



Finance and Performance Committee

Te Komiti Pūtea Mahi

Thursday, 28 November 2024
Rāpare, 28 Whiringa-ā-rangi 2024

Tōtara Room, Whakatāne District Council
14 Commerce Street, Whakatāne
9:00 am

Chief Executive: Steven Perdia
Publication Date: 22 November 2024

Live Streaming the Meeting - *Ka whakapāho mataora te hui*

Live Streaming the Meeting - *Ka whakapāho mataora te hui*

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The **public section** of this meeting will be Live Streamed via YouTube in real time.
The live stream link will be available via Council's website.

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

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A Membership - *Mematanga*

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Mayor Dr V Luca

Councillor J C Jukes - Chairperson

Deputy Mayor L N Immink - Deputy Chairperson

Councillor T Boynton

Councillor G L Dennis

Councillor A V Iles

Councillor W B James

Councillor T O'Brien

Councillor J W Pullar

Councillor N S Tánczos

Councillor N Rangiaho

B Delegations to the Finance and Performance Committee - *Tuku Mahi ki te Komiti*

To monitor the financial and non-financial performance of Council and provide governance oversight to organisational development.

- a. To monitor the implementation of Council's organisational performance framework.
- b. To monitor financial and non-financial performance of Council against the Long-Term Plan and Annual Plan.
- c. To develop and recommend to the Council the adoption of the Annual Report.
- d. To monitor financial and non-financial performance of CCOs and CCTOs to which Council is a member or shareholder.
- e. To develop and recommend to Council the adoption of the Half Yearly and Full Year Annual Report of the Whakatāne Airport.
- f. To monitor the implementation of Council's Financial Strategy.
- g. To monitor organisational capacity and capability of underlying systems and resources required to deliver on Council's Long-Term Plan and Annual Plan obligations.
- h. To monitor organisational development projects and initiatives.
- i. To monitor Council participation in local government excellence programmes such as LGNZ CouncilMARK, and PWC/SOLGM Performance Excellence Programme.
- j. To provide governance oversight and monitoring of councils external funding and financing sources.

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1 Meeting Notices - *Ngā Pānui o te hui*

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1. Live Streaming

The Whakatāne District Council livestreams Council and Standing Committee meetings held in Tōtara Room, within the Council building. The webcast will live stream directly to Council's YouTube channel in real time. The purpose of streaming meetings live is to encourage transparency of Council meetings.

Welcome to members of the public who have joined online and to those within the public gallery.

By remaining in the public gallery, it is understood your consent has been given if your presence is inadvertently broadcast. Please be aware the microphones in Totara Room are sensitive to noise, so please remain quiet throughout the meeting unless asked to speak.

2. Health and Safety

In case of an emergency, please follow the building wardens or make your way to the nearest exit. The meeting point is located at Peace Park on Boon Street.

Bathroom facilities are located opposite the Chambers Foyer entrance (the entrance off Margaret Mahy Court).

3. Other

2 Apologies - *Te hunga kāore i tae*

At the time of compiling the agenda there was an apology from Councillor J Pullar.

3 Acknowledgements / Tributes - *Ngā Mihimihi*

An opportunity for members to recognise achievements, to notify of events, or to pay tribute to an occasion of importance.

4 Conflicts of Interest - *Ngākau kōnatunatu*

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Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interests they might have.

The Elected Member Register of Interest is available on the Whakatāne District Council website. If you wish to view the information, please click this [Register Link](#).

5 Public Participation- *Wānanga Tūmatanui***5 Public Participation- *Wānanga Tūmatanui*****5.1 Public Forum - *Wānanga Tūmatanui***

The Committee has set aside 30 minutes for members of the public to speak in the public forum at the commencement of each meeting. Each speaker during the forum may speak for five minutes. Permission of the Chairperson is required for any person wishing to speak during the public forum.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by a speaker.

5.2 Deputations - *Nga Whakapuaki Whaitake*

A deputation enables a person, group or organisation to make a presentation to Committee on a matter or matters covered by their terms of reference. Deputations should be approved by the Chairperson, or an official with delegated authority, five working days before the meeting. Deputations may be heard at the commencement of the meeting or at the time that the relevant agenda item is being considered. No more than two speakers can speak on behalf of an organisation's deputation. Speakers can speak for up to 5 minutes, or with the permission of the Chairperson, a longer timeframe may be allocated.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by the deputation.

6 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

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The minutes from the Council meeting meeting held Thursday, 29 August 2024 2024 can be viewed via the Council website.

Click on the link below in order to view the 'unconfirmed minutes'.

- [Finance and Performance Committee | 29 August 2024 | Whakatāne District Council](#)

7 Reports - *Ngā Pūrongo*

7 Reports - *Ngā Pūrongo*

7.1 Health, Safety & Wellbeing Report July to September 2024



To: **Finance & Performance Committee**

Date: **Thursday, 19 November 2024**

Author: **M Trudgen / Manager People and Capability**

Authoriser: **E Hatch / GM People and Engagement**

Reference: **A2791247**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide an update on the health, safety and wellbeing activity for the period July to September 2024.

2. Recommendation - *Tohutohu akiaki*

THAT the Health, Safety & Wellbeing Report: July to September 2024 be **received**.

3. Executive Summary

Health and Safety activities for this quarter remain largely focused around setting us up to implement the findings from our audit report. The audit has produced a programme of work, and the team is continuing to work through project planning and resourcing to enable this work to get underway early in 2025.

The remainder of the report discusses the routine health, safety and wellbeing work which is continuing within the organisation.

4. Health & Safety Reset

The Health and Safety reset programme has made some significant forward steps during the last quarter. A formal project team has been established and are meeting regularly. A programme of work has been developed and links clearly to the actions identified in the audit. A project manager will commence after the Christmas break.

The Executive team have developed a Health, Safety and Wellbeing Strategy and will be rolled out to the organisation in early 2025. This will be coming to the Council Briefing in February for discussion with Elected Members.

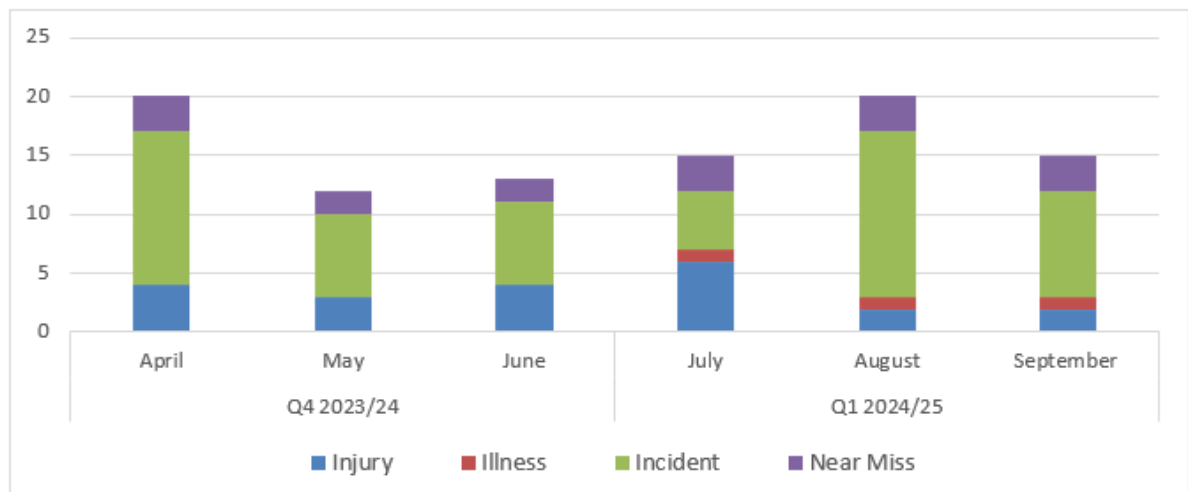
Work is also underway to recruit health and safety staff, both in a permanent and project capacity.

7.1 Health, Safety & Wellbeing Report July to September 2024(Cont.)

5. Events

5.1. Events & Trends

There were 50 events (injury, illness, incident or near miss) for the report period.



Incident investigation is an area which has a number of improvement recommendations from the audit. Having thorough and robust investigations into different events allows us to implement corrective actions and share learnings with the wider organisation.

Work to improve in this area will be ongoing. Step one was a two-day workshop on Incident Investigations for a group of 8 staff participants in October. The team are now equipped to respond to the scene of an investigation, gather the critical immediate information and set up relevant witness interviews.

5.2. Investigations concluded

5.2.1. Trench collapse

On 9 August 2024, a trench collapsed at a work site on the corner of Hinemoa and Stewart Streets, Whakatāne. A contractor was trenching in preparation for a water pipe installation. During the excavation, a wall of the trench subsided resulting in the excavator slowly falling into the trench. No injuries were sustained. The investigation into this incident has recently concluded and a final report will go to the Executive team for review. A number of corrective actions have been identified and most relate to actions already identified through the health & safety audit.

This incident was notifiable to WorkSafe, and they made the decision to visit the contractor and Council for the purposes of an assessment. The discussion focused more broadly on our systems and policies for managing health and safety with contractors rather than the details of this specific incident. The inspector was positive and has requested a minor amendment to our procurement process which will be incorporated going forward.

7.1 Health, Safety & Wellbeing Report July to September 2024(Cont.)

6. Staff Work-Related Injuries/Illness

During this period, there were 11 injuries to staff. All were minor with no immediate treatment required.

7. Health & Wellbeing

7.1. Wellbeing Committee

The Wellbeing Committee have hosted a number of events during this quarter including a One Pot lunchtime competition, a cake-stall style Daffodil Day fundraiser and a Spring Dip at the Ohope Surf Club. These events are focused on bringing people together and establishing strong connections.

8. Risk managements

8.1. Random drug testing

Random drug testing continues to be conducted monthly, with five employees tested each time. During this period, all results were negative.

8.2. Staff training

Training conducted during the period included: H&S induction, Workplace First Aid, Situational Safety, First Aid Levels 2 Aquatics, Working at Heights Advanced Refresher, Site Safe Passport Training, Breathing Apparatus Refresher.

8.3. Vault risk reviews

Previously we have reported on several outstanding risk reviews. As part of our H&S improvement programme, there is a piece of work scheduled to review and consolidate all the risks we have identified, ensuring that appropriate control measures have been put in place where the risk is unable to be eliminated.

9. Significance and Engagement Assessment - Aromatawai Pāhekoheko

9.1. Assessment of Significance

The decisions and matters of this report are assessed to be of low significance, in accordance with Council's Significance and Engagement Policy.

9.2. Engagement and community views

There is no requirement to consult on the Health, Safety & Wellbeing activity within Council.

Engagement on this matter is not being undertaken in accordance with Section 6.1 of the Council's Significance and Engagement Policy. This states that the Council will not consult when the matter is not of a nature or significance that requires public engagement.

7.2 Organisation Performance Report - Quarter 4 2023/24

7.2 Organisation Performance Report - Quarter 4 2023/24



To: **Finance and Performance Committee**

Date: **Thursday, 28 November 2024**

Author: **G Mischefski-Gray / Strategic Policy Analyst**

Authoriser: **L Woolsey / Acting General Manager Strategy and Transformation**

Reference: **A2778476**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide the Committee the Organisation Performance Report for Quarter 1 of the 2024/25 financial year (1 July– 30 September 2024).

2. Recommendation - *Tohutohu akiaki*

THAT the Organisation Performance Q1 2024/25 Report be **received** by the Committee.

3. Background - *He tirohanga whakamuri*

The purpose of the report is to provide Council with an overview of how we are performing across a wide range of high-level measures including: service performance, financial performance, the Council's preparedness to meet current and future obligations, and the health of the organisation. The report provides a holistic view of performance across multiple indicators so that collective decisions can be made about where and how improvements can be progressed.

The four quadrants for the performance indicators in the Organisational Performance Report are:

- Service Performance: Focuses on the effectiveness, efficiency, and the quality of Council services.
- Financial Performance: Measures the soundness of financial management practices, trends, and forecasting abilities.
- Organisational Preparedness: The capacity of the organisation to meet current and future obligations as required.
- Organisational Health: Focuses on culture, leadership, staff, internal processes, and relationships.

The report also provides an update on the business plan 2024-25 which supports the implementation of our annual work programme, providing greater visibility and accountability for the projects Council is working on for a one-year period.

This is the first report of the financial year 2024-25.

7.2 Organisation Performance Report - Quarter 4 2023/24(Cont.)**4. Analysis**

The report itself is a high-level overview of Council's performance. Across all performance measures Council is tracking in line with previous results.

- **Organisational Health:** sitting just below (63%) the Local Government benchmark (70%) in our top culture related questions. Turnover remains steady. There has been an increase in staff accessing assistance programmes.
- **Service Performance:** Satisfaction is just above the national benchmark, the LTP satisfaction measures are tracking well with 13 out of 15 above, exceeding or within their target margin of error. 90% of requests for service was completed.
- **Financial Performance:** Overall operating expenditure largely aligns with budget for the 2025 financial year. Capital Expenditure is below budget by 29.4%. Total Debt (163.5M) is also below the forecasted \$173.8M. Land Rate debt is \$8.98M at end of September 2024 with 91.59% of invoiced rates collected.
- **Preparedness Performance:** 85 in EOC roster and 75% of those completed training. 37% of staff completed cyber security training.
- **Business Plan:** 277 items in the business plan, 73% of these are on track or completed. 55 items at risk, 19 of those are high profile.

5. Significance and Engagement Assessment - *Aromatawai Pāhekoheko***5.1. Assessment of Significance**

The decisions and matters within this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

5.2. Engagement and community views

Engagement on this matter is not being undertaken in accordance with Section 4.2 of the Council's Significance and Engagement Policy. This states that the Council will not consult when there is already a sound understanding of the views and preferences of the persons likely to be affected or interested in the matter.

6. Considerations - *Whai Whakaaro***6.1. Financial/budget considerations**

The recommendations of this Report do not have any financial implications.

6.2. Strategic alignment

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

6.3. Climate change assessment

The decisions and matters of this report are assessed to have low climate change implications and considerations, in accordance with the Council's Climate Change Principles.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1

6.4. Risks

The committee should note measures that are tracking negatively.

Attached to this report:

Appendix 1: Organisation Performance Q1 Report 2024/25.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)


WHAKATĀNE DISTRICT COUNCIL
**ORGANISATION
PERFORMANCE
REPORT Q1**

Q1 2024/2025
1ST JULY – 30TH SEPTEMBER

**Te Pūrongo
Aroturukitanga Mahi
a Te Kaunihera ā-rohe
o Whakatāne Q1**

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WHAKATĀNE
District Council
Kia Whakatāne au i ahau

WHAKATĀNE DISTRICT COUNCIL ORGANISATION PERFORMANCE REPORT Q1 Page | 1

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Purpose of this Report

Te take o tēnei pūrongo

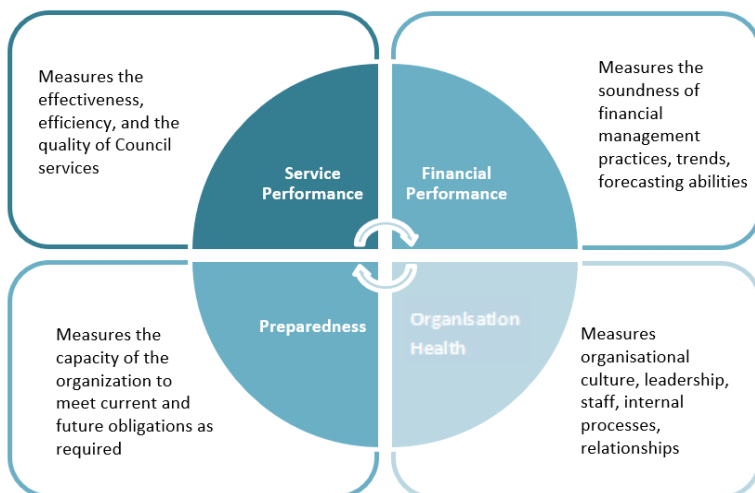
This Organisation Performance Report is a quarterly report presented to Council and covers quarter 1 of the 2024/25 financial year: 1 July – 30 September 2024.

The purpose of this report is to provide Council with an overview of how we are performing across a wide range of high-level measures including service performance, financial performance, the Council's preparedness to meet current and future obligations and the health of the organisation. This report provides a high-level holistic view of performance, so that collective decisions can be made about where and how improvements can be progressed. More detailed information on the measures of performance can be found in specific topic-based reports provided to the Council regularly.

Performance Measurement Themes

Ngā Kaupapa inenga mahi

The performance measures have been categorised into four themes, outlined below.



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Quarterly Summary

Organisation Health

Cultural and Leadership People Survey results provide a gauge on how staff feel about working at WDC. At 63%, the result for cultural related questions in Q1 is a slight drop from the Q4 result of 66% and is sitting just below the local government benchmark. Quarter 1 has seen another high number of staff accessing employee assistance programmes. Turnover remains steady with a rolling 12-month percentage of 11.9% below the target of 14%.

This reporting period showcases advancing Māori development through initiatives like te reo Māori courses, iwi partnerships, and community engagement projects. Highlights include a successful te reo course, strengthened iwi relationships, and strategic community planning efforts, with an ongoing focus on aligning resources and refining programs to support cultural and community needs.

Service Performance

Satisfaction with Council services for this quarter is sitting just above the national benchmark. The Q1 Resident Satisfaction Survey resulted in 4 out of 15 LTP measures meeting/exceeding target. 10 were on target within their margin of error. Of the requests for service received in the second quarter, 90% were completed or scheduled, showing a slight decrease from the previous quarter.

Financial Performance

Overall operating expenditure largely aligns with budget for the 2025 financial year. Capital Expenditure is below budget by 29.4%. Total Debt (163.5M) is also below the forecasted \$173.8M. Land Rate debt is \$8.98M at end of September 2024 with 91.59% of invoiced rates collected.

Preparedness Performance

The minimum requirement for a full EOC roster is 90 staff. There are over 85 staff available to roster in the WDC EOC, of which 75% have completed intermediate level training. 37% of staff completed their cyber security training, below the target of 50%.

Business Plan

The Whakatāne District Council Business Plan Reporting provides an overview on progress against the Council's work programme as set out in the Council's Business Plan for the 2024-25 financial year. There are a total of 277 items listed in the Business Plan for the 2024-25 year; of these items, 73% are either completed or on track at the end of quarter 1 or 85% if we remove 'non-live' items – e.g. those not yet due to commence, or that have been discontinued). 55 items are at risk, of those the 19 high profile items have been brought forward for Council for their information.

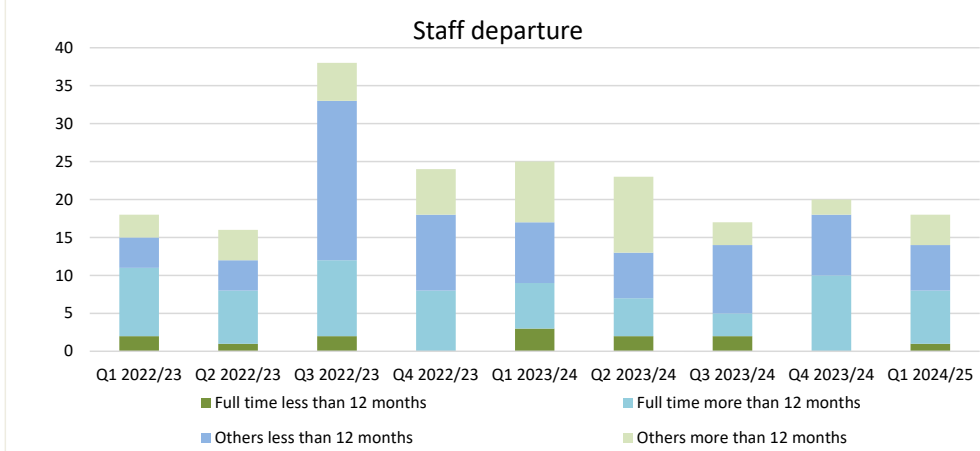
7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Organisation Health Measures

Ngā inenga hauora o te tōpūtanga

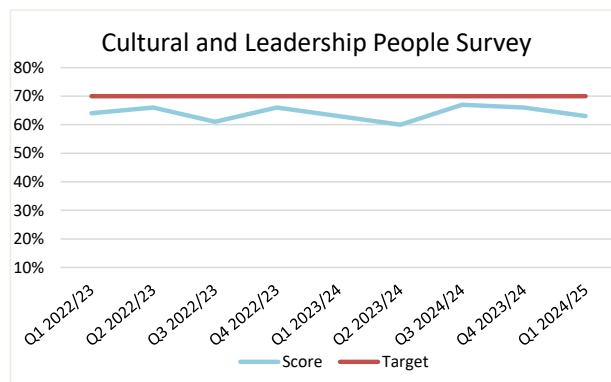
The following indicators give an overview of the organisational culture, leadership, process, and relationships.

337 employees	-0.3% vs previous quarter +3.1% vs previous year	260 full time permanent staff	+2.0% vs previous quarter +8.3% vs previous year
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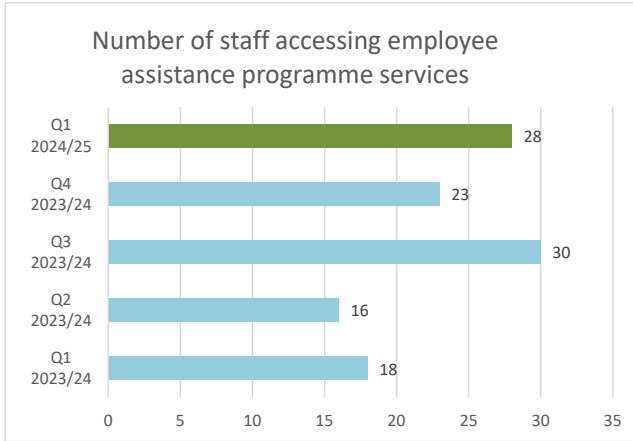


During Quarter 1, 18 employees (5.31%) exited the organisation – 8 of these were full time permanent employees and the remaining 10 were part-time, fixed term and casual. This reflects reasonably steady turnover for the previous five quarters. Our rolling 12-month turnover of 11.90% (for full time, permanent staff) is below our 14% target. This is a positive indicator of our retention approaches. Target: 14%

The overall survey score remains in a positive space with a score of 63%, for this quarter with good participation shown with 61 employees completing the survey. Quarter 1 demonstrates a slight decrease compared to the Local Government (LG) benchmark in the top culture questions: Celebrating achievements as a team, Council is a great place to work, Our people enjoy working for Whakatāne District Council.



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



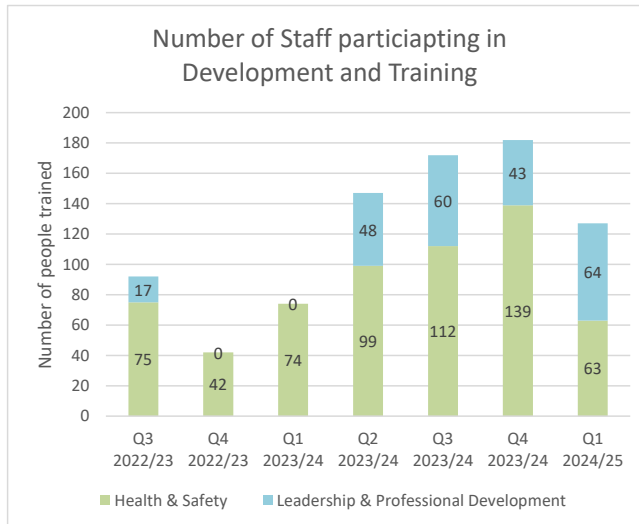
There has been good utilisation of our employee assistance services in the past quarter. This has included people seeking assistance for personal support alongside those in community facing roles with high levels of conflict, such as Animal Control Officers, completing their routine “warrant of fitness” checks.

Health and Safety

41 Health and safety incidents **9** Near misses **10** Injuries **31** Incidents

Additional information can be found in our Health and safety report.

There are three ongoing leadership and professional development groups where 63 of our employees are growing their self-leadership, communicating powerfully, and reflecting on their career. By developing our people in their strengths and potential, reflect and increase the wider organisational productivity and effectiveness, benefiting Whakatāne District. Over Quarter 1 there has been a range of health and safety training programmes delivered including Situation Safety, Advanced Working at Heights and First Aid.



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)**Organisational Māori development**

This reporting period highlights the changing environment, challenges and successes for our team in terms of resourcing and our work programme.

Te Puāwaitanga o te Reo (Internal te reo Māori Sessions), 2024:

From July 22nd to October 7th, we held an 8-week te reo Māori course, drawing strong interest and participation. The lessons covered essential topics like pronunciation, karakia, waiata, locatives, and common phrases, culminating in pepeha and whakapapa presentations. Participant feedback was overwhelmingly positive, with a special focus on the importance of pronunciation, practice, and enjoyment in learning. While the 1-hour sessions were engaging, feedback suggested that a longer format would enhance the experience. We are reviewing the program's content, delivery, and timing to better align with participants' and workplace needs, with a refreshed session planned before the end of 2025.

Te wiki o te reo Māori:

Te Wiki 2024 theme was 'Ake ake ake – A Forever Language.' It speaks to the strength, adaptability, and endurance of te Reo Māori. And it highlights the commitment of New Zealanders to keep the language alive and thriving for generations to come. The team set up and facilitated a range of challenging and fun activities to engage WDC team to learn new kupu and kīwaha – give it a go!

Pōwhiri:

This quarter saw the departure and entrance of several WDC Senior Leaders. Toi Kōtuia lead the arrangements of the three pōwhiri formalities to ensure respectful adherence to tikanga and ensuring both cultural integrity and organisational mana was kept intact.

Kingitanga:

The passing of Kingii Tūheitia Pōtatau Te Wherowhero VII roused sentiment, questions and curiosity to the history and role of Kingitanga. A short information session will be held in November for WDC staff to learn the origins of the Māori King Movement and how their work applies to the Councils work.

Councillors Southern District haereanga:

Communication, co-ordination and collation has been critical for locking down this important Councillors hikoi. Understanding the unique circumstances of these rural communities firsthand will provide valuable insights for our elected councillors, aiding in decision-making and addressing specific community needs.

Iwi Engagement

Our partnerships with Iwi, hapū, and whānau continue to strengthen. We have successfully concluded several long-term consultations, including Resource Consent requests, District Plan and policy changes. The Iwi relationship lead plays a key role in facilitating open dialogue between parties, providing a clear pathway for communication while also fostering strong, independent relationships to ensure future progress.

Murupara and Minginui Masterplan:

Securing a contractor for the Better off Funding Murupara and Minginui Masterplan project required patience, guidance, and persistence. This project intends to work collaboratively with Ngāti Manawa, Ngāti Whare and the local communities to revitalise the townships of Murupara and Minginui, based on their respective strategic visions through master planning and infrastructure planning. We've partnered with a consultancy firm adept in both Te Ao Māori and Pākehā perspectives, essential for our Minginui and Murupara communities. Engagement work in the communities has commenced and a final plan is expected Mid July 2025.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)**Reorua Murupara:**

Whakatāne District Council alongside Te Rūnanga o Ngāti Manawa came together to develop a Reorua rautaki, a bilingual strategy designed to embrace, enhance, and celebrate te reo Māori within our Murupara community. We celebrated the confirmation of Reorua Murupara and activation of our joint strategy.

Te Au o te awa punga- Iwi Policy Hub:

A comprehensive engagement plan has been finalised, with ongoing efforts to support the Eastern Bay of Plenty Spatial Plan by December 2024. The hub is also collaborating with internal staff to streamline engagement on related projects and is actively developing a business case to ensure its sustainability beyond the current funding period.

Internal support; MACA (Marine and Coastal Area Applications):

Our team has been fervently and diligently coordinating evidence for the Ngāti Awa hearings. This crucial intricate work spans all business units and requires careful handling to avoid long-term ramifications.

Resourcing

Our response and leadership to the critical issues outlined above, in addition to delivery of the 'business as usual' work programme implementation very clearly demonstrates the value of Council's investment in our capacity and capability. The team bid farewell to our Kaihautu Paul Warbrick and welcomed a new team coordinator.

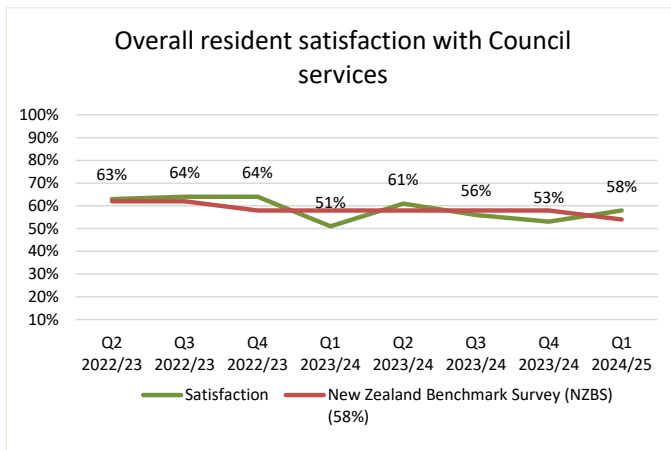
Toi Kōtuia Team:

We remain committed to delivering our work program while ensuring we meet legislative obligations to Iwi, hapū, and whānau. We continuously review and refine our policies, processes, and frameworks to stay aligned with organizational and community needs.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Service Performance Measures *Ngā inenga ratonga Kaunihera*

The following indicators have been identified to measure the effectiveness, efficiency, and the quality of Council services.



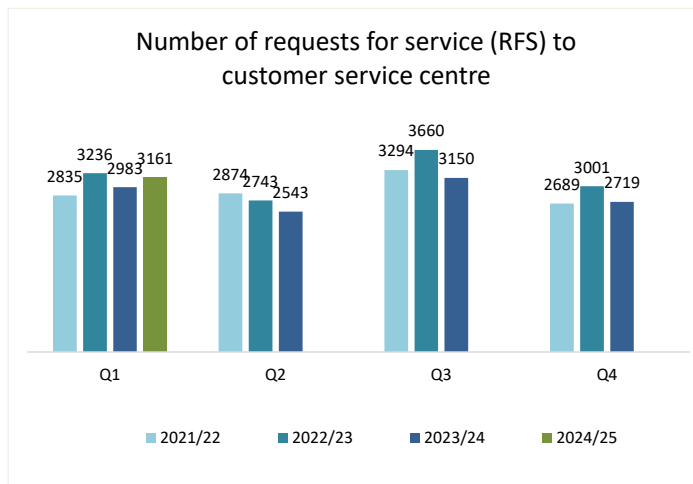
This quarter, we received an overall resident satisfaction result of 58%. Satisfaction had increased from our Q4 result of 53% and is in line with trends seen in previous years.

Within the Residents Satisfaction Survey for this quarter, 4 of 15 of Council’s Long-Term Plan targets were met/exceeded (swimming pools, art and culture, waste collection and sewerage). 10-out-of-15 were close to target and within their margins of error. The only LTP areas were significantly below target were the refuse transfer station and tourism promotion.

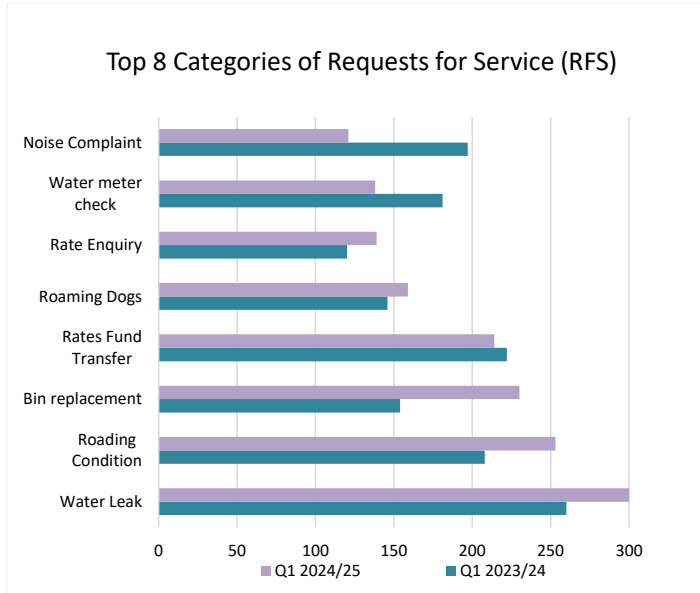
Please refer to the Residents Satisfaction Survey and Non-Financial Performance Measures for further information.

Target: Equal or above the NZ benchmark

There were 178 more RFS’ logged in Q1 2024 than during the same period last year.

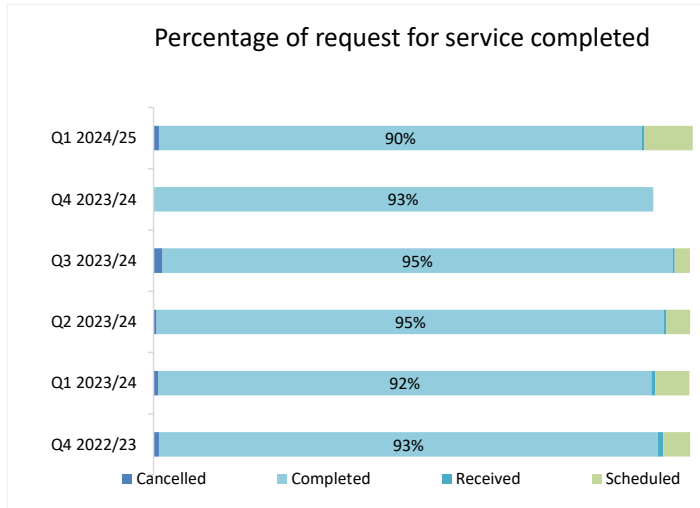


7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



All subtypes as the same from Q1 2023/24, but small movement in ranking has occurred.

In addition to that, the RFS reporting structure was changed (starting 1st July 2024) to accommodate the request from Audit NZ to log duplicate phone calls for the same issue. This has mainly affected the Water RFS type, with multiple calls regarding the same water leak now being logged for the same issue. All calls regarding planned and emergency water shutdowns are now logged as a Request for Service, rather than treating these queries as a request for information.



9692 calls received by customer service

87% of calls answered within 30 secs Target: 85%

Of the 3,161 requests for services that were received this quarter, 90% of these have been completed or scheduled as of 03/10/24 when information extracted from Ozone. Some RFS are sent to a 3rd party contractor for action, and therefore have been 'completed' within our systems.

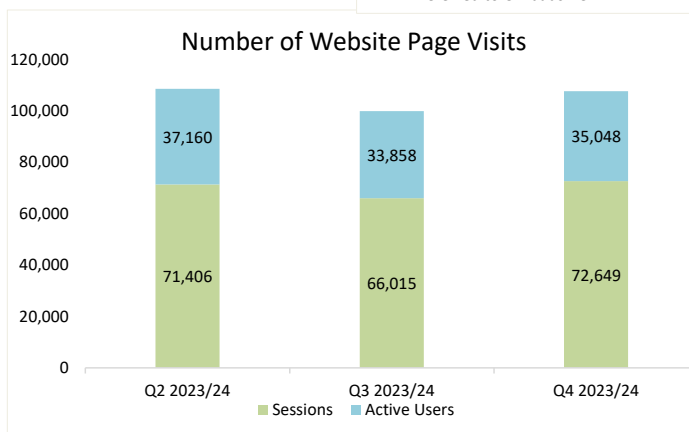
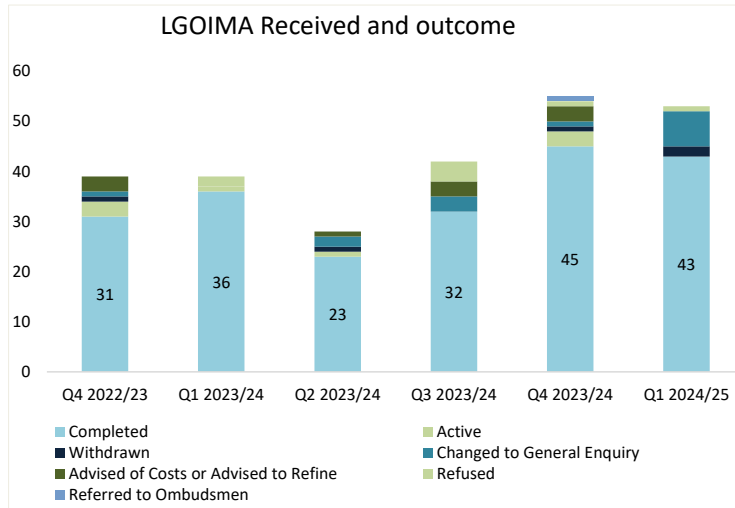
Target: 90% completed and scheduled.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

100% LGOIMA processed within 20 days (statutory timeframe)

Target: 100%

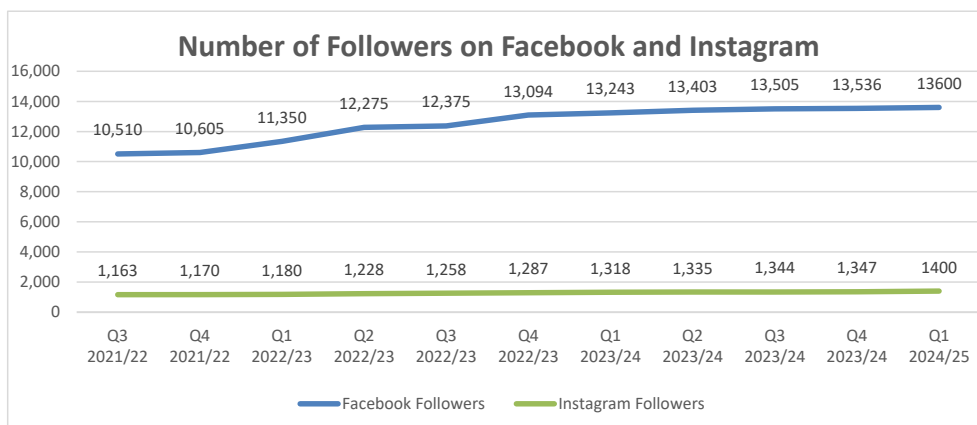
- 1 request was transferred to another agency as it was more suited for that agency to handle the request.
- 1 Partially Refused under Section 7(2)(b)(11) and 7(2)(j).



Reporting remains as New Zealand Traffic Only.

Sessions: A session is a period during which a user interacts with our website.

Active Users: The number of unique individuals who have engaged with our website within the specified timeframe.



Finance and Performance Committee - AGENDA

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)**93 Campaigns** delivered during Q1 2024/245including:

<p>Tyrewise Health and Safety project Diversity, Equity and Inclusion Policy consultation Road Safety Composting workshops Community funding and grants Rates (in relation to Long Term Plan) Edgecumbe to Thornton Shared Pathway video Te Wiki ō te Reo Māori video Ko Konei x3 Murupara CB Newsletter Rangitāiki CB Newsletter Community Plan Code of Conduct Policy Communications Plan template Mihi for Mayor x3 Disciplinary and Performance Management Policy Kiwi Crossing signs Ngā Mareikura ō Matariki, Whakaniko ki Ngāti Awa Exhibition scroll Thornton + West Bank Road Renewal Registrations of Interest – Wally Sutherland Building – Arts Hub Weather comms Peace Street Stormwater and Road Safety Upgrade Satellite town footpath maintenance Hillcrest Road Closure Seaview Road Closure Road works – Ōhope and Gorge Roads, Kakahoroa Service Lane Road safety messaging – Ōhope food truck Collective Tree Strategy Consultation Tree Policy Tree Vandalism Aquatic Centre maintenance works Sport NZ Presentation – Rex Morpeth Recreation Hub Edgecumbe Basketball Court development video Ngā Tapuwae ō Toi closure – pest control Chorus Cabinet Art Aquatic Centre signage refresh Harbour dredging Family History Month Mahy Reserve slide damage Transport subsidy shortfall comms Herepuru Road closure Environmental Programme video Procurement communications My Performance Creative Communities Scheme Online Property files</p>	<p>Spatial Plan Matatā Wastewater Project Future Proof Annual Report Climate Change Strategy Climate Change Risk Assessment Freedom Camping and Public Places EPMO Wharfside i-site floodwall integration Dog control media Dog control registration Parking changes Long Term Plan finalisation Building purchases Road Naming and Addressing Policy Consultation Three Waters Consent Replacement programme Tiny Homes Plan Change 6 – Audible Bird Scaring Devices Wastewater overflow – Wairere Stream Hinemoa stormwater improvements Water shutdowns Ferry Road wastewater pumpstation Wastewater maintenance – pipe flushing Resident survey Tree removal – Murupara Water Treatment Plan District Tree Strategy Consultation Bylaw review: Public Places and Freedom Camping Bylaw Review – 2024 Holiday Park Rebrand Project 'Discover our Summer' tourism campaign Airport Master Plan School Holiday Programme He Waka Hono Hapori Community Connections Rangitāiki River Walkway Subsidised home composting scheme Matariki Boat wash and hardstand signage Pikowai Campground signage Exhibitions: <ul style="list-style-type: none"> • In the calm exhibition • Handle with care exhibition • WSAC Potters fired fusion • WSAC Quilters Views in time <p>Murupara Reo Rua Mimiha Stream Bridge Replacement Olympic Parade Te Wiki ō te Reo Māori Project Enterprise – ERP replacement Corporate guidelines Council briefings</p> </p>
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7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Finance Performance Measures

Ngā inenga mahi ahumoni

The measures below provide an overview of Council’s financial management practices, trends, and forecasting ability. Variances that are outside the target range are shown as red.

Operating Expenditure

2024/25 YTD	ACTUAL	BUDGET	VARIANCE %	Target
	\$20.24M	\$20.61M	1.8%	At or within 5% of budget

Capital Expenditure

2024/25 YTD	ACTUAL	BUDGET	VARIANCE %	Target
	\$7.62M	\$10.79M	29.4%	At or within 5% of budget

Fees and charges revenue

2024/25 YTD	ACTUAL	BUDGET	VARIANCE %	Target
	\$2.59M	\$2.54M	1.8%	At or within 5% of budget

Other Revenue

2024/25 YTD	ACTUAL	BUDGET	VARIANCE %	Target
	\$19.25M	\$20.92M	8.0%	At or within 5% of budget

Debt as a proportion of Annual Plan forecast

ACTUAL	FORECAST	VARIANCE %	Target
\$164.5M	\$173.8M	6.0%	Within 5% of forecast debt

Rates Debtors

PERCENTAGE COLLECTED	VARIANCE %	Target
91.59%	8.41%	Within 5% of total rates

Operating Expenditure YTD: Operating expenditure is within range of budget at the close of Q1 (1.8%).

Capital Expenditure YTD: Project delivery to the end of September is behind budget. A full review and rephasing of capital budgets will be presented to the Committee with the Q2 forecast report.

Fees and Charges YTD: Fees and charges are slightly above budget at the close of Q1 by 1.8%.

Other Revenue YTD: Predominant driver of other revenue being under budget is operational and capital subsidies, this is related to the timing of projects and the impact of changes to NZTA funding.

Debt as a proportion of LTP forecast: Debt of \$163.5M is less than budgeted debt of \$173.8m at close of Q1.

Rates Debtors as a % of Total Rates: Land Rate debt is \$8.98M at end of September 2024 (this debt relates to prior years as well). % of invoiced rates collected is 91.59%.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Preparedness Performance Measures

Ngā inenga mahi whakaritenga

The following measures show the capacity of the organisation to meet current and future obligations as required.

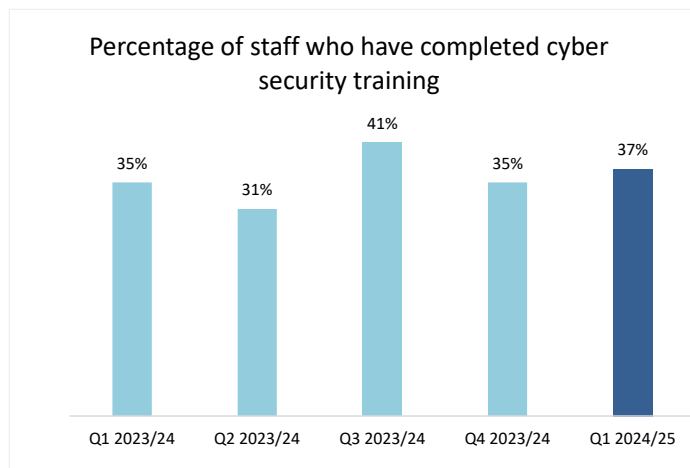
Emergency Operations Centre

The minimum staffing requirement for a full EOC roster is three shifts, each comprised of 11 managers and 19 pool staff. This provides 30 staff per shift with a total of 90 staff on the roster. WDC currently has 85 staff on the EOC roster as shown in the table below.

	Minimum required	Appointed
Managers	33	29
Pool Staff	57	56
Total	90	85

76% of rostered staff have completed intermediate level training which is the minimum training requirement for pool staff. Some management staff have an additional requirement to complete function specific training for their role. 53% of WDC EOC management staff currently fulfil this training requirement.

There are several training initiatives in place that are having a positive impact on raising and sustaining training levels among EOC staff. These include the Communities of Practice (CoP) online training sessions, coordinated by Emergency Management Bay of Plenty (EMBOP), that provide opportunities for staff across councils in the Bay of Plenty to meet online and share best practice knowledge for their functional group. In addition to this, the WDC Emergency Management team are also running monthly EOC Stand Up training events which aim to foster positive working relationships among our EOC staff, while developing their emergency management knowledge and skillsets.



In Q1, cybersecurity trainings were provided by our provider KnowBe4 including topics such as Social Engineering, AI Tools and Ransomware. 37% of staff completed these. We have continued to give coffee vouchers each month to a random list of 5 staff members who have completed their training in an endeavour to increase participation levels.

Target: 50%

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

Council Business Plan 2024-25 – Progress Report

Whakatāne District Council Business Plan 2024-25 – Q1 Report (status of work programme as of 30 September 2024)

The Business Plan supports implementation of our annual work programme, providing greater visibility and accountability for the things Council is working on for a one-year period. The current Business Plan covers the 2024-25 financial year. Quarterly reporting on the Business Plan keeps us in touch with our intention to ‘successfully deliver our intended work programme for the year’. Detailed information and insights are provided to the Executive Team for organisation management purposes, with top line results provided to the Finance and Performance Committee through this report.

Overview of Q1 results

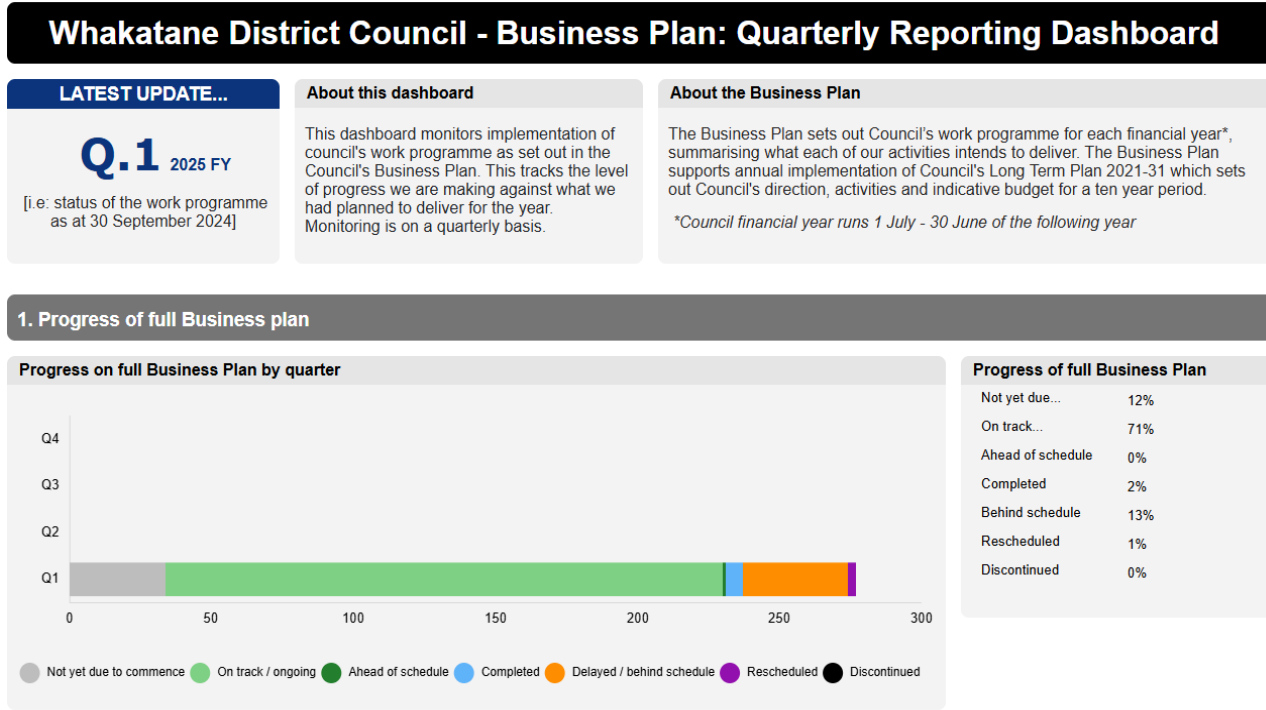
Items on track or completed as at Q1:	There are 277 items listed in the Business Plan for the current financial year. 73% of items are on track or completed (or 85% if we remove ‘non-live’ items – e.g. those not yet due to commence, or that have been discontinued).
Completions already on the board:	(4.01.07) Murupara pool heat pump repair or replacement (completed ahead of schedule). (5.01.02) Move i-site location to allow for BOPRC flood wall work. (11.01.03) Wairaka Centennial Park river steps and access improvements. (12.01.09) Develop urban tree strategy. (20.05.05) Finalise communications strategy and commence implementation. (20.12.04) Finalise Long Term Plan 2024-34 and transition to implementation.
Behind schedule:	13% of work programme behind schedule Main area is transport (13 items) – noting change in NZTA subsidy expectations. Secondary is corporate services (7 items) – noting change in CFO underway.
Items due for completion EOFY:	66 items due for completion EOFY. 68% on track or completed as at Q1. 23% (15 items) delayed, five from transport, others from various activities.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

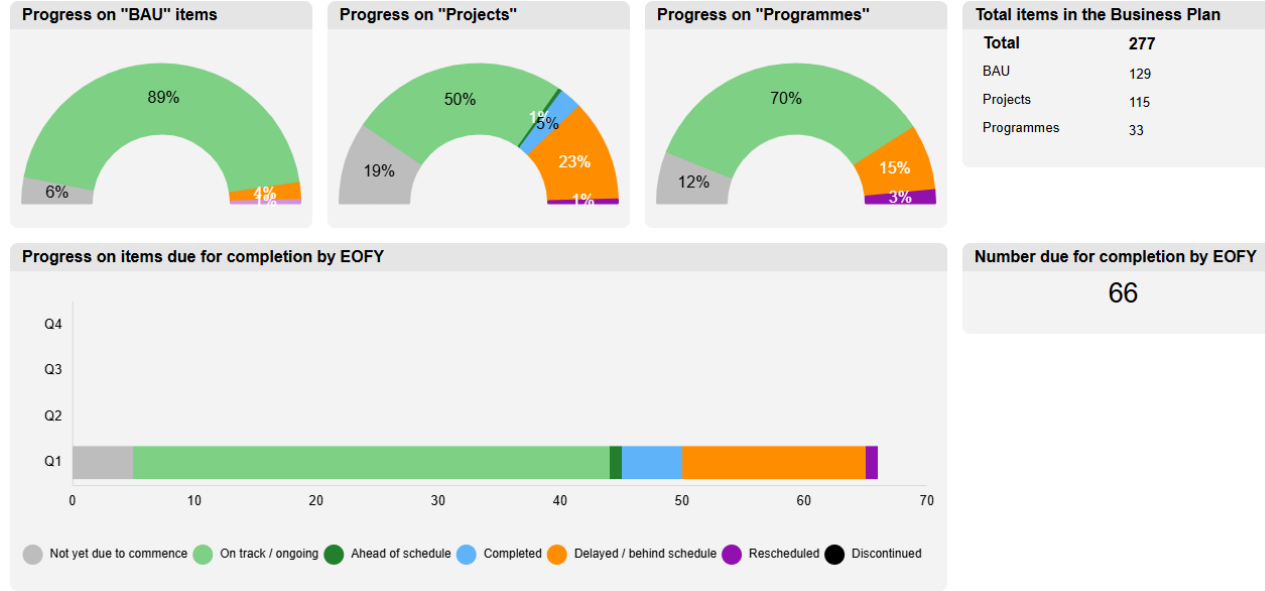
Risk Items

<p>Overveiw</p>	<p>Work programme delivery can report risk as “no/low”, “medium”, or “high”. Overall, 19% (52 items) reported medium risk, and 1% (3 items) reported high risk. The most common risk reasons included “Budget not available” (mentioned 21 times) and “Internal capacity limitations” (mentioned 19 times). Activities contributing more items at risk are transport, water supply, waters consent replacement programme, and corporate services.</p>
<p>Items reporting “High risk”</p>	<p>Three items reported “High risk”, these are as follows: (9.01.09) Wastewater upgrades - Matata wastewater scheme development. (10.01.07) Water Supply renewals - Telemetry and monitoring equipment renewal. (19.01.02) Manage Airport CCO planning, reporting and joint venture relationship.</p>
<p>Council high profile items:</p>	<p>19 items are tagged as ‘high profile’, bringing these to the fore for greater Council visibility. All high-profile items report ‘progress’ as “on track” except item one that has not yet commenced. One high-profile item carries “high risk” - 9.01.09 Matatā wastewater project – the main identified risk is the uncertainty with project funding</p>

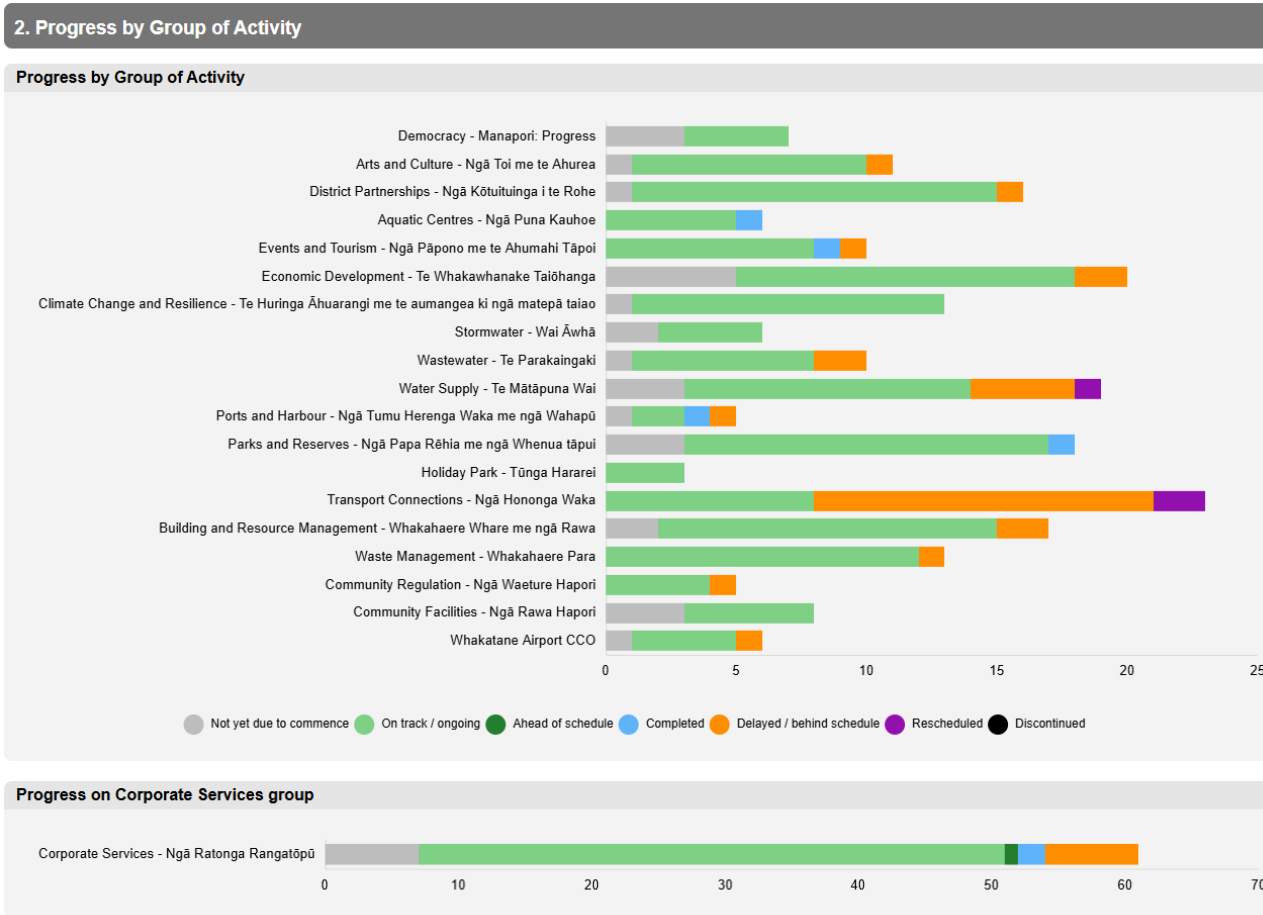
7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



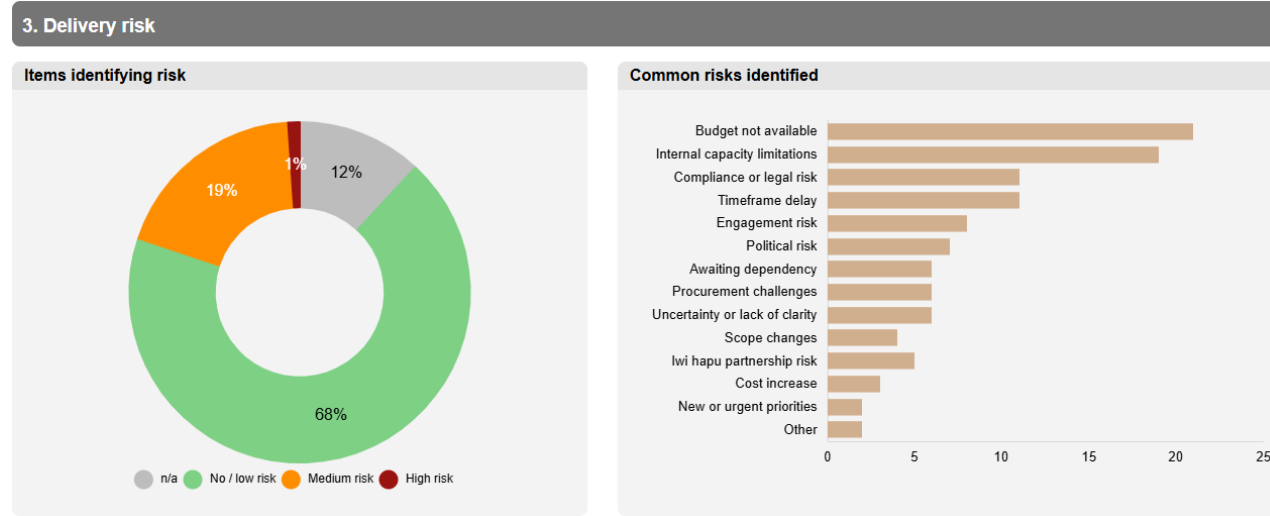
7.2.1 Appendix 1: Organisation Performance Measures Quarter 1 (Cont.)



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

4. Overview of Council high profile items

Council High Profile Items				
Ref #	Primary	PROGRESS STATUS:	DELIVERY RISK LEVEL:	Intended completion (FY)
3.01.01	Implement and report on Te Toi Waka Whakareī (Māori Relationships Strategy)	On track / ongoing	Low risk	ongoing
6.01.06	Progress application to regional infrastructure fund / Kanoa (subject to completion of Regional Economic Development Strategy)	Not yet due to comm	n/a	2025
6.01.09	Manage Boat Harbour project workstreams and shareholder reporting to Council	On track / ongoing	Low risk	ongoing
6.01.10	Reset town centre riverfront project funding in negotiation with central government (Te Ara Hou)	On track / ongoing	Low risk	2025
6.02.04	Finalise plan for commercial management of Council commercial property portfolio	On track / ongoing	Low risk	2025
6.02.06	Integrate BoPRC town centre flood management with urban design master planning	On track / ongoing	Low risk	2028
7.02.03	Climate change adaptation programme development - stage 1: risk assessment	On track / ongoing	Medium risk	2025
9.01.09	Wastewater upgrades - Matata wastewater scheme development	On track / ongoing	High risk	2029
10.01.13	Water Supply upgrades - Otumahi reservoir and pipelines	On track / ongoing	Medium risk	2025
10.02.01	3W Management - Navigate and implement response to 'local waters done well' reform	On track / ongoing	Medium risk	ongoing
15.04.01	Wastewater discharge consent replacements (Equalised schemes)	On track / ongoing	Medium risk	ongoing
12.01.10	Ngā Tapuwāe o Toi West End trail reinstatement (subject to external funding)	On track / ongoing	Medium risk	2025
15.03.03	Develop Eastern Bay of Plenty Spatial Plan	On track / ongoing	Low risk	2026
18.01.03	Rex Morpeth Park recreation hub - finalise Master plan	On track / ongoing	Low risk	2026
20.02.01	Develop EPMO pathway, project plan, and initial pilot	On track / ongoing	Medium risk	2025
20.09.02	Implement health and safety reset project	On track / ongoing	Medium risk	ongoing
20.10.07	Project Enterprise ERP replacement - Buisness case and implementation plan	On track / ongoing	Low risk	2025
20.12.04	Corporate planning - Finalise Long Term Plan 2024-34 and transition to implementation	Completed	n/a	2025
20.12.06	Corporate planning - Develop Annual Plan 2025-26	On track / ongoing	Low risk	2025

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)

How our measures are calculated

Culture and Leadership Survey – This is sent to 100 randomly selected staff members to participate in quarterly. The survey has a total of 25 questions (11 relating to workplace culture, 7 relating to leadership, and 7 relating to performance development) to help us understand staff perception of our culture and leadership.

Overall resident satisfaction with Council services – Results are from the quarterly Residents Satisfaction Survey provided by SIL research. The overall score includes all survey questions relating to the satisfaction with Council services. The New Zealand Benchmark is calculated at the end of the financial year and compares how we have performed, against other Councils. Our target will change every year based on this result and will report against the previous year's benchmark.

Requests for Service – is the service delivery process that supports any request (job) received by the public that is formally recorded. The request is then referred to the appropriate department for further action and closed once completed. A Request for Service enables our community to notify Council of any problems/concerns in our District that need to be brought to our attention for necessary action such as animal control, water, or rates etc. There are multiple ways a Request for Service can be logged such as telephone, email, website or in person.

LGOIMA – This is a request for information under the Local Government Official Information and Meetings Act 1987. These requests must be completed within 20 days of being received.

Emergency Operations Centre (EOC) Training Requirements – 90 staff are required to be on the EOC roster, with 60% of these staff to have completed training appropriate for the role. This measure ensures that we are prepared to effectively manage and respond to an emergency.

7.2.1 Appendix 1: Organisation Performance Measures Quarter 1(Cont.)



WHAKATĀNE DISTRICT COUNCIL ORGANISATION PERFORMANCE REPORT Q1

1 JULY- 30 SEPTEMBER 2024

Te Pūrongo Aroturukitanga Mahi a
Te Kaunihera ā-rohe o Whakatāne 1

7.3 BOPLASS Annual Report to Shareholders

7.3 BOPLASS Annual Report to Shareholders



To: **Finance & Performance Committee**

Date: **Thursday, 28 November 2024**

Author: **H Keravel / Acting Manager Strategy and Performance**

Authoriser: **B Gray / Acting Chief Financial Officer and GM Infrastructure**

Reference: **A2791102**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide the Committee with a copy of the 2024 BOPLASS (Bay of Plenty Local Authority Shared Services) Limited Annual Report to Shareholders.

2. Recommendation - *Tohutohu akiaki*

THAT the BOPLASS 2023/24 Annual report to Shareholders be **received**.

3. Issue/subject – *Kaupapa*

The Local Government Act 2002 requires Council Controlled Organisations to provide shareholders with an Annual Report and Statement of Intent and Performance report at the end of the financial year.

The Annual Report for BOPLASS Limited records the objectives of the company and reports on performance against a table of specific performance requirements set out in the Statement of Intent. On the 26 September 2024 the BOPLASS board resolved that the BOPLASS Annual Report for the year ending 30 June 2024 be adopted.

4. Options analysis - *Ngā Kōwhiringa*

No options have been identified relating to the matters of this report.

5. Significance and Engagement Assessment - *Aromatawai Pāhekoheko*

5.1. Assessment of Significance

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24

5.2. Engagement and community views

Engagement on this matter is not being undertaken in accordance with Section 6.0 of the Council's Significance and Engagement Policy. This states that the Council will not consult when the matter is not of a nature or significance that requires public engagement.

6. Considerations - *Whai Whakaaro*

6.1. Financial/budget considerations

There are no budget considerations associated with the recommendations of this report.

6.2. Strategic alignment

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

6.3. Climate change assessment

Based on this climate change assessment, the decisions and matters of this report are assessed to have low climate change implications and considerations, in accordance with the Council's Climate Change Principles.

6.4. Risks

There are no known risks associated with the matters of this report.

Attached to this report:

Appendix 1: BOPLASS Annual Report 2023-24

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)



ANNUAL REPORT 2023-2024

For the year ended
30 June 2024



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

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7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)



PART ONE – OUR YEAR



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)***BOPLASS Chair's Report***

On behalf of our Directors, I am pleased to present the BOPLASS 2024 Annual Report to our Shareholders.

BOPLASS has completed an important project to assist with the reduction of retail crime and youth offending across the Bay of Plenty region. Working in conjunction with NZ Police this project was managed by BOPLASS to improve CCTV coverage and, in particular CCTV monitoring, to help reduce retail crime and create safer communities. The project attracted \$1M of co-funding from the Ministry of Social Development (MSD), allowing councils to further expand and improve their CCTV cameras and monitoring services. The improved technology, infrastructure, and connectivity will further assist with stopping or reducing crime, helping with identifying perpetrators, and ultimately making our communities safer. This has proven to be an excellent example of local and central government partnering to achieve valuable outcomes.

One of the larger projects currently being undertaken by BOPLASS is the development of a Waste Operator Licensing and Data System (WOLDS) as a shared service for all BOPLASS and Waikato councils. This has now generated strong interest from around the country, with a number of other councils and council groups requesting to participate in this service once it is established. Last year BOPLASS completed the successful appointment of an information management services provider. This was undertaken as a competitive joint procurement process. Aggregating the requirements across a large group of councils resulted in receiving very competitive pricing and this will provide a standard system across all councils, ensuring best practice and helping to reduce council resources required for the management of waste operators.

BOPLASS delivered three aerial imagery contracts across the region in 2023. Like most BOPLASS tenders, these are undertaken as collective tenders to leverage off the size of the greater group to deliver maximum benefits to the member councils. However, while the significant financial savings may be obvious, tendering as a collective also provides other benefits to the participating councils which are not always as apparent. For example, the BOPLASS aerial imagery collective tenders also provide sustainability benefits (less aircraft/less flying), produce a single aerial imagery database, provide centralised management of the tender and contract, support centralised quality control across the region, and facilitate sharing of the data with key NZ organisations delivering services to NZ communities, e.g., Land Information NZ. In many cases these additional benefits provided through BOPLASS are not measured, but they still represent savings and benefits to the member councils.

Securing full insurance cover for NZ councils was difficult in 2023/24 and remains challenging due to an unprecedented level of claims for both national and international natural disasters and catastrophes. Underwriters continue to be selective in the business they write, and they are reliant on up to date and accurate information from their clients to better understand their risks and their exposure. BOPLASS has consciously focused on proactively informing underwriters on how the BOPLASS councils actively manage their risks and their assets. The quality of this information has been reflected in the competitive pricing received, but more importantly, BOPLASS' direct engagement into the markets has meant that placements were able to be secured for all BOPLASS councils' insurance. We expect the insurance markets to remain challenging for local government. The board have promoted a strategic approach to insurance and BOPLASS is reviewing and investigating alternative risk transfer options.

We welcomed two directors to the governance table in 2023/24. Firstly, the Board welcomed Morgan Godfery from Kawerau District Council, replacing our long-serving director, Russell George. Morgan has a depth of experience in public policy, journalism and communications having worked across central government, trade union and education sectors.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

More recently, the Board welcomed Andrew Moraes from Rotorua Lakes Council, replacing Geoff Williams as BOPLASS director. Andrew is a chartered engineer and a graduate of the INSEAD Global Executive MBA programme. His professional career includes extensive international experience in business, commercial development, and organisational leadership.

On behalf of the Board, I wish to acknowledge Directors Russell George and Geoff Williams' contribution to the company. We thank them for their assistance and particularly wish to note Russell George's support during his long tenure as BOPLASS director and his significant contribution as one of the company's founding directors.

During 2023/24 BOPLASS has continued to deliver significant value to the shareholding councils for a modest investment. We would like to thank the various individuals within all the councils who have supported and assisted with the achievements of the company.



Craig O'Connell
Chair



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**Company Directory**

Nature of Business:	Shared Service Provider
Registered Office:	Regional House, 1 Elizabeth Street, Tauranga 3110
Telephone:	+64 7 577 7342
Email:	contact@boplass.govt.nz
Website:	https://www.boplass.govt.nz
Incorporation Number:	2074873
Incorporation Date:	14 January 2008
IRD Number:	98-965-361
Directors:	Craig O'Connell Fiona McTavish Julie Gardyne Andrew Moraes Martin Grenfell John Holyoake Nedine Thatcher-Swann Morgan Godfery Stephanie O'Sullivan Stace Lewer
Shareholders:	Bay of Plenty Regional Council Gisborne District Council Kawerau District Council Ōpōtiki District Council Rotorua Lakes Council Taupō District Council Tauranga City Council Western Bay of Plenty District Council Whakatāne District Council
Auditor:	BDO Tauranga
Bankers:	ANZ Bank
Solicitors:	Cooney Lees and Morgan

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**Statement of Intent and Performance**

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2024-2027 and associated budget formally adopted by the directors by resolution on 21 June 2024.

Performance Targets 2024-2027

To ensure the company continues to operate effectively in both governance and management terms over the next three years the targets are to:

Targets 2024-2027	How	Measure
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts.	Contracts are reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of active users to increase by 5% per year.
Communicate with each shareholding council at appropriate levels.	Actively engage in obtaining political support for identified projects.	Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each council.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2023/26.

Target <u>2023/24</u>	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p><u>VertiGIS Studio</u> – Contracts for Geocortex Essentials and Analytics were renewed as the newly rebranded product VertiGIS Studio. BOPLASS councils continue to benefit from the renewed collective contract through reduced pricing and collective training.</p> <p><u>Aerial Imagery</u> – Two BOPLASS tenders were awarded to Aerial Surveys Ltd for rural orthophotography covering Taupō, Rotorua and Western Bay of Plenty regions, and urban imagery for the Gisborne region.</p> <p>The Tauranga City interim flying programme was awarded to Woolpert NZ Ltd, including specific requirements for the capture of high growth areas.</p> <p><u>Inter-Council Network (ICN)</u> – Following the expiry of the initial 24-month agreement for ICN services with Kordia, BOPLASS renegotiated the agreement for a further 12 months, achieving a reduction in cost of approximately 19% for these services. The Kordia service covers the primary connectivity to the ICN for councils. Councils are currently investigating using the ICN for CCTV services between councils as part of the BOPLASS CCTV project.</p> <p><u>Zoom Video Conferencing Services (VC)</u> – BOPLASS has managed a Zoom video conference service for councils for several years. This was renegotiated and renewed by BOPLASS this year on behalf of the councils. While Microsoft Teams appears to be becoming the primary VC platform for most councils’ internal communications, many use Zoom for their councillors and governance teams.</p> <p><u>Health & Safety Management Software</u> – BOPLASS renegotiated the collective contract with Damstra (ex-Vault) as H&S management software provider for the BOPLASS and Waikato councils.</p> <p><u>GIS software and services</u> –</p> <ul style="list-style-type: none"> • NZ Archaeological Association • FME Software • ESRI Enterprise Licensing Agreement <p><i>Contracts renegotiated and renewed – no alternative suppliers.</i></p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
		<p><u>My Everyday Wellbeing</u> – BOPLASS renewed the agreement for the staff online wellbeing platform. Discounted pricing is provided to BOPLASS as a single entity, allowing all participating councils to benefit from the associated savings. Increased participation from MW LASS, Co-Lab and BOPLASS councils has resulted in further financial savings for the collective.</p> <p><u>Media Copyright Agency (MCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with MCA (originally PMCA) for councils’ print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>Cyber Insurance</u> – BOPLASS was able to facilitate the renewal of councils’ cyber insurance policies on favourable terms with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated through the collective approach. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>n3</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieve significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same discounted rates. <i>Sole NZ provider.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>NAMS+ Subscription</u> – BOPLASS renewed the collective NAMS+ agreement with discounted rates for BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2023 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
		<p><u>GIS Training</u> – BOPLASS coordinated specialised GIS training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
<p>Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.</p> <p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>	<p>Achieved</p>	<p>The new procurement initiatives which have been investigated during the year are as follows:</p> <p><u>Internal Audits</u> – BOPLASS completed a review of councils’ internal audit services requirements with the intention of undertaking a collective procurement process on behalf of BOPLASS councils. Through the procurement process, BOPLASS identified that the Ministry of Business Innovation and Employment (MBIE) has an All of Government (AoG) panel contract available to Local Authorities that covers most councils’ requirements. BOPLASS recommended that councils give consideration to the AoG Consultancy Services contract for the provision of internal audit services. Given the variations of councils’ internal audit requirements, the diversity of the AoG panel and the ease of take up of the contract was suitable for most councils’ requirements.</p> <p><u>Schedule of Values (SOVs) – Data Enhancement</u> – BOPLASS has been investigating options for improving councils’ SOVs. Accurate schedules are demanded by insurance underwriters and directly reflect on the premiums councils will be charged. They are also essential in avoiding potential exposure to shortfalls or losses at the time of an insurance claim. Working with our brokers, we have engaged Harmonic Analytics to develop a methodology to produce accurate SOVs. This project is being underwritten by Aon as a pilot for two councils. The project will save BOPLASS councils significant time, reduce costs, improve data quality, and reduce the likelihood of assets being missed off schedules.</p> <p><u>Above Ground Earthquake Loss Modelling</u> – The existing BOPLASS Material Damage placement does not have an overarching loss limit, making it less attractive to underwriters. BOPLASS engaged Aon to undertake a high-level loss modelling exercise to determine and set appropriate loss limits for the region and for BOPLASS councils.</p> <p><u>Business Continuity Planning</u> – BOPLASS councils are working together to further improve business interruption processes from a technology perspective. The catalyst for this work was the learnings from</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
		<p>Cyclone Gabrielle, with this invaluable information shared within the IT Managers Group to assist all councils. <i>Project still underway.</i></p> <p><u>Protected Disclosures</u> – With many councils reviewing their Protected Disclosures policies and processes, BOPLASS is coordinating a workgroup to share information and help develop best practice. <i>Project still underway.</i></p> <p><u>GIS Technical Advisory Group (GIS TAG)</u> – GIS team leaders recognised the benefit in GIS technical staff establishing a forum to develop opportunities and share learnings at a practitioner level. In addition to sharing expertise and learnings, the technical group have investigated the development of further system commonality across councils. While common platforms support improved sharing opportunities and joint procurement of software, they also help enable councils to provide GIS support to each other in civil defence events.</p> <p><u>CCTV monitoring</u> – BOPLASS secured \$1M co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the installation of CCTV cameras and monitoring services as a key initiative to help reduce retail crime and create safer communities. This project has been completed in conjunction with NZ Police, with improved CCTV cameras and monitoring achieved for all Bay of Plenty councils.</p> <p><u>Waste Operator and Licensing Data System – Information Management System</u> – BOPLASS facilitated an extensive tender for an Information Management System (IMS), with Water Outlook appointed as the provider for the delivery of the IMS. Water Outlook provide existing water services to many BOPLASS and Waikato councils and their proposal allows for an extension of the existing software into waste services requirements.</p> <p>The single shared service provides standardisation across all regions, improved waste data, and savings through a centralised service.</p> <p>The project covers all BOPLASS and Co-Lab councils. However, strong interest has been expressed from councils outside the LASS councils with further growth expected with the established service.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
		<p><u>Waste Operator and Licensing Data System (WOLDS) – Administration Service</u> – BOPLASS is investigating options for the delivery of the Administration Service. The Administration Service will streamline and centralise waste operators, and significantly reduce much of the workload for councils, while ensuring councils still retain control over the service. <i>Project is currently underway.</i></p> <p><u>Infrastructure Insurance</u> – Placements for BOPLASS councils’ infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils’ infrastructure insurance were undertaken in late 2023 through direct engagement with the international markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Given the continued global increase in natural disaster events, underwriters remain very risk adverse and demanding in the level of data and information they require. Through providing up to date and accurate information, and being able to leverage off our established relationships, very good outcomes were achieved for all BOPLASS councils, in both insurance rates and the level of cover achieved. Insurers continue to demonstrate support for the BOPLASS programme; however, councils are encouraged to continue reviewing alternative risk transfer options.</p> <p><u>Media Monitoring Services</u> – BOPLASS facilitated a secondary procurement process for media monitoring services and social listening services. Fuseworks were awarded the contract and appointed as Preferred Supplier to BOPLASS councils. The collective contract provides significant savings and a range of new services for all participants. Social listening services require specific tools for identifying and analysing online conversations to help better understand sentiments within council communities.</p>
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p>	<p>Achieved</p>	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision to utilise these opportunities</p>

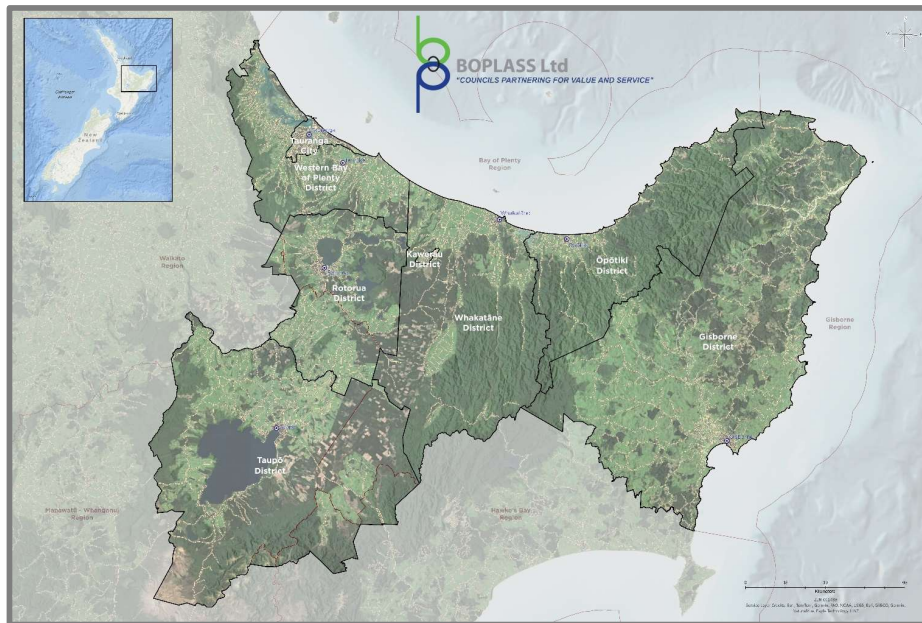
7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
<p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>		<p>to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management • Archives • Building Consent services • Health and Safety training <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • H&S management system • Staff wellbeing portal • Regional contractor database • Rates collections • Inter-council secondments • Insurance Markets Joint Communications • Occupational Health Services <p><u>Managing Conflict & Aggression</u> – Addressing aggressive behaviour continues to be a challenge for councils and for the BOPLASS Health & Safety Advisory Group. Working in collaboration with Waikato councils and other Council-Controlled Organisations (CCOs) has allowed the group to share resources between regions ensuring best practice is shared and developed to the benefit of all parties.</p> <p><u>Motor vehicle monitoring</u> – MW LASS identified four vehicle monitoring providers used across their LASS and extended an invitation for BOPLASS and Waikato councils to participate in presentations from these organisations.</p> <p><u>LGOIMA requests</u> – BOPLASS councils have collaborated to draft appropriate responses to LGOIMA requests to reduce duplication of effort and ensure best practice is established and shared. This project is to be extended across the other two LASS and possibly more widely within local government.</p> <p><u>Health & Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by councils from throughout the upper and central North Island.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2023/24</u>	Result	Narration
		<p><u>Engagement with other LG collaborative groups</u> – BOPLASS continues to offer support to other local government collaborative groups looking to leverage benefits from working collectively.</p>
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of active users to increase by 5% per year.</p>	<p>Achieved</p>	<p>Collaborative projects continue to be added to the MahiTahi LG Collaboration Portal, along with several specific Teams or Channels established for confidential projects being run outside of the main Portal.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 5% increase in registered users with numbers increasing from 485 to 507.</p> <p>On-boarding and training material has been developed for creating a smooth transition for any new members.</p> <p>The Te Uru Kahika hub (regional and unitary councils) has continued to grow and is hosted within the same environment as the MahiTahi Collaboration Portal.</p> <p>There are now over 2,800 users within the wider portal.</p>
<p>Communicate with each shareholding council at appropriate levels.</p> <p>Meeting with members of Executive Leadership Team.</p> <p>At least one meeting per year.</p>	<p>Achieved</p>	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p> <p>In addition, BOPLASS chairs and coordinates meetings and activities for specific council advisory groups that manage or lead new collaborative initiatives. These groups generally comprise of managers from each council.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	<p>Achieved</p>	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2024: (\$1,323) deficit.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)



Building Blocks

BOPLASS Ltd has been built on a number of principles and activities and these are the building blocks of our success.

You will find examples in text boxes scattered through the document.



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2022/23 and is provided for comparative purposes.

Target <u>2022/23</u>	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	<p>Achieved</p>	<p>Contracts negotiated and/or renewed for:</p> <p><u>Cyber Insurance</u> – BOPLASS was able to again maintain councils’ cyber insurance policies with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated. Through the collective approach, BOPLASS was able to secure the renewal on favourable terms and with an increased policy limit across the collective group. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>GIS software and services</u> – Geocortex Essentials Geocortex Analytics NZ Archaeological Association <i>Contracts renegotiated and renewed – no alternative suppliers.</i></p> <p><u>FME software</u> – significant price increase negated by negotiating two-year extension of current agreement under the same terms and pricing. <i>Sole NZ provider</i></p> <p><u>X-Tools</u> - With the agreement of councils’ GIS managers, a decision was made to discontinue the XTools maintenance licence as it was purchased from Russia. This supported the NZ Government’s position on trade sanctions and the absence of this software did not have an undue impact on council operations.</p> <p><u>LiDAR Capture</u> – the capture of LiDAR data was completed this year across the BOP region ahead of schedule. The early provision of this updated data helps councils with catchment mapping, understanding and preparing for natural hazards, and better planning for climate change.</p> <p><u>My Everyday Wellbeing</u> – BOPLASS renewed the annual subscription for the staff online wellbeing platform with the supplier continuing to provide pricing for all participating councils as a single entity. Increased participation from MW LASS, Co-Lab and BOPLASS councils resulted in further financial savings for the collective.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p><u>Print Media Copyright Agency (PMCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with PMCA for councils’ print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>ESRI Enterprise Licensing Agreement</u> – Core GIS software used in all BOPLASS councils. BOPLASS Enterprise Agreement renegotiated and renewed for a further 3-year term with no increases. Retained the same structure, with all councils continuing to participate under a collective MOU. <i>No alternative provider in NZ.</i></p> <p><u>n3 (previously known as GSB)</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieving significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same rates. <i>Sole NZ provider.</i></p> <p><u>Media Monitoring Services</u> – BOPLASS continues to manage a collective media monitoring service with Isentia that provides automatic monitoring and reporting of broadcast, print and social media based upon council requirements. The single BOPLASS portal provides substantial savings to councils while also providing a significant reduction in internal resource requirements. This service has proven to be invaluable for councils during the pandemic and weather events. <i>Service to be put to tender in 2023-24.</i></p> <p><u>Inter-Council Network (ICN)</u> – Review, redesign and renegotiation of suppliers and services – the ICN is a shared service high-capacity fibre network connecting the majority of BOPLASS councils. A review of ICN contracts was undertaken in 2021 to deliver further cost reductions. Since then, further reviews have been conducted with some service costs reduced. This was balanced out by additional services as requested from councils.</p> <p><u>Zoom Video Conferencing Services</u> – Zoom video conference services continue to provide BOPLASS councils with a centralised account management and shared infrastructure. The collective contract was renewed through BOPLASS. <i>VC infrastructure upgrades underway.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p>Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>Antenno</u> – this LG community engagement tool is used by the majority of BOPLASS councils. Uptake in the Waikato and MW LASS regions has recently increased. By working in conjunction with the other two LASS a discounted fee was negotiated for any further LASS councils wishing to take up the service.</p> <p><u>Health & Safety Management Software</u> – BOPLASS has negotiated with the collective H&SMS provider on behalf of BOPLASS and Waikato councils for an improvement to reporting systems and an alternative fee structure.</p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2022 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p> <p><u>Aerial Imagery</u> – BOPLASS coordinates a regional imagery programme across the region. Two new tenders were run for orthophotography services this year with contracts awarded to AAM NZ for the eastern BOP region and a TCC interim flying programme, including specific requirements for the capture of high growth areas.</p> <p>As part of the BOPLASS regional imagery programme, two tenders were run for orthophotography services this year. Both contracts were awarded to AAM NZ for the BOP region and TCC interim flying programme. The flying and imagery included specific requirements for the capture of 8-Pulse LiDAR and additional tiles for Maketu and Putuaki.</p> <p><u>GIS Training</u> – BOPLASS coordinated specialised GIS ArcPro training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Achieved	The new procurement initiatives which have been investigated during the year are as follows:

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
<p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>		<p><u>MFDs (Photocopiers/Printers)</u> – Joint procurement for a multi-function device provider resulted in Canon NZ being appointed as preferred provider to the BOPLASS councils. The outcome through the group approach included very competitive pricing, with further savings achieved through bundled services and shared software solutions across the councils. The procurement process maintained a strong focus on achieving broader outcomes, with Canon demonstrating support for local businesses and communities, working with Māori/Pasifika communities through Ākina and Amotai, and practicing sustainable and environmental processes.</p> <p><u>Oblique Aerial Imagery</u> – BOPLASS investigated collaborative opportunities for the capture of Oblique Aerial Imagery for the BOPLASS councils. The imagery provides a more effective visual experience than traditional vertical imagery and is particularly useful for discerning features in the landscape. Delivered through a tailored online viewer and using a subscription-based model through BOPLASS negates the need for councils to store and manage the data. <i>One council has trialled the solution and negotiations with the provider are underway for group pricing.</i></p> <p><u>Infrastructure Insurance</u> – the international placements for BOPLASS councils’ infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils’ infrastructure insurance were undertaken in late 2022 through direct engagement with the London markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Despite the restricted capacity and the underwriters become more risk adverse, very good outcomes were achieved for all councils, in both insurance rates and the level of cover achieved. Insurance markets remain cautious about the risk they are prepared to write but have demonstrated confidence in the BOPLASS programme due to the quality of information provided and our historical relationship.</p> <p><u>NAMS+</u> Subscription – BOPLASS negotiated discounted rates for NAMS+ subscription used by council asset managers.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p><u>Social Listening Services</u> – Although BOPLASS manages a media monitoring contract on behalf of the councils, the growth in social media (and decline in traditional media) requires specific tools for identifying and analysing online conversations about councils’ brand, to help better understand our communities and their feedback through these channels. <i>A collective procurement process has been initiated.</i></p> <p><u>Crime Prevention Co-funding</u> – BOPLASS successfully secured co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the key areas as installation of CCTV equipment and monitoring services; and Crime Prevention through Environmental Design (CPTED) projects. <i>\$1M co-funding has been received and the below projects initiated.</i></p> <p><u>CCTV Monitoring</u> – BOPLASS has worked with councils to identify opportunities for improved CCTV coverage and to collaborate with CCTV monitoring. Joint procurement of systems and technologies are being undertaken as well as shared project management resource. <i>Project is still underway.</i></p> <p><u>Crime Prevention through Environmental Design (CPTED)</u> – To support further crime reduction initiatives, BOPLASS is working with councils on the effective use of the environmental design to reduce criminal opportunity, with designs also fostering positive social interaction within community spaces. <i>Project is still underway.</i></p> <p><u>24/7 Emergency Communications</u> – The BOPLASS IT Managers group have reviewed the harsh lessons learned about telecommunication interruptions in the aftermath of Cyclone Gabrielle. They have undertaken a project to identify improved technologies for councils’ usage that are not reliant on traditional methods of delivery. Starlink has been identified as a reliable solution during severe weather events and investigations are underway to determine the opportunities for councils to share membership and/or hardware or leverage improved pricing through collective procurement. <i>Project is still underway.</i></p> <p><u>New service for ICN</u> – Following a redesign of some aspects of the Inter-Council Network (ICN) new links</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p>were required. BOPLASS engaged with suitable vendors and Spark were appointed to provision this service. Discounted rates were achieved on behalf of the councils. Procurement was undertaken for the addition of a service in Whakatāne for a new council site and reinstatement of a service to provide backup/redundant services for councils between Whakatāne and Tauranga.</p> <p><u>Electronic Signing</u> – BOPLASS has led a project undertaking investigation into a shared agreement for DocuSign for councils. <i>Project is still underway.</i></p> <p><u>Waste Operator and Licensing Data System (WOLDS)</u> – The second phase of this project has been initiated with procurement underway for a WOLDS service provider including the provision of an Information Management System. This BOPLASS led project covers all BOPLASS and Co-Lab councils, with a number of other councils expressing interest in participating once the service is established. A single shared service provides the opportunity for standardisation across all regions, improved waste data, and savings through a centralised service. <i>Project is still underway.</i></p>
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p> <p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>	<p>Achieved</p>	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision utilise these opportunities to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management Central • Archives Central • Building Consent services <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • Postal services • Courier services • H&S management system • Staff wellbeing portal • Regional contractor database • Occupational Health Services

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p><u>Broader Outcomes in Procurement</u> – The BOPLASS Procurement Group have identified the need to develop a framework around broader outcomes in procurement. To assist this process, BOPLASS are also working closely with Co-Lab and MW LASS for extended understanding, sharing of best practice, and to explore the opportunity for establishing a standard framework across the three regions.</p> <p>In conjunction with this shared work, MWLASS are leading a specific project on social procurement and sharing the outputs with the other two LASS.</p> <p><u>Managing Conflict & Aggressive Behaviour</u> – The BOPLASS Health & Safety Advisory Group identified an increase in aggressive behaviour across all BOPLASS councils. Working in collaboration with Waikato councils allowed the group to share resources between regions ensuring best practice was shared and to reduce the duplication of effort to the benefit of all parties.</p> <p><u>Health & Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils. This project is being led by Co-Lab on behalf of both LASS.</p> <p><u>SHE Prequalification</u> – Co-Lab have funded full access to the SHE prequalification database and extended this access to cover BOPLASS councils opting into the scheme.</p> <p><u>Insurance Markets Joint Communications</u> – To ensure an aligned approach to insurance renewals, and leverage maximum benefits from an aggregated approach, LASS leads collaborated to develop joint underwriter communications that emphasised the geographical spread of assets and the diversity of risk across the greater region. The communications also highlighted risk management and resiliency work undertaken by LASS councils that had proved to perform well through recent events. Continued collective messaging and leveraging of our underwriter relationships remains critical to reinstalling confidence within the markets we engage with.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
		<p>councils from throughout the upper and central North Island.</p> <p><u>Engagement with other LG collaborative groups:</u> Taranaki councils have formed an informal corporate services group to collaborate and share information across the district. BOPLASS and Co-Lab presented to the group on how our formal arrangements work and the benefits achieved, both within the LASSes and inter-regionally. An offer has been made to include Taranaki councils in any BOPLASS contracts that will be beneficial to all parties.</p> <p>A similar presentation and offer was provided to the Canterbury Mayoral Forum (10 TAs and the regional council), with the group expressing strong interest in utilising the MahiTahi Portal and widening their collaboration</p>
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of listed projects to increase by 5% per year.</p> <p>Number of active users to increase by 5% per year.</p>	<p>Achieved</p>	<p>Projects continue to be added to the MahiTahi LG Collaboration Portal, increasing 5% from 88 to 93 this year. Over time, usage of the dedicated project area has declined, with project activity increasing but now being mainly run from within specific Teams or Channels within the Portal. Given this change in usage, and the difficulty of monitoring individual Channels, this target has been removed for future years.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 13% increase in registered users with numbers increasing from 429 to 485.</p> <p>On-boarding and training material has been helpful in creating a smooth transition for any new members.</p> <p>The Regional Software Holdings Limited migration has resulted in exponential growth, with the Te Uru Kahika hub (regional and unitary councils) now hosted within the same environment as the MahiTahi Collaboration Portal. Both the MahiTahi LG Collaboration Portal and Te Uru Kahika sit side-by-side, with regional council users able to interact on both platforms.</p> <p>A Teams environment was developed for Entity B of the Affordable Water Reform in order to provide a secure workspace and assist the group with communications and collaboration. The development of this Team was conducted in conjunction with the Entity B stakeholders and a third-party Teams developer.</p>
<p>Communicate with each shareholding council at appropriate levels.</p>	<p>Achieved</p>	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p>

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Target <u>2022/23</u>	Result	Narration
<p>Meeting with each Executive Leadership Team.</p> <p>At least one meeting per year.</p>		<p>Engagement with individual ELT members was regularly undertaken but formal meetings with all executive teams was unable to be completed with all councils this year.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	<p>Achieved</p>	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>Vendor rebates collected.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2023: \$6,244 surplus.</p>



MahiTahi Local Government Collaboration Portal

A portal for registration of council projects, collaboration opportunities and identification of potential project partners. Also includes collaboration areas for staff to engage with their peers within other councils.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)



PART TWO – ACCOUNTABILITY STATEMENTS



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Statement of Responsibility

The following pages 27-50 outline the financial statements and notes for year ended 30 June 2024 for BOPLASS Limited.

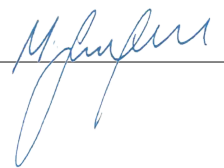
The directors believe that proper accounting records have been kept that enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements of BOPLASS Ltd for the twelve months ended 30 June 2024.

For and on behalf of the Board of Directors:

Signed:  Craig O'Connell – Chair Date: 26 September 2024

Signed:  Marty Grenfell – Director Date: 26 September 2024

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

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 New Zealand

INDEPENDENT AUDITOR'S REPORT**TO THE SHAREHOLDERS OF BOP LASS LIMITED'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

The Auditor-General is the auditor of BOP LASS Limited (the company). The Auditor-General has appointed me, Donna Taylor, using the staff and resources of BDO Tauranga, to carry out the audit of the financial statements of the company on his behalf.

Opinion

We have audited the financial statements of the company on pages 30 to 49, that comprise the statement of financial position as at 30 June 2024, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the company:

- present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector); and
- the performance information of the company on pages 7 to 24 presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2024.

Our audit was completed on 27 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information and we explain our independence.

Basis for our opinion

We carried out our audit 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. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PARTNERS: Fraser Lellman CA Janine Hellyer CA Paul Manning CA Donna Taylor CA Linda Finlay CA Michael Lim CA

BDO New Zealand Ltd, a New Zealand limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

Finance and Performance Committee - AGENDA

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**Responsibilities of the Board of Directors for the financial statements**

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible, on behalf of the company, for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Companies Act 1993.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of shareholders taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Finance and Performance Committee - AGENDA

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 6, 25 to 26 and 50 but does not include the financial statements, statement of intent and performance and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as the auditor, we have no relationship with, or interests in, the company.



Donna Taylor
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Financial Statements – Statement of Financial Position

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
ASSETS - CURRENT			
Bank accounts and cash	10	853,691	445,751
Short Term Investments	10	0	250,000
Debtors and Other Receivables	11	624,266	1,813,692
Prepayments	12	112,812	171,055
Total Current Assets		1,590,769	2,680,500
ASSETS - NON-CURRENT			
Intangible Assets	13	5,365	7,055
Plant and Equipment	14	12,560	16,855
Total Non-Current Assets		17,925	23,910
TOTAL ASSETS		1,608,694	2,704,410
LIABILITIES - CURRENT			
Creditors and Accrued Expenses	15	223,843	459,207
Employee Costs Payable	16	45,683	40,554
Income in Advance	17	1,311,972	2,176,128
Borrowings	18	0	0
Total Current Liabilities		1,581,498	2,675,889
TOTAL LIABILITIES		1,581,498	2,675,889
TOTAL ASSETS less TOTAL LIABILITIES		27,197	28,520
EQUITY			
Accumulated Deficits	19	(71,804)	(70,482)
Share Capital	19	99,002	99,002
TOTAL EQUITY		27,197	28,520

The notes and Statement of Accounting Policies form part of these financial statements.

For and on behalf of the Board of Directors:

Signed:  Craig O'Connell – Chair Date: 26 September 2024

Signed:  Marty Grenfell – Director Date: 26 September 2024

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**Financial Statements – Statement of Financial Performance**

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE YEAR ENDED 30 JUNE 2024				
BOP LASS LTD	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
REVENUE				
Council Contribution	2	348,219	321,637	328,507
Project Revenue	2	2,053,866	1,210,000	1,583,738
Interest Revenue	3	56,149	9,200	14,936
Other Income	2.5	2,670	0	0
Total Revenue		2,460,904	1,540,837	1,927,181
EXPENSES				
Depreciation and Amortisation	4	5,984	7,000	8,191
Employee Related Costs	5	334,694	291,803	319,349
Directors Costs	6	19,314	23,000	19,393
Finance Cost	7	0	0	0
Other Expenses	8	2,102,234	1,219,034	1,603,799
Total Expenses		2,462,226	1,540,837	1,950,730
Surplus/(Deficit) before tax		(1,323)		(23,549)
Income Tax Expense/(Benefit)	9	0	0	0
Surplus/(Deficit) after tax		(1,323)	0	(23,549)

The notes and Statement of Accounting Policies form part of these financial statements.
 Explanations of major variances against budget are provided in note 25.

Media Monitoring

A shared media monitoring portal provides councils with improved visibility of community feedback through monitoring of press and social media.



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Financial Statements – Statement of Cashflows

STATEMENT OF CASHFLOWS - FOR THE YEAR ENDED 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
CASHFLOWS FROM OPERATING ACTIVITIES			
Council Contribution		348,219	328,507
Other Revenue		2,670	0
Project Revenue		2,500,185	1,221,724
Interest Revenue		20,589	14,936
Tax Paid - RWT (net)			0
Goods and Services Tax (net)			0
Total Cash Provided		2,871,663	1,565,167
Employee Related Costs		(329,599)	(301,800)
Payments to Suppliers		(2,104,470)	(1,694,384)
Interest Paid		0	0
Tax Paid - RWT (net)		(13,142)	(3,837)
Goods and Services Tax (net)		(266,544)	210,022
Total Cash Applied		(2,713,722)	(1,789,999)
NET CASHFLOWS FROM OPERATING ACTIVITIES		157,941	(224,835)
CASHFLOWS FROM INVESTING ACTIVITIES			
Acquisition of Investments		250,000	300,000
Purchase of Plant and Equipment			0
Purchase of Intangibles			0
Total Investing Cash Applied		250,000	300,000
NET CASHFLOWS FROM INVESTING ACTIVITIES		250,000	300,000
CASHFLOWS FROM FINANCING ACTIVITIES			
Proceeds from Loans			0
Repayment of Loans			0
NET CASHFLOWS FROM FINANCING ACTIVITIES			0
NET INCREASE/(DECREASE) IN CASH		407,940	75,165
CASH AT BEGINNING OF THE YEAR		445,751	370,586
CASH AT END OF THE YEAR	10	853,691	445,751

The GST component of operating activities reflects the net GST paid and received to and from the Inland Revenue Department. The GST component has been prepared on a net basis, as the gross amounts do not provide meaningful information for financial purposes.

The notes and Statement of Accounting Policies form part of these financial statements.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Entity Information for the Year Ended 30 June 2024

LEGAL NAME

BOPLASS Limited stands for Bay of Plenty Local Authority Shared Services.

TYPE OF ENTITY AND LEGAL BASIS

BOPLASS Limited is incorporated in New Zealand under the Companies Act 1993.

COMPANY'S PURPOSE

BOPLASS Ltd is based in Tauranga and is a joint venture between nine councils formed to provide shared services.

STRUCTURE OF COMPANY'S OPERATIONS INCLUDING GOVERNANCE ARRANGEMENTS


The company is owned and controlled by the nine councils and comprises a Board of ten directors who oversee the governance of the company. A Chief Executive is responsible for the day-to-day operations of the company and reports to the Board, with two other staff supporting the Chief Executive in delivering against the company's objectives. The Board is made up of nine Chief Executives from participating councils and one independent director. Refer Statutory Disclosure note page 50 for list of councils.

MAIN SOURCE OF THE COMPANY'S CASH AND RESOURCES

Annual operating contribution received from each of the nine councils and project commissions are the main source of funding.

OUTPUTS

As per the Statement of Intent and Performance.



All of Government (AoG) Procurement

BOPLASS takes into account and supports opportunities available through All of Government purchasing arrangements.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Statement of Accounting Policies

Statement of Accounting Policies for the Year Ended 30 June 2024

ACCOUNTING POLICIES APPLIED:

BASIS OF PREPARATION

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the company does not have public accountability (as defined) and has total annual expenses less than \$5 million.

All transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. The functional currency of BOPLASS Ltd is New Zealand dollars.

The financial statements are prepared on the assumption that the company will continue to operate in the foreseeable future.

SIGNIFICANT ACCOUNTING POLICIES

There have been no changes to accounting policies during the reporting period.

GOODS AND SERVICES TAX

The company is registered for GST. All amounts in the financial Statements are recorded exclusive of GST, except for debtors and creditors which are stated inclusive of GST.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable.

Contributions received from the nine shareholder councils are BOPLASS Limited's primary source of funding for the 12 months ended 30 June 2024.

Council contributions are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the contributions are not met. No such obligation is attached to the council contributions received for the twelve months ended 30 June 2024.

Project revenue is recognised when the sale of goods or services is sold to the customer.

Interest revenue is recorded as it is earned during the year.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

EMPLOYEE RELATED COSTS

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

ADMINISTRATION, OVERHEADS AND PROJECT EXPENDITURE COSTS

These are expensed when the related service has been received.

LEASE EXPENSES

Lease payments are recognised as an expense on a straight-line basis over the lease term.

BANK ACCOUNTS AND CASH

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

DEBTORS AND OTHER RECEIVABLES

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

PLANT AND EQUIPMENT

Plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount. For an asset to be used by the company, the asset is impaired if the value to the company in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

The useful lives for associated depreciation rates of other assets have been estimated using the diminishing value basis as follows:

Office equipment	5 years	20%
Computer equipment/ICN	4 years	25%
Mobile Phone	3 years	67%

INTANGIBLE ASSETS

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

The carrying value of an intangible asset with a finite life is amortised on a diminishing value basis over its estimated useful life, at the same rate as is allowed by the Income Tax Act 1994. This charge is recognised as an expense.

The useful lives for associated amortisation rates of major classes of intangible assets have been estimated using the diminishing basis as follows:

2022 Computer Software	2 years	50%
2021 Computer Software	2 years	50%

CREDITORS AND ACCRUED EXPENSES

Creditors and accrued expenses are measured at the amount owed.

EMPLOYEE COSTS PAYABLE

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

INTEREST BEARING LOANS AND BORROWINGS

Loans & Borrowings are recognised at the amount borrowed from the lender.

Interest costs and interest accrued are recognised as an expense when incurred.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)***INCOME TAX***

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

BUDGET FIGURES

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingencies are disclosed exclusive of GST.

EQUITY

Equity is measured by the value of total assets less total liabilities.

Print Services

A collective contract with Canon for photocopiers and printers has delivered significant savings to the group. It has also provided a common technology platform supporting the development and delivery of further shared services.



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Notes to Financial Statements

NOTE 2: COUNCIL CONTRIBUTION / PROJECT REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Revenue				
Council Contribution		348,219	321,637	328,507
		348,219		328,507
Project Revenue				
Rebates	*	243	1,000	622
Aerial Photography Revenue	**	263,312	300,000	741,188
Video Conferencing Revenue	***	18,380	24,000	22,472
Revenue - ICN	****	147,324	130,000	127,595
Recoveries	*****	611,176	710,000	641,448
Crime Prevention		980,776		13,163
Collaboration Portal Revenue	*****	32,655	45,000	37,250
TOTAL CORE AND PROJECT REVENUE		2,053,866	1,531,637	1,912,245

- * Rebates for Services contracted by BOPLASS Ltd are received from NZ Post Ltd and a final from CSG.
- ** Aerial Photography revenue is offset by Aerial Photography expenditure paid by BOPLASS Ltd on behalf of the councils. Refer to Note 8.
- *** Video Conferencing Revenue is offset by Video Conferencing expenditure.
- **** ICN Revenue is offset by ICN expenditure.
- ***** Recovery Revenue is offset by recovery expenditure refer to Note 8. This is the recovery of BOPLASS project or procurement costs incurred on behalf of the participating councils.
- ***** Collaboration Portal Revenue is offset by Collaboration Portal expenditure.

NOTE 2.5: OTHER INCOME

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Other Income				
Income Tax Refund		2,670	0	0
TOTAL OTHER INCOME		2,670	0	0

NOTE 3: INTEREST REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Revenue				
Interest Revenue - Current account		41,922	9,000	6,039
Project Revenue				
Interest Revenue - Aerial Trust account		14,227	200	8,897
TOTAL INTEREST REVENUE		56,149	9,200	14,936

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**NOTE 4: DEPRECIATION AND AMORTISATION EXPENSE**

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Intangibles	*	1,689	2,000	2,285
Plant and Equipment	**	4,295	5,000	5,906
TOTAL DEPRECIATION AND AMORTISATION EXPENSE		5,984	7,000	8,191

* Intangibles refer to Note 13.

** Plant and Equipment refer to Note 14.

NOTE 5: EMPLOYEE RELATED COSTS

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Salary and Wages		288,454	267,403	275,060
Superannuation	*	21,368	0	20,379
Direct Personnel Overheads	**	24,872	24,400	23,910
TOTAL EMPLOYEE RELATED COSTS		334,694	291,803	319,349


* Superannuation includes employer contributions to Kiwisaver.

** Direct Personnel Overheads include ACC, Fringe Benefit Tax, staff training costs and other staff support costs.

NOTE 6: DIRECTORS COSTS

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Directors Costs (Fees & Travel)	*	19,314	23,000	19,393
TOTAL DIRECTORS COSTS		19,314	23,000	19,393

* Craig O'Connell is the only independent paid Director, commenced February 2015. The other nine Directors are the Chief Executives of participating Councils and do not receive any remuneration from BOPLASS.



Insurance

Collaboration with insurance has provided improved service levels and substantial premium savings for all councils.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 7: FINANCE COST

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Interest on Borrowings	*	0	0	0
TOTAL FINANCE COST		0	0	0

* Interest on Tauranga City Council loan refer to Note 18.

NOTE 8: OTHER EXPENSES

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Audit Fees	*	21,006	22,000	21,277
Administration Expenses	**	17,576	18,000	18,049
Consultancy	***	6,200	5,300	8,400
General Costs	****	30,161	11,500	9,985
Insurance		11,517	11,500	10,950
Crime Prevention		982,456	0	13,163
		1,068,916	68,300	81,824
Project Expenditure				
Aerial Photography	*	263,312	300,000	741,188
Video Conferencing	**	19,175	22,560	19,360
Inter Council Network (ICN)	**	134,557	124,800	115,910
Recoveries	***	597,601	674,500	618,870
Collaboration Portal Opex	****	18,673	28,874	26,647
		1,033,318	1,150,734	1,521,975
TOTAL OTHER EXPENSES		2,102,234	1,219,034	1,603,799

Core

- * Audit Fees for 2024 are \$21,006
- ** Administration Expenses
- *** Consultancy includes tax advice for both 2023 and 2024
- **** Accommodation & Travel, Bank Fees, Conferences, General Expenses, Health & Safety, Legal, Subscriptions

Project

- * BOPLASS Ltd has a contract for aerial photography on behalf of the councils. This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.
- ** ICN Expenses. This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.
- *** Recoveries - This expenditure is offset from the revenue received from the councils for project work.
- **** Collaboration Portal Opex - to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 9: INCOME TAX EXPENSE

	Notes	BOP LASS Ltd	
		2023/2024 Actual	2022/23 Actual
Components of tax expense			
Current Tax Expense		0	0
Adjustments to current tax in prior years		0	0
Tax Expense		0	0
INCOME TAX EXPENSE		0	0
Relationship between tax expense and accounting profit			
Net surplus (deficit) before Taxation*		(1,323)	(23,550)
Tax calculation @ 28%		370	(6,594)
Plus/(Less) Taxation effect of:		0	0
Non-deductible Expenditure		348,219	328,507
Imputation credit adjustment		0	0
Non-taxable (income)/expenditure		(348,219)	(328,507)
Prior Period Adjustment		0	0
Income not included in accounting profit		0	0
Tax Losses not recognised		0	0
Deferred tax adjustment		(370)	(6,594)
TOTAL INCOME TAX EXPENSE		0	0

Joint Procurement

The procurement of services or products by two or more councils, from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 10: BANK ACCOUNTS, CASH AND OTHER FINANCIAL ASSETS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Cash at Bank - Current account		646,128	439,819
Cash at Bank - Aerial Trust account		206,435	5,932
Cash at Bank – Crime Prevention		1,128	0
Term Deposit 182 days @ 2.00% Maturing 10 October 2022		0	250,000
TOTAL BANK ACCOUNTS AND CASH		853,691	695,751

NOTE 11: DEBTORS AND OTHER RECEIVABLES

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Debtors – Other		504,573	1,734,157
Goods and Services		77,457	0
Accrued Revenue		17,316	67,758
Tax (Payable) / Receivable		24,919	11,777
TOTAL DEBTORS AND OTHER RECEIVABLES		624,266	1,813,692

Debtors are non-interest bearing and receipt is normally 30-day terms. Therefore, the carrying figure of debtors approximates their fair value.

NOTE 12: PREPAYMENTS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Under 1 Year		112,812	171,055
TOTAL PREPAYMENTS		112,812	171,055

Coalition of the Willing

BOPLASS councils work within an opt-in principle, meaning projects initially advance with willing and active participants.



7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 13: INTANGIBLE ASSETS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Computer Software			
Cost			
Cost at beginning of Year		79,174	79,174
Current Year Additions		0	0
Current Year Disposals		0	0
Cost Balance at Year End		79,174	79,174
Accumulated Amortisation and Impairment			
Cost at beginning of Year		(72,119)	(69,835)
Amortisation Expense		(1,689)	(2,284)
Impairment Losses			
Accumulated Amortisation and Impairment Balance at Year End		(73,808)	(72,119)
Carrying Amounts			
Cost at beginning of Year		7,055	9,340
Carrying Amount at Year End		5,366	7,055

Amortisation Expense was at varying rates between 15% to 60%.

No impairment losses have been recognised for intangible assets.

NOTE 14: PLANT AND EQUIPMENT

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Office and Computer Equipment			
Cost			
Cost at beginning of Year		29,613	29,613
Current Year Additions	*	0	0
Current Year Disposals		0	0
Cost Balance at Year End		29,613	29,613
Accumulated Depreciation and Impairment			
Cost at beginning of Year		(12,757)	(6,852)
Depreciation Expense		(4,295)	(5,905)
Impairment Losses		0	0
Loss on Disposal of Asset		0	0
Accumulated Depreciation and Impairment Balance at Year End		(17,052)	(12,757)
Carrying Amounts			
Cost at beginning of Year		16,855	22,762
Carrying Amount at Year End		12,560	16,855

Office equipment has been depreciated over its life (5 years).

Computer equipment has been depreciated over its life (4 years). Mobile Phone (3 years).

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 15: CREDITORS AND ACCRUED EXPENSES

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
ANZ Business Credit Card		284	0
Creditors		193,996	202,057
Accrued Expenses	*	19,537	25,691
Goods and Services Tax Payable		0	194,515
Retentions		10,026	36,944
TOTAL CREDITORS AND ACCRUED EXPENSES		223,843	459,207

ANZ Business Credit Card facilities were arranged primarily to pay international accounts for software to reduce the fees charged and to improve expense processes and reporting.

Creditors are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

* Accrued Expenses relates to Audit Fees for the 2024 financial year.

NOTE 16: EMPLOYEE COSTS PAYABLE

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Salaries and Wages Payable		8,169	8,163
Annual Leave		27,862	23,357
PAYE		9,652	9,034
TOTAL EMPLOYEE COSTS PAYABLE		45,683	40,554

NOTE 17: INCOME IN ADVANCE

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Income in Advance		1,311,972	2,176,128
TOTAL INCOME IN ADVANCE		1,311,972	2,176,128

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 18: BORROWINGS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Maturing in Under 1 Year		0	0
TOTAL BORROWINGS		0	0

BOPLASS Ltd has a reciprocal borrowing arrangement with Tauranga City Council which allows for the borrowing of funds and placement of excess funds. The current loan balance as at 30 June 2024 is \$NIL. Interest is accrued during each interest period.

This loan facility is still available to BOPLASS Ltd.

Interest is calculated at current market rates. The loan from Tauranga City Council is unsecured.

NOTE 19: EQUITY

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Share Capital			
Balance at beginning of Year		99,002	99,002
Fully Paid up Shares		0	0
Balance at Year End		99,002	99,002
Accumulated Surpluses/(Deficit)			
Balance at beginning of Year		(70,482)	(46,932)
Surplus/(Deficit) after Taxation		(1,322)	(23,550)
Balance at Year End		(71,804)	(70,482)

Share Capital - As at 30 June 2024, share capital comprised of thirty-one Ordinary Shares and twenty-two Non-Voting Shares.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time, are entitled to one vote per share at meetings of the Company, and rank equally regarding the Company's residual assets.

Dividends - No dividends have been paid or are proposed by the Company.

NOTE 20: CONTINGENCIES

BOPLASS Ltd have no contingencies at year end and that there were no contingencies for prior year.

NOTE 21: EVENTS OCCURRING AFTER BALANCE DAY

No events have occurred since balance date for BOPLASS Ltd.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 22: STATEMENT OF COMMITMENTS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Capital Commitments		0	0
TOTAL CAPITAL COMMITMENTS		0	0


This statement represents extraordinary or exceptionally large commitments for that type of expenditure within the normal course of business, which have been contractually entered. As at balance date, BOPLASS Ltd has no large commitments of this nature.

BOPLASS Ltd has a contractual agreement with Woolpert Limited and Aerial Surveys Ltd to provide aerial photos for the councils. This is treated as an operational expense in the BOPLASS Ltd accounts.

OPERATING LEASES AS LESSEE	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
TOTAL OPERATING LEASES AS LESSEE		0	0

The expense of \$134,557 for the Inter Council Network is recognised in the Statement of Financial Performance refer to Note 8. Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the costs of the Inter Council Network. The pricing is reviewable not less than annually and adjustments are to be made for market trends and for the number of councils participating.

RECOVERY OF OPERATING LEASES PAYMENTS FROM PARTICIPATING COUNCILS	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
TOTAL OPERATING LEASES AS LESSOR		0	0



Video Conferencing

Distance and travel time are a significant cost. BOPLASS has assisted councils to implement video conferencing to make activities more efficient.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)**NOTE 23: RELATED-PARTY TRANSACTIONS**

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client / recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the company would have adopted in dealing with the party at arm's length in the same circumstances.

Related party required to be disclosed

Tauranga City Council provided accounting services to BOPLASS Ltd during the financial year to 30 June 2024 free of charge. An estimated value of the accounting services provided for the year is \$15,000.

NOTE 24: STATEMENT OF PERFORMANCE AGAINST STATEMENT OF INTENT

The Equity Ratio is a good indicator of the level of leverage used by a company. The Equity Ratio measures the proportion of the total assets that are financed by stockholders and not creditors.

The calculation of equity ratio is:

2024: 1.69% (2023: 1.05%)

NOTE 25: EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

BOP LASS Ltd	
Statement of Financial Performance	Variance against Budget
Recoveries and Projects – Recoveries (Note 2 & 8)	Project timing is often impacted by reprioritisation of workstreams and effects the Project Recoveries and Expenditure. Both the project expense and revenue remained proportional.
Other Income (Note 2.5)	BOPLASS received an income tax refund of \$2,670
Interest Revenue (Note 3)	Higher interest rates resulted in an increase in bank interest earned against budget.
Employee Related Expenses (Note 5)	OPEX Salaries have decreased when compared to budget which was a result of fewer hours being spent on the Collaboration Portal and specific projects that off-set salaries.
Collaboration Portal Opex (Note 8)	Collaboration Portal operating expenses have decreased through introducing efficiencies into the administration processes and services.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

NOTE 26: BOPLASS CONTRACTUAL OFFSETTING REVENUE & EXPENDITURE TRANSACTIONS

	BOP LASS Ltd 2023/24			
	Revenue	Expenditure	Net Operating Surplus/(Deficit)	Explanation
Core				
Council Contribution	348,219	0	348,219	BOPLASS Ltd receives funds from nine councils to fund administrative costs not related to projects. Includes CPI Adjustment.
Interest Revenue	56,149	0	41,922	Refer Note 3.
Other Income – Reimbursement	2,670	0	2,670	Refer Note 2.5.
Depreciation & Amortisation	0	5,984	(5,984)	Refer to Note 4.
Salary and Wages	0	288,454	(288,454)	Refer to Note 5.
Superannuation	0	21,368	(21,368)	Refer to Note 5.
Direct Personnel				
Overheads	0	24,872	(24,872)	Refer to Note 5.
Directors Fees & Costs	0	19,314	(19,314)	Refer to Note 6.
Administration Expenses	0	17,576	(17,576)	Refer to Note 8.
Audit Fees	0	21,006	(21,006)	Refer to Note 8.
Consultancy	0	6,200	(6,200)	Refer to Note 8.
Insurance	0	11,517	(11,517)	Refer to Note 8.
General	0	30,161	(30,161)	Refer to Note 8.
Tax Expense	0	0	(0)	Refer to Note 9.
Total	407,038	446,452	(39,414)	
Projects				
Aerial Photography	263,312	263,312	0	Participating councils are invoiced by BOPLASS Ltd and the vendor is paid as percentages of the work on the project are completed.
Canon Video Conferencing	18,380	19,175	(795)	Councils pay BOPLASS Ltd an amount charged by Canon plus an administrative fee for BOPLASS Ltd maintaining a service and maintenance contract on behalf of the councils.
Inter Council Network	147,324	134,557	12,767	Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the cost for the Inter Council Regional Network Platform. ICN revenue includes recovery of other operating expenditure - ICN, interest on borrowings - ICN loan and BOPLASS Ltd administration fees.
Recoveries	611,176	597,601	13,575	BOPLASS charges an administration fee for management of project recoveries
Crime Prevention	980,776	982,456	(1,680)	DIA provided funding to support crime prevention initiatives which started in 2023 and has been completed in 2024
Rebates	243	0	243	Rebates earned by BOPLASS from CSG Technology and NZ Post Ltd.

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Collaboration Portal	32,655	18,673	13,982	The Portal is to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate. Membership Revenue lower than expected.
Total	2,053,866	2,015,774	38,092	
Overall Total	2,460,903	2,462,226	(1,323)	

	BOP LASS Ltd 2022/23		
	Revenue	Expenditure	Net Operating Surplus/(Deficit)
Core			
Council Contribution	328,507	0	328,507
Interest Revenue	6,039	0	6,039
Other Income – Reimbursement	0	0	0
Depreciation & Amortisation	0	8,191	(8,191)
Salary and Wages	0	275,060	(275,060)
Superannuation	0	20,379	(20,379)
Direct Personnel Overheads	0	23,910	(23,910)
Directors Fees & Costs	0	19,393	(19,393)
Administration Expenses	0	18,049	(18,049)
Audit Fees	0	21,277	(21,277)
Consultancy	0	8,400	(8,400)
Insurance	0	10,950	(10,950)
General	0	9,985	(9,985)
Crime Prevention	0	13,163	(8,155)
Total	334,546	428,755	(93,639)
Projects			
Aerial Photography	741,188	741,188	0
Interest Revenue related to Aerial Photography	8,897	0	8,897
Canon Video Conferencing	22,472	19,360	3,112
Inter Council Network	127,595	115,910	11,685
Project Recoveries	654,611	618,870	35,741
Rebates	622	0	622
Collaboration Portal	37,250	26,647	10,603
Total	1,592,635	1,521,975	70,659
Overall Total	1,927,181	1,950,730	(23,550)

7.3.1 Appendix 1: BOPLASS Annual Report 2023-24(Cont.)

Statutory Disclosures as per section 211 (1) of the Companies Act (1993)

NATURE OF BUSINESS

There has been no change in the nature of the business of the company during the year.

DIRECTORS APPOINTED

Under the Shareholder Agreement directors are appointed by the constituent councils. Directors and their dates of appointment are as follows:

Independent director	Craig O'Connell	26 February 2015 Chair from 16 March 2016
Kawerau District Council	Russell George Morgan Godfery	14 January 2008 until 23 January 2024 28 February 2024
Bay of Plenty Regional Council	Fiona McTavish	30 June 2018
Western Bay of Plenty District Council	John Holyoake	19 July 2021
Rotorua Lakes Council	Geoff Williams Andrew Moraes	1 July 2013 until 22 September 2023 24 April 2024
Whakatane District Council	Stephanie O'Sullivan	19 November 2018 until 19 July 2024
Tauranga City Council	Martin Grenfell	3 September 2018
Taupo District Council	Julie Gardyne	2 June 2023
Gisborne District Council	Nedine Thatcher-Swann	13 March 2017
Opotiki District Council	Stace Lewer	23 September 2022

INTEREST REGISTER

There have been no disclosures of self-interest during the period.

DIRECTORS REMUNERATION

In February 2015 the Board appointed an independent director. The independent director receives remuneration and is reimbursed for related expenses. No remuneration had been paid to other directors.

DONATIONS

There were no donations made by the company during the period.

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25



To: **Finance and Performance Committee**
Date: **Thursday, 28 November 2024**
Author: **A Naidoo / Strategic Policy Analyst**
Authoriser: **H Keravel / Acting Manager Strategy and Performance**
Reference: **A2790577**

1. Purpose for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide the Finance and Performance Committee with the Long-Term Plan non-financial performance results for quarter 1 of the 2024/25 financial year (1 July – 30 September 2024).

This report predominately focuses on the measures that are not met, or at risk of not being met.

2. Recommendation - *Tohutohu akiaki*

THAT the Long-Term Plan Non-Financial Performance Report for Quarter 1 2024/25 be **received**.

3. Background - *He tirohanga whakamuri*

Within the Long-Term Plan (LTP), Councils must include activities and outcomes which state what the council is trying to achieve, what its activities are and how it will measure its performance.

On 5 August 2024, the Council adopted the current LTP 2024-34 including an updated set of performance measures and targets to monitor levels of service delivery.

The Council adopted the following groups of activities:

- Democracy
- Arts and Culture
- District Partnerships
- Aquatic Centres
- Events and Tourism
- Economic Development
- Climate Change and Resilience
- Stormwater
- Wastewater
- Water Supply
- Ports and Harbours
- Parks and Reserves

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)

- Whakatāne Holiday Park
- Transport Connections
- Building and Resource Management
- Waste Management
- Community Regulation
- Community Facilities
- Corporate Services

Within these activities, Council set a total of 69 measures of which 33 are mandatory. This quarterly report provides Council the opportunity to see how we are tracking against 40 non-financial measures, with all 69 measures reported on in the Annual Report at the end of the financial year.

Following the adoption of our new Long-Term Plan 2024-34, we have included the following measures in our quarterly reporting:

Democracy – Governance Services:

- Percentage of meeting and committee agendas made available to the public within statutory timeframes.
- Percentage of Council meetings that are publicly live streamed.

Building and Resource Management – Building Services:

- Percentage of building consent applications processed in accordance with statutory timeframes.

Building and Resource Management – Resource Consents:

- Percentage of non-notified resource consents processed within statutory timeframes.

Appendix 1 sets out all LTP KPIs in more detail, including comparisons with the last financial year.

Appendix 2 sets out the Council's compliance with the New Zealand Drinking Water Quality Assurance Rules.

4. How we are performing

Figure 1 below indicates Council's progress towards the LTP 2024-34 non-financial performance measures for the first quarter of the 2024/25 financial year (1 July – 30 September 2024). The 2024/25 financial year is the first year of reporting against the current LTP and will use targets set for year one of the LTP.

Of the 40 non-financial performance measures reported quarterly, 32 are on track to be achieved, six are at risk and two are known not to have met the year-end target.

Figure 1: Percentage of end of year forecast of non-financial performance measures at end of Quarter 1

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)



4.1. Performance measures with result that will not be achieved by end of financial year

4.1.1. The extent to which Council's drinking water supplies comply with Part 4 of the Drinking Water Standards (bacteria compliance criteria)

Strategic Priority	Building climate change and natural hazard resilience, including our infrastructure
Activity	Water supply
Annual Target	All schemes compliant
Quarter 1 result	5 schemes compliant out of 9
Year to date (1 July – 30 September 2024)	Not Achieved
Comment	Refer to Appendix 2, which outlines compliance with the New Zealand Drinking Water Quality Assurance Rules by scheme in more detail. Results for compliance with the Part 4 of the Drinking-water Standards for New Zealand 2005 (revised 2018) are assessed using outcomes against the New Drinking Water Quality Assurance Rules (DWQAR) treatment plant bacterial rules and distribution system rules. (Appendix 2)

4.1.2. The extent to which Council's drinking water supplies comply with Part 5 of the Drinking Water Standards (protozoal compliance criteria)

Strategic Priority	Building climate change and natural hazard resilience, including our infrastructure
Activity	Water supply
Annual Target	8 schemes compliant out of 9
Quarter 1 result	4 scheme compliant out of 9
Year to date (1 July – 30 September 2024)	Not Achieved
Comment	Refer to Appendix 2, which outlines compliance with the New Zealand Drinking Water Quality Assurance Rules by scheme in more detail.

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)

Strategic Priority	Building climate change and natural hazard resilience, including our infrastructure
	Results for compliance with the Part 5 of the Drinking-water Standards for New Zealand 2005 (revised 2018) are assessed using outcomes against New Drinking Water Quality Assurance Rules (DWQAR) treatment plant protozoal rules. (Appendix 2)

Following Central Government public consultation in early 2024, changes to the Non-Financial Performance Measures Rules were finalised by the Department of Internal Affairs (DIA).

The mandatory measures included in the LTP 24/34 and mentioned in 4.1.1 and 4.1.2 (safety of drinking water) of this report have been replaced on 21 August 2024 by a new mandatory performance measure: The extent to which the local authority’s drinking water supply complies with the following parts of the drinking water quality assurance rules:

- a. 4.4 T1 Treatment Rules;
- b. 4.5 D1.1 Distribution System Rule;
- c. 4.7.1 T2 Treatment Monitoring Rules;
- d. 4.7.2 T2 Filtration Rules;
- e. 4.7.3 T2 UV Rules;
- f. 4.7.4 T2 Chlorine Rules;
- g. 4.8 D2.1 Distribution System Rule;
- h. 4.10.1 T3 Bacterial Rules;
- i. 4.10.2 T3 Protozoal Rules; and
- j. 4.11.5 D3.29 Microbiological Monitoring Rule.

This new performance measure reflects the current Water Services (Drinking Water Standards New Zealand) Regulations 2022 following the transfer of regulatory responsibilities to Taumata Arowai. Council has been reporting against these regulations since 2023. Staff are awaiting further guidance from DIA as to how to implement and report on this new measure for the ongoing future of this quarterly report and Annual Reports given this measure is not included in our current LTP.

For the 2023-24 Annual Report, at this stage, advice from DIA recommends taking the same approach as previous year’s Annual Reports by reporting on both the old part 4 and part 5 performance measures and against the Drinking Water Standards until further guidance is given. Once we receive this further guidance, we will provide an overall update on the way we report on this measure.

4.2. Performance measures with result that are at risk of not meeting target by the end of the financial year

4.2.1. Percentage of emergency customer service requests relating to roads and footpaths responded to within 2 hours

Strategic Priority	Enhancing the safety, wellbeing, and vibrancy of communities
Activity	Transport Connections

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)

Strategic Priority	Enhancing the safety, wellbeing, and vibrancy of communities
Annual Target	90%
Quarter 1 result	82.86%
Year to date (1 July – 30 September 2024)	82.86%
Comment	Due to lack of staff resourcing, not all response times have been entered within the allocated time to reflect the actual operational work being carried out. The result has improved from the previous quarter and is expected to improve with the onboarding of new staff being trained in processes and procedures, as well as implementing a Standing Operation Procedure.

4.2.2. Percentage of all other customer service requests relating to roads and footpaths responded to within 7 days

Strategic Priority	Enhancing the safety, wellbeing, and vibrancy of communities Building climate change and natural hazard resilience including our infrastructure
Activity	Transport Connections
Annual Target	95%
Quarter 1 result	92.35%
Year to date (1 July – 30 September 2024)	92.35%
Comment	Due to lack of staff resourcing, not all response times have been entered within the allocated time to reflect the actual operational work being carried out. The result has improved from the previous quarter and is expected to improve with the onboarding of new staff being trained in processes and procedures, as well as implementing a Standing Operation Procedure.

4.2.3. User satisfaction with Council's resource consent process

Strategic Priority	Building climate change and natural hazard resilience including our infrastructure
Activity	Building and Resource Management
Annual Target	60%

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)

Strategic Priority	Building climate change and natural hazard resilience including our infrastructure
Quarter 1 result	40%
Year to date (1 July – 30 September 2024)	40%
Comment	In Q1 Council received one Satisfaction Survey back from those who used the consent process, which showed a result of 40% user satisfaction with Council's resource consent process.

4.2.4. Percentage of non-notified resource consents processed within statutory timeframes.

Strategic Priority	Building climate change and natural hazard resilience including our infrastructure
Activity	Building and Resource Management
Annual Target	90%
Quarter 1 result	76%
Year to date (1 July – 30 September 2024)	76%
Comment	Although below target, the result is 20% above the previous year result for the first quarter. It is expected to further improve as Council has successfully recruited a replacement Development Engineer after an eighteen-month vacancy, and this is expected to assist with more timely assessments regarding interfaces with public assets and specific engineering requirements concerning applications for consent.

4.2.5. Amount of waste sent to landfill per person each year.

Strategic Priority	Shaping a green district
Activity	Waste Management
Annual Target	Below 70% of the national average amount
Quarter 1 result	108.21Kg, 17.8%
Year to date (1 July – 30 September 2024)	108.21Kg, 17.8%
Comment	This KPI was set when the national amount was 740Kg p.p, p.a. The large decrease in the national amount effects council's ability to achieve the target.

7.4 Non-Financial Performance Reporting, Quarter 1 2024/25(Cont.)

Strategic Priority	Shaping a green district
	The latest national average is 608Kg p.p, p.a. (Ministry for the Environment). 70% of 608KG is 425.60 Kg. 108.21KG is the amount for the first quarter. If this amount remains the same each quarter, it would be a total of 432.84 Kg for the year which would be above 70% of the new target.

4.2.6. Reduction in gross greenhouse gas emissions for Whakatāne District Council organisation (excluding wastewater) compared to 2022/23 year

Strategic Priority	Shaping a green district
Activity	Climate Change and Resilience
Annual Target	8% reduction in 2024/25
Quarter 1 result	Not reported in Quarter 1
Year to date (1 July – 30 September 2024)	At risk
Comment	<p>While we don't have a quarterly result for this measure that will be reported at the end of the year, the target is unlikely to be met based on the latest information available.</p> <p>Due to a significant increase of emissions for the year 2023/24 of 38% (compared the 22/23 year), the whole of Council emissions (excluding wastewater) will need to decrease by 46% from the 2023-24 reporting period. Staff will be prioritising actions subject to budget allocation.</p>

5. Significance and Engagement Assessment - Aromatawai Pāhekoheko**5.1. Assessment of Significance**

The decisions and matters within this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

5.2. Engagement and community views

Engagement on this matter is not being undertaken in accordance with Section 4.2 of the Council's Significance and Engagement Policy. This states that the Council will not consult when there is already a sound understanding of the views and preferences of the persons likely to be affected or interested in the matter.

7.4.1 Appendix 1: Non-Financial Performance Measure results, Quarter 1 2024/25

6. Considerations - *Whai Whakaaro*

6.1. Financial/budget considerations

There are no budget considerations associated with the recommendations of this report.

6.2. Strategic alignment

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

6.3. Climate change assessment

The decisions and matters of this report are assessed to have low climate change implications and considerations, in accordance with the Council's Climate Change Principles.

6.4. Risks

The Committee will note the measures set out in section 4.1 and 4.2 which are at risk of not meeting the end of year target or are known at this stage to not be achieved for 2024/25.

Attached to this report:

- Appendix 1: Non-Financial Performance Measure results, Quarter 1 2024/25
- Appendix 2: Compliance with New Zealand Drinking Water Quality Assurance Rules, Quarter 1 2024/25

7.4.1 Appendix 1: Non-Financial Performance Measure results, Quarter 1 2024/25

7.4.1 Appendix 1: Non-Financial Performance Measure results, Quarter 1 2024/25(Cont.)



Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Percentage of meeting and committee members with profiles in the public website	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities
Percentage of Council meetings actively monitored	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	1 of 1 monitoring was active. Tuesday 28th November was an off-site presentation, which resulted in no monitoring of council meetings.	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Number of Council members with profiles in the public website	1	1	1	1	1	1	1	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Number of Council members with profiles in the public website	1	1	1	1	1	1	1	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Number of Council members with profiles in the public website	1	1	1	1	1	1	1	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Number of Council members with profiles in the public website	1	1	1	1	1	1	1	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Number of Council members with profiles in the public website	1	1	1	1	1	1	1	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Percentage of meeting and committee members with profiles in the public website	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Percentage of meeting and committee members with profiles in the public website	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Percentage of meeting and committee members with profiles in the public website	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Performance Indicator	Annual Target	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Year to Date (Current Q1)	Half of year Target	Comments	Position per month	Strongly Priority
Percentage of meeting and committee members with profiles in the public website	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	1 of 1 meeting agendas were made publicly available in minutes	New Measure	Enhancing the safety, wellbeing, and status of communities

Item	Value
Item 1: Council members	100 members
Item 2: Council members	100 members
Item 3: Council members	100 members
Item 4: Council members	100 members
Item 5: Council members	100 members

7.4.2 Appendix 2: Compliance with New Zealand Drinking Water Quality Assurance Rules, Quarter 1 2024/25

7.4.2 Appendix 2: Compliance with New Zealand Drinking Water Quality Assurance Rules, Quarter 1 2024/25

7.4.2 Appendix 2: Compliance with New Zealand Drinking Water Quality Assurance Rules, Quarter 1 2024/25(Cont.)

Appendix 2 – Compliance with the Drinking Water Quality Assurance Rules

Compliance to Taumata Arowai

In November 2021, the role of drinking-water regulator shifted from the Ministry of Health to Taumata Arowai. New Drinking Water Quality Assurance Rules (DWQAR), Water Services (Drinking Water Standards for New Zealand) Regulations 2022 (DWSNZ), and aesthetic values took effect from 14 November 2022. Suppliers were expected to comply with the new sampling and compliance reporting requirements by 1 January 2023.

The DWQAR primarily impose requirements relating to drinking water supplier duties to:

1. Supply safe drinking water
2. Ensure that drinking water complies with the DWSNZ.

The DWQAR are structured as ‘modules’, with the main modules covering general rules, source water, treatment systems and distribution systems. Source water, treatment system, and distribution system rules have three complexity levels dependant on the size of the supply.

The DWQAR include rules for bacterial and protozoal compliance in treatment systems, and monitoring free available chlorine (FAC) and microbial water quality in distribution systems. Protozoal treatment of water is typically achieved through filtration and/or ultraviolet (UV) disinfection. However, if treatment is interrupted during the reporting period (for example due to power outages or flood events that cause periodic high turbidity issues), protozoal compliance will not be achieved. As such, some Council schemes do not meet the criteria to demonstrate compliance for the reported period. To ensure a safe drinking water supply if treatment is interrupted, all Council water supplies are monitored with alarm systems which alert staff or automatically shut down the water supply if necessary, for cases of high turbidity or low levels of free available chlorine.

Water in the distribution zones is monitored for FAC and the presence of *E. coli* and total coliforms. The DWSNZ set a maximum acceptable value of less than 1 *E. coli* per 100 ml sample, on the basis that this best represents the water quality as received by consumers. The Council notifies Taumata Arowai if a non-compliant test result is received.

The following table presents compliance with rules for treatment systems (T) and distribution systems (D) by drinking water supply scheme for the period 1 July to 30 September 2024. **Note the results are provisional, pending completion of an independent assessment of compliance which will be completed at the end of the financial year.**

Water supply scheme	Component	DWQAR rule type	Overall outcome
Matatā	Awakaponga water treatment plant (WTP)	T3 Bacterial	Met
		T3 Protozoal	Met
	Matatā zone	D3 Disinfection	Met
		D3 Microbiological	Met
Murupara	Murupara WTP	T3 Bacterial	Not met – due to instances of low FACe and the required chlorine contact time not being achieved.
		T3 Protozoal	Not met – no protozoal treatment.
	Murupara Zone	D3 Disinfection	Met
		D3 Microbiological	Met

Finance and Performance Committee - AGENDA

7.4.2 Appendix 2: Compliance with New Zealand Drinking Water Quality Assurance Rules, Quarter 1 2024/25(Cont.)

Water supply scheme	Component	DWQAR rule type	Overall outcome
Otumahi	Paul Rd WTP	T3 Bacterial	Met
		T3 Protozoal	Not met – no protozoal treatment.
	Te Teko WTP	T3 Bacterial	Met
		T3 Protozoal	Met
	Otumahi Zone	D3 Disinfection	Met
		D3 Microbiological	Met
Rangitāiki Plains	Braemar WTP	T3 Bacterial	Not met – due to the UVT analyser malfunctioning on 2 days in August.
		T3 Protozoal	Not met – due to the UVT analyser malfunctioning.
	Johnson Rd WTP	T3 Bacterial	Not met – due to lack of continuous FAC, pH, and turbidity monitoring in the required location.
		T3 Protozoal	Not met – no protozoal treatment.
	Rangitāiki Plains Zone	D3 Disinfection	Met
		D3 Microbiological	Met
Rūātoki	Rūātoki WTP	T3 Bacterial	Not met – due to instances of low UV on 2 days in August.
		T3 Protozoal	Not met – due to instances of low UV.
	Rūātoki Zone	D3 Disinfection	Met
		D3 Microbiological	Met
Tāneatua	Tāneatua WTP	T3 Bacterial	Not met – due to the flow meter malfunctioning.
		T3 Protozoal	Not met – due to the flow meter malfunctioning.
	Tāneatua Zone	D3 Disinfection	Met
		D3 Microbiological	Met
Whakatāne	Whakatāne WTP	T3 Bacterial	Met
		T3 Protozoal	Met
	Whakatāne Zone	D3 Disinfection	Met
		D3 Microbiological	Met
	Ōhope Zone	D3 Disinfection	Met
		D3 Microbiological	Met
Te Mahoe	Te Mahoe WTP	T3 Bacterial	Met
		T3 Protozoal	Met
	Te Mahoe Zone	D2	Met
Waimana	Waimana WTP	T3 Bacterial	Met
		T3 Protozoal	Met
	Waimana Zone	D2	Met

7.5 Financial Reporting as at 30 September 2024

7.5 Financial Reporting as at 30 September 2024



To: **Finance and Performance Standing Committee**

Date: **Thursday, 28 November 2024**

Author: **B Gray/GM Finance and Commercial Services**

Authoriser: **S Perdia / Chief Executive**

Reference: **A2791242**

1. Reason for the report - *Te Take mō tēnei rīpoata*

To provide the Finance and Performance Committee with the Financial Reporting to 30 September 2024, the first quarter of the 2025 financial year.

2. Recommendations - *Tohutohu akiaki*

THAT the Finance and Performance Committee **receive** the Financial Report to 30 September 2024.

3. Background - *He tirohanga whakamuri*

The 2025 financial year is the first year of the 2024 – 2034 Long Term Plan (LTP), therefore the budget for this financial reporting is based on year one of the LTP adjusted by carry forward budgets or other revisions as approved by Council (Revised Budget Full Year).

The Financial Report is presented as a snapshot of management financial performance for the first quarter of the 2025 financial year and provides insights on any key variances to performance which have been identified.

4. Issue/subject – *Kaupapa*

Financial Performance Overview to 30 September 2024 (Q1)

The financial reporting presented in this paper covers the first quarter of the 2025 financial year (1 July 2024 – 30 September 2024). The information presented depicts financial impacts of Operating and Capital Expenditure at a summary level along with explanations of material variances. The reporting also includes trends for debtors and rates debtors.

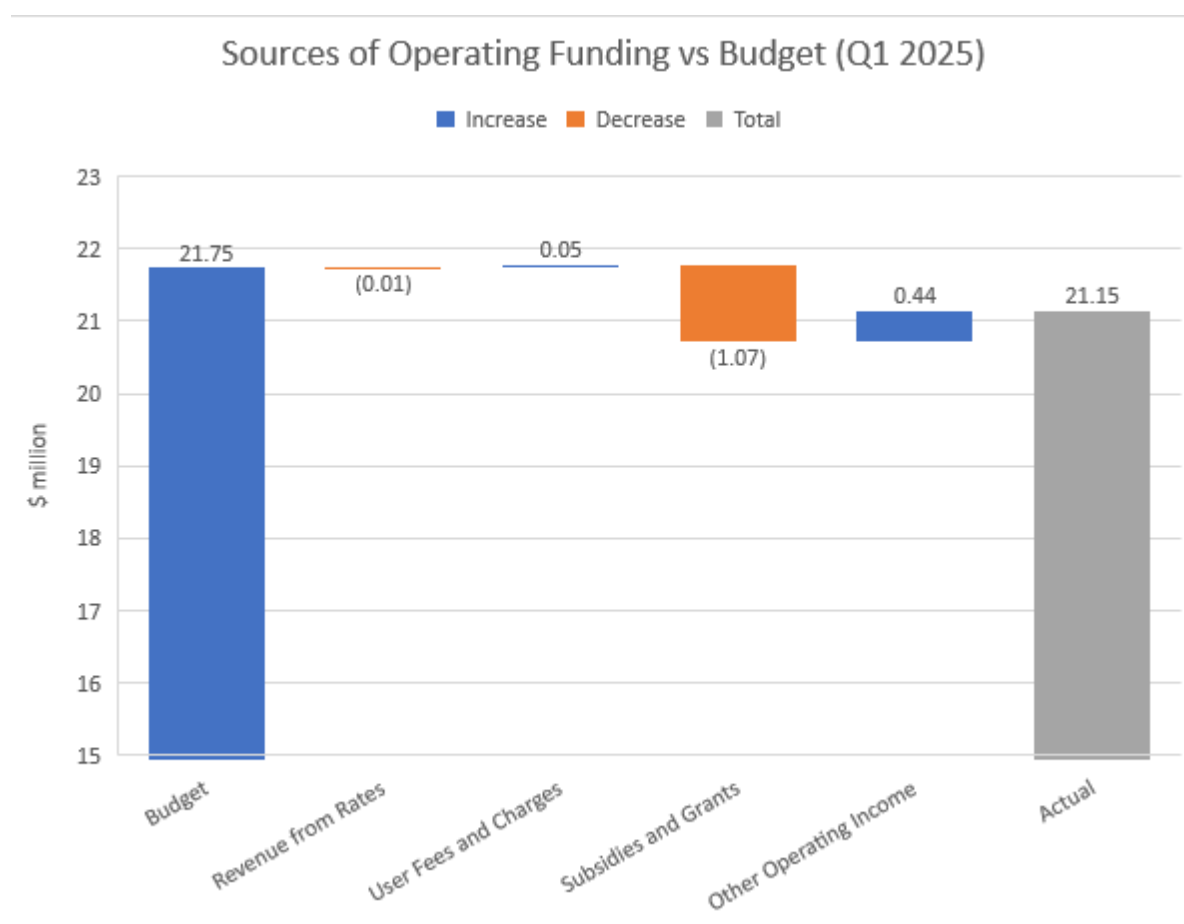
OPERATING PERFORMANCE:

1. The surplus for operating activities of \$0.9m is \$0.23m less than the budgeted operating surplus of \$1.1m.

7.5 Financial Reporting as at 30 September 2024(Cont.)

- Actual Operating Revenue (Sources of Operating Funding) of \$21.2m is \$0.6m (3%) less than budget of \$21.75m
- Actual Operating Expenditure (Applications of Operating Funding) of \$20.2m is \$0.37m (2%) less than budget of \$20.61m

4.1. Operating Revenue (Sources of Operating Funding) is within range of budget overall at the end of the Quarter One; actual of \$21.15m is \$0.6m (3%) less than budget of \$21.75m. Variance to budget by revenue classification is reflected in the following graph.



Subsidies and Grants for Operating Purposes are less than budget by \$1.07m (45%); this variance is largely reflected in the Transport Connections (\$0.83m) and Events and Tourism (\$0.3m) Group of Activities.

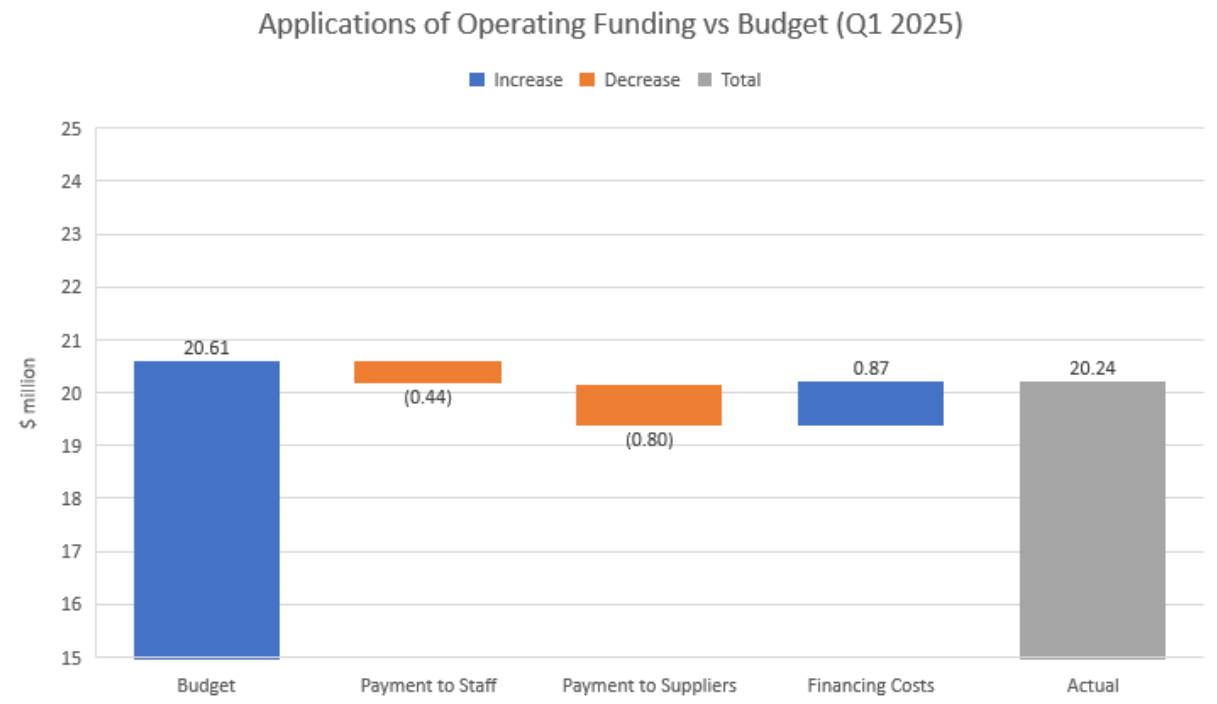
There have been several issues impacting subsidy income in the Transport activity including the withdrawal of some of the budgeted Waka Kotahi subsidy and Transport online not being set up to claim against Special Purpose Road spend (for part of this period). Council has been briefed on the subsidy issue and work is underway to revise budgets and this will feed into future forecasts.

The under-budget subsidy variance in the Events and Tourism activity is timing related and is anticipated to be on budget at year end.

Other Operating Income is higher than budget by \$.3m (20%); this variance predominantly relates to the receipt of interest revenue of \$0.4m and partially offsets the over budget financing costs.

7.5 Financial Reporting as at 30 September 2024(Cont.)

4.2. Operating Expenditure (Applications of Operating Funding) of \$20.24m is \$0.37m (2%) lower than budget of \$20.61m. Actual expenditure classification is reflected in the following graph.



Payments to Staff at \$6.65m is \$0.4m (6%) less than budget of \$7m. The variance reflects vacancies and delays in recruiting for the staff approved in the Long-Term Plan over the first quarter.

Payment to Suppliers is less than budget by \$0.8m (7%); this is predominantly timing related to projects; ERP (\$0.6m) and the Airport Master Plan Document Revamp (\$0.1m). Seasonal variation in solid waste contract costs have resulted in a \$0.4m under budget position, however this could change dependent on volumes over the summer months.

Financing Costs are higher than budget (\$0.87m), these costs are partially offset by interest revenue (\$0.4m) associated with prefunding at favourable rates.

4.3. CAPITAL:

4.4. Sources of Capital Funding are \$0.69m which is \$1.0m less than budget of \$1.7m.

Capital Subsidies are under budget (\$0.7m), reflected in the Transport Connections activities, with the variance relating to the timing of projects and subsidy issues referenced earlier in the report.

Development Contributions are under budget \$0.3m.

4.4.1. Applications of Capital Funding are \$7.6m which is \$3.2m (29%) less than budget of \$10.8m.

Variance by Group of Activity is reflected in the table below:

7.5 Financial Reporting as at 30 September 2024(Cont.)

Capital Expenditure by Group of Activity as at 30 September 2024	Actual YTD \$000	Revised Budget YTD \$000	Variance YTD \$000	Full Year Revised Budget \$0	Comment
AQUATIC CENTRES	75	91	16	993	
ARTS AND CULTURE	114	95	(18)	446	
CCO - AIRPORTS	22	131	109	1,377	Timing; Runway Lighting Navigational Upgrade
CLIMATE CHANGE AND RESILIENCE	60	61	0	463	
COMMUNITY FACILITIES	281	187	(94)	2,144	
COMMUNITY REGULATION	9	-	(9)	48	
CORPORATE SERVICES	583	532	(51)	2,915	
ECONOMIC DEVELOPMENT	19	345	326	1,520	Timing; Floodwall Integration project
HOLIDAY PARK	4	2	(2)	360	
PARKS AND RESERVES	105	86	(18)	3,502	
PORTS AND HARBOURS	61	30	(31)	1,144	
STORMWATER	2,115	2,322	207	7,200	Timing; Western Catchment Upgrade Renewal
TRANSPORTATION CONNECTIONS	1,150	1,690	540	17,878	Various
WASTE MANAGEMENT	65	52	(13)	240	
WASTEWATER	1,276	1,749	473	7,121	Timing; Network Renewals and Resource Consents
WATER SUPPLY	1,680	3,414	1,734	19,293	Timing; Otumahi Water Storage, Plains Backflow Preventors
Total Capital Expenditure	7,618	10,788	3,170	66,642	

Depreciation and Non-Operational Activities.

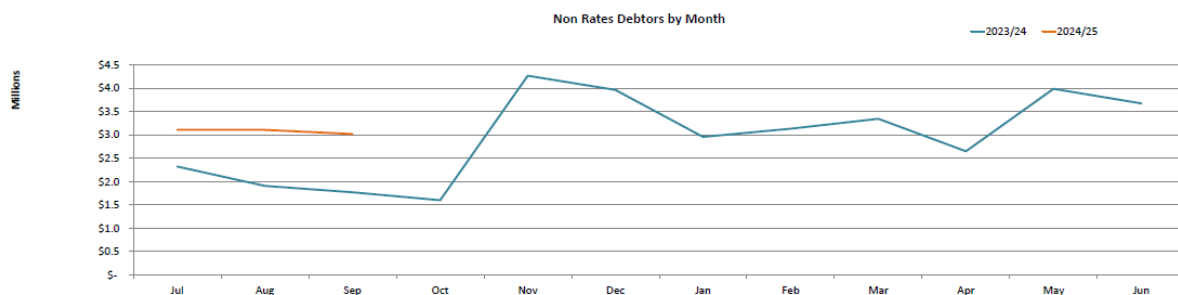
Depreciation: Depreciation of \$6.8m is within range of budget (2%) at the end of the first quarter.

Gain/Loss on Derivatives: An overall loss on derivatives of \$3.1m is reported to the end of September.

4.5. Non-Rates Debtors as at 30 September 2024

Sundry Accounts Receivable (non-rates) as at 30 September 2024						
Activity	Current	Overdue 30 days	Overdue 60 days	Overdue 90+ days	Total September 2024	Total September 2023
Airport	13,851.43	223.05	(505.40)	1,547,939.72	1,561,508.80	197,213.41
Animals	-	-	-	7,626.75	7,626.75	23,823.85
Building Consents	52,448.84	2,534.74	2,744.56	37,695.20	95,423.34	113,174.17
Refuse Transfer Station	171,111.80	14,460.62	10,021.28	108,289.62	303,883.32	203,411.47
Halls	24,397.87	2,790.00	1,305.00	26,922.34	55,415.21	27,800.75
Harbour Ground Lease	142,232.86	(7,629.35)	58,296.09	(42,139.30)	150,760.30	181,028.49
Leases/Rental (non Harbour)	40,387.26	(522.42)	6,524.73	754.22	47,143.79	67,081.61
Licences	15,672.56	1,563.75	2,044.50	28,888.12	48,168.93	72,126.72
Resource Consents	238,246.33	9,637.64	6,990.24	69,122.03	323,996.24	215,621.13
Roading	17,840.56	1,634.00	2,215.85	36,152.11	57,842.52	79,656.11
Sundry debtors	55,246.29	81,460.48	(586.50)	14,982.32	151,102.59	418,847.33
Trade Waste	24,169.72	-	11,844.39	20,986.68	57,000.79	69,160.88
Aquatic Centre	18,440.17	878.27	240.00	2,396.88	21,955.32	24,721.68
Moorings/Hardstand/Berthage	3,740.00	34,628.63	-	34,723.12	73,091.75	21,568.50
Liquor Licensing	2,472.50	(0.05)	-	160.95	2,633.40	2,329.35
Cemetery	58,961.28	510.00	-	1,435.43	60,906.71	51,153.43
Total	879,219.47	142,169.36	101,134.74	1,895,936.19	3,018,459.76	1,768,718.88
	29%	5%	3%	63%	100%	100%

* Sundry debtors include sponsorship invoicing, invoicing for pest control, invoicing to recover costs, and other invoicing that does not fit under other categories (including sand extraction, boat harbour project and venue hire).



7.5 Financial Reporting as at 30 September 2024(Cont.)**4.5.1. Explanation of Graph – How are debt levels tracking between this year and last year?**

- Total debt for September 2024 has increased by \$1.2M compared with September 2023. The majority of the increase is due to the invoices being raised for the Ministry of Transport's contribution to the Whakatāne Airport. This includes both 50% contribution for losses and 50% contribution for capital investments for the financial years 2020 - 2023.
- 90-day debt for September 2024 has increased by 3% compared with the same time last year (2024:63%; 2023:60%). However, the figure for 2024 includes the invoices for the Whakatāne Airport. Taking out the Airport, 90-day debt has reduced by approximately \$500K compared with September 2023. 90-day debt has reduced across most activities, with the exception of Refuse Transfer Station which has increased by approximately \$80K. This is due to an outstanding debt which is being managed by the accounts receivable team.

4.6. Total Land Rates Debt

The total land rates debt as at 30 September 2024 is \$8.98 million (30 September 2023: \$7.88 million).

The percentage of invoiced rates collected for the 2024 financial year as at 30 September is 91.59%, this compares to 94.76% collection at the same time last year.

Note: the 1st instalment invoices were delayed by a month in line with LTP adoption so this will impact the reporting the data.

The percentage of quarterly rates invoicing collected at the reporting date is shown in the following table:

Percentage Collected	2025	2024	2023
Q1 as at 30 September	91.59%	94.76%	95.74%
Q2 as at 31 December		96.05%	96.48%
Q3 as at 31 March		96.57%	96.86%
Q4 as at 30 June		96.80%	97.23%

4.6.1. Rates Rebates

Rates rebates processed to the end of September has increased 1.4% (740) in comparison to last year (730) at this point. The Rates team continue to encourage low-income ratepayers to submit applications to check if they qualify for the rebate of up to \$790. Reminders were sent with application forms for all customers who claimed last year but not so far this year. We will continue to look at was to raise awareness to maximise uptake on this DIA funded initiative.