand the natural hazard and climate change risks they live with

Our partners and our organisation incorporate climate change and hazard risk into planning and decision making

Our region has the capacity and capability to respond to and recover from emergencies

Our region's natural hazard risks, in particular flood risk, are managed through how we work, in a way that is affordable and takes a long term perspective

Navigation and water activities within our region strive to keep people safe

Highlights

With the help of some funding from Maritime New Zealand our Maritime team developed an Iwi Safe Boating Program - **Kia marutau ki te wai – be safe in the water.**

The course was attended by tāngata whenua from four separate Maraes across the region. It included an online Coastguard Day skippers' course, and three days of training covering Practical Safety Equipment and personal floatation device (PFD) checks, bar crossing familiarisation and a boat handling day in Tauranga.

The course also included being onboard with our Harbour Patrol team. This is to assist their understanding on how our Maritime team educate and enforce our Navigation Safety Bylaws. Upon completion of the course participants will be able to deliver safe boating education at their local maraes, supported by some great resources specifically made for them by our Maritime team.

Major maintenance work on the **Kaituna Mole (Mole)** reached practical completion just prior to the end of 2021. The Mole is a sheet pile structure that required major maintenance to remain fit for purpose and safe for public use. The work involved installing 50 metres of new sheet pile facing around the existing structure, new concrete decking along with benches, tables and handrails to support public use. Finishing features included a bait and filleting bench and some additional steps to improve access. There were some issues including delays with materials coming from overseas, a population of shore skinks and a Covid19 lockdown but the project was delivered on time and underbudget. Surrounding landscape works and toilet facilities are expected to be completed in 2022-23.

Council has worked with landowners along sections of the **Whakatāne River** stopbank where structures on their property have encroached on council owned land. This project, known as "Safeguarding our Stopbanks" is part of a wider and staged work programme to ensure stopbanks and other Council assets can be accessed, remediated and ensure community flood protection defences are well maintained. This year work began on the first stage of the urban encroachment removal work which involved 17 properties on Henderson Street that back on to public stopbank land. Encroachments removed from the stopbank structure included gardens, large trees, substantial landscaping and fencing. This area of stopbank is now fully remediated and able to be easily accessed, managed and maintained by Council. The next stage of works is planned for 2022-23.





Emergency Management

Emergency Management is a combination of directly provided services and the co-ordination of services provided by a range of parties. The Bay of Plenty Civil Defence Emergency Management (CDEM) Group partnership agreement came into force 1 July 2020 and identifies the key parties involved: Emergency Management Bay of Plenty (EMBOP), Regional Council and Bay of Plenty CDEM Group (Group) which includes the six district and city councils in the region.


EMBOP through the CDEM Group Emergency Management Office (GEMO), is responsible for delivery of services on behalf of the Group, including the development of plans and policies, response capability planning and hazard and risk analysis functions. This is funded through a CDEM regional targeted rate.

Regional Council is the administering authority for the Group and is responsible for providing administrative services for EMBOP and the Group. This includes providing facilities and a sufficient number of trained staff to enable Group Emergency Coordination Centre (GECC) capability and operational excellence, building community resilience and leading the identification of communities at risk. The administering authority also provides financial management for the CDEM Group, including budgeting and reporting.

What we said we will achieve**LEVEL OF SERVICE STATEMENT:**

We will maintain capability to effectively respond to an emergency; and provide community education initiatives to increase public awareness and readiness for local and regional hazards

The level to which the region is prepared for and can effectively respond to an emergency

Previous year result	Goal 21/22	Result 21/22	Result
Not available	60%*	52%	

Commentary: The target for 2021/22 was not achieved. Regional Council currently has:

- 47 staff on its roster that are trained and have attended a CDEM activity in the last 12 months, and
- 19 (additional) staff on its roster that are trained, but are yet to attend a training exercise.
- The total roster consists of 90 staff members.

In total, 73% of the staff on the roster has been appropriately trained, but due to Covid-19 disruptions, a number of courses and CDEM exercises have been cancelled during the year. Despite this, 52% of the roster has been trained and participated in training or an exercise in the last 12 months. In order to achieve the target, seven more staff members would have had to participate. The council is well positioned to achieve the target next year.

Rivers and Drainage Schemes

This activity delivers a range of services designed to protect people, property, livelihoods from flooding and provide land drainage to some of the region's most productive land. Services include the creation and maintenance of flood protection, drainage assets and implementation of the Flood Protection and Drainage Bylaws

What we said we will achieve**LEVEL OF SERVICE STATEMENT:**


Provide flood protection and drainage

Percentage of maintenance and repairs completed in accordance with the Rivers and Drainage Asset Management Plan

Previous year result	Goal 21/22	Result 21/22	Result
Not available	85%	100%	

Commentary: The target for 2021/22 was achieved. The total budget for maintenance accounted to \$10.8m at the start of the financial year. By the end of the year, the full budget allocation was expensed.

Percentage of renewals completed in accordance with the Rivers and Drainage Asset Management Plan

Previous year result	Goal 21/22	Result 21/22	Result
Not available	75%	75%	

Commentary: The target for 2021/22 was achieved. The total budget for renewals and floodworks accounted to \$12.5m. By the end of the year, \$9.4m worth of renewals and floodworks has been delivered, making up 75.5% of the annual budget. Note, carry-forwards and in-year budget revisions are not included in this measure.

Regional Flood Risk Coordination

The Regional Flood Risk Coordination activity provides leadership, management, information and advice to manage flood risks and flood hazards in the Bay of Plenty. This includes carrying out flood forecasting, floodplain monitoring, river and engineering surveys to support the development of floodplain management strategies.

This includes working with other parts of the Regional Council in taking an integrated catchment approach. Alongside this, we provide flood management systems, flood room functionality and maintain a flood warning manual.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:

Provide the community with timely warning of potential flooding

Percentage of flood warnings at pre-determined levels given in accordance with the flood warning manual

Previous year result	Goal 21/22	Result 21/22	Result
100%	100%	100%	

Commentary: The target for 2021/22 was achieved. There were 44 flood warnings messages issued in the region during the year. All warnings were in accordance with the flood warning manual. The three months April-June 2022 had the most flood warnings where 16 were issued.

Maritime Operations


The Maritime Operations activity provides a 24/7 navigation safety and maritime oil spill response across the region, as required by regulations and Regional Council requirements. This involves operating an around-the-clock call centre and duty roster, administering mooring and commercial/event licences and maintaining navigational aids, lights and beacons around the region. We promote navigational safety through a combination of enforcement and education. Our aim is to ensure people are kept safe on the water and our maritime environments are protected from spills. The activity also supports other parts of Council to conduct activities on the water.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:


Minimising risks and effects of maritime oil spills and navigation hazards

Percentage of oil spills in Tauranga responded to within 30 minutes

Previous year result	Goal 21/22	Result 21/22	Result
100%	95%	100%	

Commentary: The target for 2021/22 was achieved. There were 31 oil spills in Tauranga that required a response during the year. Actions were taken within 30 minutes for all spills.

Percentage of oil spills outside Tauranga responded to within two hours

Previous year result	Goal 21/22	Result 21/22	Result
100%	95%	100%	

Commentary: The target for 2021/22 was achieved. There were four oil spills outside Tauranga that required a response during the year. Actions were taken within two hours for all four spills.

The percentage of time that at least one vessel is available in each of the Tauranga, Rotorua Lakes and Whakatāne areas to respond to maritime emergencies			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	95%	100%	●

Commentary: The target for 2021/22 was achieved. All sites had at least one vessel available to respond to maritime emergencies throughout the year.

The percentage of navigation aids of “good” quality or higher			
Previous year result	Goal 21/22	Result 21/22	Result
99%	95%	99.9%	●

Commentary: The target for 2021/22 was achieved. During the year, 99.9% of the navigational aids were rated as good quality or higher. This is measured on a monthly basis. At the end of the year, 828 navigational aids throughout the region were maintained by the Council, of which 826 were rated as good quality or higher.





Our stewardship of natural resources and the connections we make provides for sustainable economic development across our region.

Objectives

Economic development opportunities are enabled and connected across our region

Regional transport and regional land use planning is integrated and responsive to growth and natural resource pressures

A fit for purpose public transport system enables a growing economy and a safe, healthy and vibrant region

Our partnerships and collaborative approach leads to improved environmental outcomes

Our region is reducing net greenhouse gas emissions in line with national targets and is transitioning to a low carbon economy

Our region is recovering quickly and well from COVID-19

Highlights

More direct travel and convenient services were part of the new **refreshed bus network** launched in November, following community consultation. The refresh allowed more sustainable travel and aimed to attract more public transport users with improved routing, and less passenger transfers. It also aimed to reduce vehicle emissions by reducing the number of low-patronage or empty “not in service” buses running, with nine buses being removed from the Tauranga fleet.

Our Bay of Connections team worked with a diverse group of stakeholders to develop the report **Establishing a Regional Cycle Network in the Bay of Plenty**. Drawing together social, cultural, environmental, transport and economic perspectives, the report considers the opportunity to build upon existing investments to better connect and develop cycle networks and trails in the wider region. The final report was circulated to stakeholders for their review and consideration.

During the year a number of incidents occurred impacting the **safety and security of bus users and bus drivers** within the Tauranga network, in particular located around the CBD interchange. Council, together with our partners including Police, NZ Bus and Tauranga City Council took action to address these concerns. This required further investment to improve the quality of the security arrangements on the Tauranga bus network and a slight amendment to the timing of when the free fare scheme was applicable.

This year our online engagement site – **Participate Bay of Plenty** had almost 22,000 unique visitors and 2677 contributions. Our community provided formal and informal feedback online to 18 projects ranging from mapping Freshwater sites and Kauri trees, to formal submissions for transport projects, and annual plan aligned policies, and targeted private surveys for sensitive topics. Participatory budgeting was also trialled, where community proposed projects to support sustainability and climate change resilience outcomes, and the public allocated the funding. 46 applications passed screening criteria, and 18 are successfully under contract to deliver their projects by the end of 2022.





Public Transport

The Public Transport activity provides passenger transport services across the region, and transport for people with impairments. The activity looks to improve accessibility to employment, education and essential services for the community, while reducing road congestion and emissions. It plans, contracts, funds and monitors public transport services, including the Bayhopper, Schoolhopper, Cityride networks and concessionary fare schemes such as Total Mobility. Effective public transport requires a continued collaborative approach between Regional Council and operators, district and city councils and Waka Kotahi NZ Transport Agency.

What we said we will achieve

LEVEL OF SERVICE STATEMENT: Provide a quality cost-effective public transport system			
The number of public transport trips taken in the region (GOA-level)			
Previous year result	Goal 21/22	Result 21/22	Result
2.66m	Increase from prior year	2.25m	<div></div>

Commentary: The target for 2021/22 was not achieved. There were 2.25 million trips taken in the region this year, which is 15.4% lower than 2020/21, and the target.

A key reason for the year-on-year decline was the ongoing effect of COVID-19 on patronage, which included an alert level escalation in August, both in the Bay of Plenty and in the rest of New Zealand, and the Omicron outbreak in early 2022. The Tauranga network moved to a weekend timetable at the end of February 2022 due to the reduced availability of bus drivers, and the Rotorua network ran a weekend timetable during March.

The introduction of half price fares on 1 April 2022 encouraged an increase in patronage for the month of April, with a slight decline in May and June. This is reflective of annual seasonality trends. Total bus patronage for April to June 2022 was down by 9.5% compared to the same period last year. A positive trend has been noted on the Rotorua network however, where patronage for April to June 2022 increased by 3.3% compared to the same period last year. Council has embarked on a significant project to refresh the urban bus network in Rotorua,

tentatively commencing early/mid 2023 (dependent on required infrastructure changes). The project aims to make buses in Rotorua more attractive and simpler to use and includes introducing new bus routes which go across the city, putting buses on new streets and removing them from others where fewer people catch the bus.

Note: This measure is applicable to the Transportation and Urban Planning Group of Activities as a whole.

Customer satisfaction of bus users			
Previous year result	Goal 21/22	Result 21/22	Result
Not available	80%	No data available	<div></div>

Commentary: No customer satisfaction survey was conducted during the year. This was due to a combination of capacity constraints, and the ongoing effects of COVID-19 on the transportation operating environment. A customer satisfaction survey has been commissioned and is currently anticipated to be completed during the second quarter of FY 2022/23.



Transport and Urban Planning

Integration between urban form and transport is critical across the Bay of Plenty region. This activity supports the development of a regional spatial plan and the development or updating of local spatial plans to help manage growth and demand for housing. Council supports urban form by providing an effective and efficient transport network. This activity enables us to meet our obligations under the Land Transport Management Act 2003, such as the Regional Land Transport Plan (RLTP) and Regional Passenger Transport Plan (RPTP). This involves strategic planning for the public transport network, including adding or altering bus routes or introducing new services.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Provide a quality cost-effective public transport system; and provide robust and legislatively compliant planning and policy

Percentage of planning and policy reports that are rated satisfactory or higher via an independent assessment			
Previous year result	Goal 21/22	Result 21/22	Result
100%	90%	100%	<div></div>

Commentary: The NZIER report revealed all reports are satisfactory or higher.

Māori Policy


The Māori Policy activity provides strategic advice, support and leadership on Māori relationship management, engagement and policy, to ensure we meet our statutory responsibilities to Māori in the region. Through solidifying and enhancing our relationships with Māori we are able to support participation by Māori in processes that help deliver Regional Council priorities and outcomes. This activity also facilitates the integration of mātauranga Māori in Regional Council business.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:

Building Māori participation in Council decision making

The number of shared decision-making arrangements operationalized and supported by Council

Previous year result	Goal 21/22	Result 21/22	Result
Not available	Increase from prior year	6	

Commentary: The target for 2021/22 was achieved. The focus during the year has been on framing the Māori Partnerships Programme and establishing baseline metrics against which to measure future progress. There are currently six shared decision-making arrangements and partnerships that are operational and supported by Council. These include Te Uepu Pāpāmoa Hills Cultural Heritage Regional Park, Ōhiwa Harbour Implementation Forum, Te Maru o Kaituna River Authority, Rotorua Te Arawa Lakes Strategy Group, Rangitāiki River Forum, and Tauranga Moana Advisory group. All six arrangements are formalised and have been meeting on a regular basis during the year.

Community Engagement


The Community Engagement activity facilitates community involvement in council decision making. This helps ensure that our work is more closely aligned to community expectations. This activity manages the Environmental Enhancement Fund (EEF) and Community Initiatives Funding (CIF). This provides funding for community groups to deliver projects that are aligned to council outcomes and leverage the enthusiasm and skills of the community.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:

Support community projects which help improve our environment; and provide opportunities for community engagement with the work of Regional Council

Percentage of completed EEF projects that have achieved their measured goals

Previous year result	Goal 21/22	Result 21/22	Result
100%	90%	100%	

Commentary: The target for 2021/22 was achieved. Six projects were completed during the year, all of which met their goals.

Return on investment (\$ Council funds committed: \$ of volunteer labour) on EEF projects based on volunteer labour

Previous year result	Goal 21/22	Result 21/22	Result
Not available	1 : 1.5	1 : 1.61	

Commentary: The target for 2021/22 was achieved. Six projects which received \$64,274 in council funding were completed during the year. These projects had a total of 4,545 reported volunteer hours. Based on the living hourly wage (\$22.75) these volunteer hours equate to \$103,000 in value. When added to the EEF grants over \$167,000 in value was delivered to the community.

Note: EEF projects can take up to three years to complete. The two EEF-related measures only include projects that have been completed in 2021/22.

These projects may have received funding up to three years ago. For context, 18 projects have been funded in 2021/22 and these are expected to complete over the next three years.

The degree to which the demographics of the people that take part in formal engagement with Council is representative of the broader community affected by the issue			
Previous year result	Goal 21/22	Result 21/22	Result
0.62	Increase from prior year	0.60	<div></div>

Commentary: The target for 2021/22 was not achieved. During the year, two formal engagements took place. Consultation on the Pāpāmoa Bus Network, where the respondents had a high representativeness in regards of gender, but as it was geographically focused, a low score on location. The second consultation provided people the opportunity to vote on which projects should receive funding from the School Sustainability and Resilience Fund. The overall representative score of those persons casting a vote was high, especially in regards of ethnicity. The total score for the two engagements was 0.60, just below the target of 0.62 (1 is maximum).



Governance Services

The Governance Services activity supports the democratic structure and processes of the Regional Council. The activity assists the Regional Council in decision making processes and supports elected members in providing good governance in an open and transparent manner. The Governance activity is responsible for the administration of the triennial elections, reviewing the representation structure, elected members’ remuneration and expenses, and ensuring Regional Council, committee and co-governance meetings comply with legislative requirements. It also provides governance advice, support and guidance to Regional Council and the Chief Executive.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Promote good governance and democratic decision making

Percentage of Council and Committee meeting agendas for all scheduled meetings that are available at least two working days before meetings			
Previous year result	Goal 21/22	Result 21/22	Result
100%	100%	100%	<div></div>

Commentary: The target for 2021/22 was achieved with 66 out of 66 meeting agendas available on time. This is an improvement on the previous year where 97% of agendas were published on time.

Percentage of draft Council and Committee meeting minutes that are published on our website within 10 working days after the meeting			
Previous year result	Goal 21/22	Result 21/22	Result
98%	95%	93%	<div></div>

Commentary: The target for 2021/22 was not achieved. In total 57 out of 61 (93%) of meeting minutes were available on time. This is an improvement on the prior year, however the result is below the target of 95%. This is due to the introduction of the livestreaming which led to an increased workload for the team alongside a staff vacancy.

Percentage of reports on Council agendas that are public excluded			
Previous year result	Goal 21/22	Result 21/22	Result
New measure	Reduce from prior year	10.4%	<div></div>

Commentary: In 2021/22, there were at total of 374 Council reports included in Council meeting agendas, of this 39 (10.4%) Council reports were publicly excluded. This is a new measure for 2021/22 and the result of 10.4% will set the benchmark for future years.

Percentage of Regional Council and Committee meetings live streamed to members of the public via a public website			
Previous year result	Goal 21/22	Result 21/22	Result
New measure	90%	85%	<div></div>

Commentary: The target for 2021/22 was not achieved. Live streaming of core Council meetings in the council chambers was introduced from 30 September 2021. There were a total of 39 Regional Council and Core Committee meetings held during the year, of which 33 (85%) were livestreamed. There were five meetings not livestreamed between July and September as the facility was not available. Since livestreaming was introduced 97% of meetings were livestreamed.



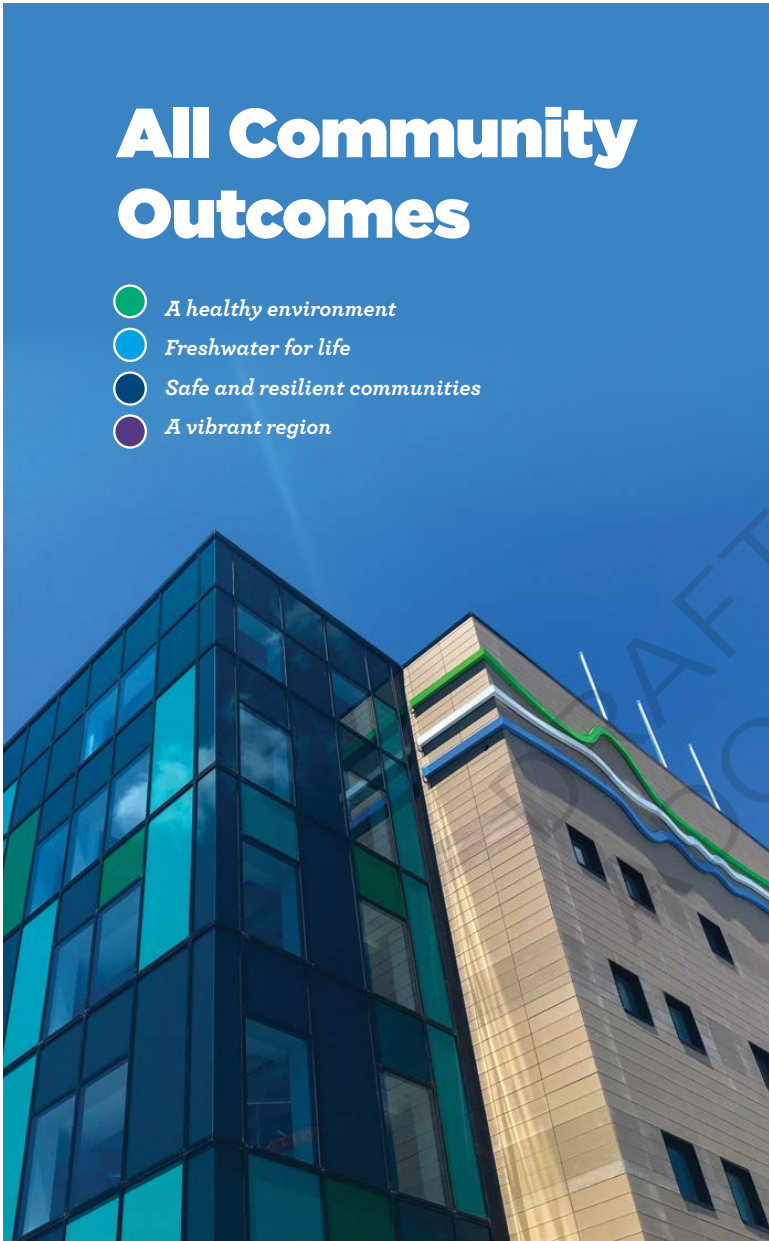
Regional Development

This activity provides leadership, facilitation, and support across the region for economic development. A significant focus is economic development through Bay of Connections. The activity works with Māori, industry, and local and Central Government to align the region’s approach to economic development. Future key projects include a regional Transitions Plan that sets out a path for the region to move towards a low carbon economy and funding for third party infrastructure projects.

What we said we will achieve

LEVEL OF SERVICE STATEMENT: Facilitate regional economic development			
Number of new jobs created through the support of Bay of Connections and/or Bay of Plenty Regional Council			
Previous year result	Goal 21/22	Result 21/22	Result
New measure	Increase on prior year	73	<div></div>

Commentary: The target for 2021/22 was achieved. This is a new measure to created to monitor the desired level of service. In the 2021/22 year Ōpōtiki was supported with an infrastructure funding grant which created 73 new jobs. These jobs are in relation to the Ōpōtiki Harbour Development Project which will enable the growth of a large scale aquaculture industry in the Eastern Bay of Plenty. This will be the base line for monitoring achievement for the 2022/23 year, and whether there was an increase from the previous year.



Performance measure

Corporate Support

The Corporate Support Activity provides support services to enable delivery of all Regional Council activities, thereby contributing indirectly to all community outcomes. The activity includes services such as Communications, Information Technology, People and Leadership and Corporate Property. Corporate Support also includes the primary point of contact with the community through the Customer Contact Service Centre.

What we said we will achieve

LEVEL OF SERVICE STATEMENT:
Facilitate regional economic development

Change in total council emissions compared to prior year			
Previous year result	Goal 21/22	Result 21/22	Result
New measure	5% reduction from prior year	10.5% increase	●

Commentary: The Toitu carbon emission audit was completed in October 2022. This audit identified the total council emissions for the year had increased by 10.5% from the previous year. This is primarily due to the increased operation of flood pumps as a result of a wet winter. Overall there is an 8.3% reduction in emissions from the 2018/19 baseline.

Ngā Pou Toiora

Our four wellbeings



He korowai mātauranga
CULTURAL WELLBEING



He korowai Tiaki Taiao
ENVIRONMENTAL WELLBEING



He korowai whakamana tangata
ECONOMIC WELLBEING



He korowai aroha
SOCIAL WELLBEING

A matau mahi

The work we do

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

These seven groups enable us to deliver on the Community Outcomes outlined in our strategic framework. The matrix shows the seven groups of activities and the Community Outcomes they link to most strongly. The following pages report back on how our work in the seven groups has contributed to the four wellbeings.

Catchment Management

Impact on wellbeing

We facilitate environmental wellbeing to the community through the work we do to improve water quality in Focus Catchments. This includes the swimmability of our rivers, and the ecological health of our waterbodies. We also work to protect and manage a range of the region's biodiversity and carry out significant environmental enhancement projects such as wetland creation and re-connecting waterbodies. Our regional parks activity protects areas of significant environmental value and helps to attract people and activities to the region

Pest control work ensures animals do not cause harm or nuisance to residents or visitors. This work also helps to protect ecosystem services (e.g. pollination, soil quality, clean water) which support our environment interests across the region.

Social and Cultural wellbeing is supported through this activity by helping local communities understand the environmental issues in their catchments and engaging them in the process of improving them. In particular Hapū, iwi and landowners are supported in their kaitiakitanga efforts where these align with Council's Community Outcomes.



Flood Protection and Control

Impact on wellbeing

We contribute to both social and environmental wellbeing for the community by working towards keeping people safe from the impacts of flooding. This also includes the provision and maintenance of drainage networks for some of the region's most productive land. As well as maintaining and improving flood protection and drainage assets, we manage flood risk by our flood forecasting, floodplain monitoring, flood response operations (during heavy rain events), and river and engineering survey activities. We also work on the development of floodplain management strategies to ensure we are responding to our ever-changing climate.



Resource Regulation and Monitoring

Impact on wellbeing

Environmental Wellbeing is supported through our resource consents activity which ensures that consideration is given to environmental issues when sustainable resource management decisions are made. It also ensures that the rules are applied appropriately to optimise long term productivity of land, as does our regulatory compliance team by the monitoring of resource consents and responding to complaints on our pollution hotline. Our Air Quality activity contributes to environmental wellbeing by running programmes to improve the region's air quality.

Our Maritime team helps with social wellbeing by keeping people safe on the water by providing a 24/7 navigation safety and oil spill response across the region.



Transportation and Urban Planning

Impact on wellbeing

Our public transport and transport planning services offer social, environmental and economic wellbeing by improving accessibility to employment, education and essential services for the community and helping reduce road congestion and emissions. This activity also ensures community transport aspirations are incorporated into planning for efficient transport networks and the shift to active/shared modes to help to decrease carbon emissions.



Democracy, Engagement and Planning

Impact on wellbeing

Environmental, Social, and Cultural wellbeing are supported by providing policy analysis and developing plans focusing on climate change, sustainable use of resources including fresh water, air quality, and coastal management through the Environmental Strategy and Policy and Planning Activity.

The Regional Development activity works to help stimulate the region's economic growth.

Our Māori policy activity supports economic and cultural wellbeing by providing strategic advice, support and leadership on Māori relationship management, engagement and policy. This ensures we meet our statutory responsibilities to Māori in the region.

The work we do engaging with the community supports their environmental and social wellbeing by building awareness, involvement, education and accountability.

Our governance activity contributes to social wellbeing through supporting open and transparent governance, which enables the community to better understand and participate in Council processes and help deliver outcomes that support the region.



Emergency Management

Impact on wellbeing

This group of activities indirectly supports all four aspects of community wellbeing by building resilience in the community and ensuring Council is prepared in an emergency through establishing systems and plans and providing training and information. This preparation helps the community remain safe during these times.



Support Services

Impact on wellbeing

This group of activities contributes to environmental wellbeing by performing monitoring, reporting on flood and drought levels, and providing accessible, relevant and trusted science that empowers others to make informed decisions on water, air and land use.

Economic wellbeing is supported by correctly identifying and modelling various environmental factors, which leads to businesses being able to plan for long-term trends/changes and develop a sustainable future.



Whakarapopoto purongo putea Summary financial statements



Summary extract from the statement of accounting policies

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

The Council Group consists of the ultimate parent, Bay of Plenty Regional Council and its subsidiaries, Quayside Holdings Limited (a wholly owned council-controlled organisation as defined under Section 6 of the Local Government Act 2002) and Toi Moana Trust, a majority owned portfolio investment entity (PIE). Quayside Holdings Limited has a 100% shareholding in Quayside Properties Limited, Quayside Unit Trust, Quayside Investment Trust, Quayside Securities Limited, Aqua Curo Limited, Quayside Mystery Valley Limited, Quayside Barnett Place Limited, Quayside Portside Drive Limited, Quayside The Vault Limited and Quayside Tauriko Limited. The principal activity of Quayside Securities Limited is to act as trustee for the Quayside Unit Trust, Quayside Investment Trust and Toi Moana Trust. Quayside Securities Limited as trustee owns 54.14% of the shares in Port of Tauranga Limited (Port Company). The Council's subsidiaries are incorporated and domiciled in New Zealand.

The information included in the summary financial statements has been prepared in accordance with PBE FRS43; Summary Financial Statements. All disclosures in the summary are extracted from the Bay of Plenty Regional Council full financial statements, authorised for issue by Council on 22 December 2022. The full financial statements have been audited by Audit New Zealand, and comply with PBE standards, receiving an unmodified audit opinion 22 December 2022.

**Bay of Plenty Regional Council Summary Financial Statements
for the year ended 30 June 2022**

	2021/22			2020/21 Restated	
	Budget \$000	Council \$000	Group \$000	Council \$000	Group \$000
Financial performance to 30 June 2022					
Operating revenue	157,659	147,750	490,942	147,611	462,038
Other gains	-	653	63,913	1,416	80,540
Total operating revenue	1	157,659	148,404	149,027	542,578
Operating expenditure	160,234	155,289	381,487	138,819	344,788
Finance costs	3,501	3,061	18,545	3,212	18,600
Other losses	-	48	51,230	698	28,298
Total operating expenditure	2	163,735	158,398	142,730	391,687
Impairment of investment in equity accounted investees	-	-	(599)	-	(2,707)
Share of profit of equity accounted investees	-	1	17,562	(2)	17,016
Net surplus/(deficit) before tax	(6,076)	(9,993)	120,557	6,295	165,200
Income tax expense	-	-	44,526	-	36,534
Net surplus/(deficit) after tax	(6,076)	(9,993)	76,031	6,295	128,666
Comprehensive Revenue and Expenses					
Asset revaluation gains	15,310	9,553	645,534	14,948	187,593
Financial asset fair value changes	62	816	21,225	3,679	11,944
Total comprehensive revenue and expense	9,296	377	742,791	24,922	328,203
<i>Attributable to:</i>					
Equity holders of the parent	9,297	377	394,579	24,922	200,198
Non-controlling interest	-	-	348,212	-	128,005
	9,297	377	742,791	24,922	328,203

Bay of Plenty Regional Council Summary Financial Statements
for the year ended 30 June 2022 continued

	2021/22			2020/21 Restated	
	Budget \$000	Council \$000	Group \$000	Council \$000	Group \$000
Changes In Equity/Net Assets					
Balance at 1 July	537,929	553,144	2,127,899	528,353	1,839,199
Adjustment to accumulated surplus/deficit from the adoption of PBE IPSAS 36	-	-	-	(131)	(131)
Total comprehensive revenue and expense previously reported	9,297	376	742,791	24,922	328,202
	547,226	553,520	2,870,689	553,144	2,167,270
Increase in paid up capital	-	-	(37)	-	735
Dividends to shareholders	-	-	(47,203)	-	(42,209)
Other adjustments	-	-	493	-	25
Equity settled share-based payment accrual	-	-	2,021	-	2,078
Balance at 30 June	547,226	553,520	2,825,963	553,144	2,127,899
Financial Position as at 30 June 2022					
Current assets	110,134	139,055	256,075	138,379	249,853
Non-current assets	725,164	636,312	3,641,375	627,534	2,945,050
Total assets	3	835,298	775,367	765,914	3,194,904
	-	-	-	-	-
Current liabilities	123,616	89,255	275,936	97,061	436,304
Non-current liabilities	164,456	132,592	795,553	115,710	630,703
Total liabilities	4	288,072	221,847	212,770	1,067,006
	-	-	-	-	-
Total equity attributable to the group	547,226	553,520	1,891,823	553,144	1,500,187
Non controlling interest	-	-	934,140	-	627,712
Total equity	547,226	553,520	2,825,963	553,144	2,127,899
Cash Flows to 30 June 2022					
Net cash inflows/(outflows) from operating activities	5	3,445	993	14,445	79,701
Net cash inflows/(outflows) from investing activities	6	(12,364)	31,235	3,790	(46,404)
Net cash inflows/(outflows) from financing activities	7	13,824	6,464	(10,278)	(56,335)
Effects of exchange rate changes on cash and cash equivalents	-	-	461	-	(47)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts	4,905	38,692	42,185	7,957	(23,085)
Cash, cash equivalents and bank overdrafts at the beginning of the year	21,061	41,115	83,594	33,156	106,677
Cash, cash equivalents and bank overdrafts at the end of the year	25,965	79,806	125,778	41,113	83,592

Explanations for major variations from the Council's budget figures in the Long Term Plan 2021-2031

Statement of comprehensive revenue and expense Operating revenue

Total operating revenue for the year ended 30 June 2022 was \$148.4 million, this is \$9.3 million lower than budget of \$157.7 million, and \$0.6 million lower than last year. Capital revenue of \$3.1 million is lower against a budget of \$7.6 million. The key reasons for the variances are identified as follows:

Subsidies and grants

The most notable decreases in operating revenue came from grants and subsidies of \$20.1 million, this result is \$9 million lower than budget mainly in the following areas:

- Funding from Crown Infrastructure Partners for 'shovel ready' and climate resilience projects in flood protection and control was \$3.6 million lower than planned. This work is now planned for future years.
- Funding from the Jobs for Nature programme to improve biosecurity was \$3.2 million lower than planned due to this work being deferred to future years.
- Funding for Rotorua's planned 'A Balanced Approach' network refresh and upgrade was not approved by Waka Kotahi and remains a \$0.9 million future opportunity.
- Lower than planned grants of \$2 million from the Ministry for the Environment for the Rotorua Te Arawa Lakes enhancement programme.

Finance revenue

Corporate finance revenue of \$46.8 million is on budget, this incorporates a dividend from Quayside of \$40 million. Toi Moana Trust paid a distribution of \$4.5 million meeting its target for 2020/21. The favourable variance comprises \$0.1 million higher than planned interest revenue off cash and other financial assets.

Trading and other revenue

Trading and other revenue was \$16.6 million, \$0.9 million lower than planned across several activities.

Operating expenditure

Total operating expenditure for the year ended 30 June 2022 was \$158.4 million, this is \$5.2 million lower than budget of \$163.7 million, and \$15.7 million higher than last year. The key reasons for the variances are identified below:

Employee benefit expenses

The overspend in staff costs is primarily attributable to increased staffing (\$0.9m) that has been funded by reducing other costs, for example consultancy and additional overtime and allowances (\$0.3m) required as a result disruptions during COVID-19 and flooding events.

Trading and other expenses

Trading and other expenses is \$97.5 million which is \$7.3 million lower than budget. The key reasons for the variances are identified below:

- Contract work is \$9.7 million lower than planned due to several projects deferred, or no longer proceeding. Some work has not been carried out due to unavailability of technical specialists. The main areas affected are:
 - Transport and urban planning costs were \$4.2 million lower than planned due to \$2.2 million of Transport System Plan (TSP) project costs deferred to future years. Funding for Rotorua's planned 'A Balanced Approach' network refresh and upgrade was not approved by Waka Kotahi resulting in costs of \$1.85 million not being spent.
 - Biosecurity \$1.8 million lower primarily due to delays in National Wallaby programme negotiations with landowners and mana whenua partners on fencing and night shoot operations

- Third party infrastructure grants are \$2 million higher than budget in relation to the Rotomā/Rotoiti Sewerage Scheme. After engagement with Ministry for the Environment, Rotorua Lakes Council and Te Arawa Lakes Trust this year, we anticipate that this grant will be paid to Rotorua Lakes Council in 2022/23. We have funded these third-party infrastructure grants from our financial reserves. The \$0.7 million Regional Development grant for the Lake Tarawera Sewerage project is now anticipated to be paid to Rotorua Lakes Council in 2023/24.

Depreciation and amortisation

Depreciation and amortisation expenditure of \$8.7 million is \$1.0 million higher than planned due to depreciation adjustments for Kopeopeo Canal remediation.

Statement of financial position

Assets

Total assets is \$775.4 million, \$59.9 million lower than budget due to the below major variances.

Current assets

Current assets is \$28.9 million higher than budget due to the below major variances.

- Cash and cash equivalents is \$53.8 million higher than budget mainly due to Term deposits planned as Financial assets classified as cash due to the maturity date.
- Other financial assets is \$23.0 million lower than budget due to term deposits that were planned as current however due to the maturity date are recorded as cash and non-current assets.
- Trade and other receivables were \$2.1 million lower than planned mainly due to:
 - Trade debtors were \$3.1 million which was \$1.1 million lower than budget of \$4.2 million due to the timing of receipts.
 - Rates receivables were \$9.8 million which was \$100,000 higher than budget of \$9.7 million due to lower-than-expected receipts from the Territorial Authorities that collected rates on behalf of Council during 2021/22.

- Interest receivables is \$1.2 million which was \$1.5 million lower than budget of \$2.7 million due to the maturity profile of term deposits.

- A higher than planned increase of \$0.4 million in other receivables and inventories makes up the balance of the variances in current assets.

Non-current assets

Non-current assets is \$88.9 million lower than budget due to the below major variances.

- Property, plant and equipment was \$32.3 million less than planned, mainly due to lower than expected capital expenditure and infrastructure asset revaluations.
- Other financial assets is \$56.5 million lower than budget. This is mainly due to \$55.7m in expected loans not drawn down by related parties (QHL) this financial year as planned. The remaining variance is mainly due to valuation decrease in investments.

Liabilities

Total liabilities is \$66.2 million lower than budget due to the below major variances.

- The put option is valued at \$2.6 million which is \$0.8 million lower than budget.
- Total current and non-current borrowings is \$63.4 million lower than budget. Planned borrowings from the LGFA of \$55.7 million to lend to related parties (QHL), have not been required.
- The remaining variance of \$7.7 million in borrowings is due to lower capital spending resulting in less borrowing required.

Equity

Total equity is \$6.3 million higher than budget mainly due to lower than budgeted capital spend.

Statement of Cashflows

Net cash from operating activities is \$2.5 million lower than budget due to lower than expected payments to suppliers, and lower than expected grants received from Government.

Net cash from investing activities is \$43.6 million higher than budget. Purchase of Property, plant and equipment was \$16.9 million less than planned. A change in the maturity profile of investments has also resulted in investments that were budgeted for as long term financial assets being reinvested for shorter terms therefore classified as cash instead of investing activities.

Net cash from financing activities is \$7.4 million lower than budgeted. Outflows were \$15.5 million higher due to the repayment of a loan to LGFA not budgeted for. The outflows were set off by lower than budgeted borrowings and loan to Quayside Holdings Limited for the Rangiu Business Park.

Commitments**Capital commitments**

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred. As at balance date Council had a total of \$2.7 million capital commitments (2020/21 \$4.7 million). As at balance date capital commitments for the Group were \$32.2 million (2020/21 \$29.4 million).

Operating leases as lessee

The Council leases land, buildings, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months.

	2021/22		2020/21	
	Council \$000	Group \$000	Council \$000	Group \$000
Not later than one year	536	536	583	583
Later than one year and not later than five years	1,486	1,486	1,694	1,694
Later than five years	1,826	1,826	2,328	2,328
Total non-cancellable operating leases	3,848	3,848	4,605	4,605

Operating leases as lessor

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	2021/22		2020/21	
	Council \$000	Group \$000	Council \$000	Group \$000
Not later than one year	194	25,992	187	18,813
Later than one year and not later than five years	531	57,897	95	46,509
Later than five years	477	30,084	-	35,359
Total non-cancellable operating leases	1,202	113,973	283	100,682

Contingent liabilities

Financial Guarantee - New Zealand Local Government Funding Agency

Bay of Plenty Regional Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a current credit rating from Standard and Poor's of AAA for local currency and a foreign currency rating of AA+ as at 2 March 2022.

As at 30 June 2022, the Bay of Plenty Regional Council is one of 30 local authority shareholders and 68 local authority guarantors of the LGFA. The New Zealand Government also has a 11.11% shareholding in the LGFA. It has uncalled capital of \$1.0 million. When aggregated with the uncalled capital of other shareholders, \$20.0 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of the LGFA's borrowings.

At 30 June 2022, the LGFA had borrowings totalling \$15.8 billion (2021: \$13.610 billion). PBE Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable local authorities to levy a rate to raise sufficient funds to meet any debt obligations if further funds were required.

Uncalled capital

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

Subsidiary

As at 30 June 2022, there is a construction contingency the Port of Tauranga may be required to fund. On 28 September 2020, the Port of Tauranga formed a 50:50 joint venture named Ruakura Inland Port LP with Tainui Group Holdings Limited.

The new joint venture will take an initial 50 year ground lease to establish an inland port in Ruakura, and plans to start operations within two years.

The Port of Tauranga has committed capital of \$25.0 million to fund the development of the inland port and as at 30 June 2022, \$2.9 million has been provided for.

In addition, if the development costs exceed the initial \$25.0 million capital commitment, construction contingency funding of up to \$25.0 million must be provided to the joint venture.

Related party transactions

Bay of Plenty Regional Council is the parent of the Group and controls Quayside Holdings Limited and its subsidiaries, Quayside Properties Limited, Quayside Securities Limited, Quayside Investment Trust, Aqua Curo Limited, Quayside Barnett Place Limited, Quayside The Vault Limited, Quayside Portside Drive Limited, Quayside Mystery Valley Limited, Quayside Tauriko Limited and Quayside Unit Trust. Through the shareholding in Quayside Securities Limited as Trustee for Quayside Unit Trust, a controlling interest is held in the Port of Tauranga (POTL) and its subsidiaries and equity accounted investees.

Two Councillors of the Bay of Plenty Regional Council (Stuart Crosby and Te Taru White) were directors of Quayside Holdings Limited, Quayside Securities Limited and Quayside Properties Limited at 30 June 2022. The Chief Executive of Bay of Plenty Regional Council (Fiona McTavish) was appointed as Director of the above companies effective on 30 June 2018. The Chairman of the Bay of Plenty Regional Council (Douglas Leeder) was appointed as a director of Port of Tauranga Limited in October 2015.

Events after the balance sheet date

Council

Since Council was established in 1989 our rates have been invoiced and collected by the seven city and district councils across the region. From July 2022, this has changed and Council has invoiced ratepayers directly and will also be collecting its own rates.

On 1 July 2022, Council invested an additional \$25 million in Toi Moana Trust.

Subsidiary

The Port of Tauranga approved a final dividend of 8.2 cents per share to a total of \$55.8 million after reporting date. No other dividends were declared after balance date but prior to the date of signing these accounts.

The financial statements were approved by the Board of Directors on 2 September 2022.

Independent Auditor's Report

To the readers of Bay of Plenty Regional Council and group's summary of the annual report for the year ended 30 June 2022

The summary of the annual report was derived from the annual report of the Bay of Plenty Regional Council and group's (the Regional Council) for the year ended 30 June 2022.

The summary of the annual report comprises the following information on pages 15, 24 to 52 and pages 54 to 60:

- the summary statement of financial position as at 30 June 2022;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2022;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of service delivery performance.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2022 in our auditor's report dated 22 December 2022.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

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



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

22 December 2022

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Ngā reo kōrero Your representatives



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

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



www.boprc.govt.nz

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

The Annual Report Summary does not provide as complete an understanding of Bay of Plenty Regional Council's activities as provided by the full Annual Report.

If you would like a copy of the 2021/22 Annual Report please visit our website www.boprc.govt.nz or alternatively, call 0800 884 880 for a printed copy.

ITEM 7.1

SUPPORTING DOCUMENT 1

1-BOPRC Draft Annual Report 2021-2022 draft for adoption