

01-15-229
RDC-1197249

Kaupapataka

Agenda

NOTICE OF AN ORDINARY MEETING FOR THE OPERATIONS & MONITORING COMMITTEE

Date: Thursday 4 November 2021

Time: 9.30am

Venue: Council Chamber

MEMBERSHIP

Chair

Cr Tapsell

Deputy Chair

Cr Yates

Members

Mayor Chadwick

Cr Bentley

Cr Donaldson

Cr Kai Fong

Cr Kumar

Cr Macpherson

Cr Maxwell

Cr Raukawa-Tait

Cr Wang

Miss Rothwell (Lakes Community Board member)

Mr Heard (Rural Community Board member)

Ms Bray (Te Tatau o Te Arawa Board member)

Mr Waru (Te Tatau o Te Arawa Board member)

Quorum

8

OPERATIONS AND MONITORING COMMITTEE DELEGATIONS

Type of Committee	Committee
Subordinate to	Council
Subordinate Committees	n/a
Legislative Basis	Schedule 7 S30 (1) (a), Local Government Act 2002.
Purpose	The purpose of the Operations and Monitoring Committee is to assist the Council to ensure consolidated and complete reporting and monitoring of all financial and non-financial information and performance measures against the Annual Plan, Long-term Plan and strategic goals/priorities.
Reference	01-15-229
Membership	Councillor Tapsell (Chair) Councillor Yates (Deputy Chair) The Mayor and all councillors 2 Te Tatau o Te Arawa members 1 Lakes Community Board member 1 Rural Community Board member Full voting rights for all members
Quorum	8
Meeting frequency	Monthly
Delegations	The Committee's role is recommendatory only. ¹ It is authorised to take the actions precedent to the exercise by the Council of its statutory responsibilities, duties and powers, by: <ul style="list-style-type: none"> • Monitoring and reporting on the performance of the Council in terms of the organisational targets set in the Long Term Plan and Annual Plan – both financial and non-financial; • Monitoring and reporting on operational performance and benchmarking; • Undertaking quarterly reviews and reporting on Council's financial performance; • Monitoring, reviewing and reporting on the performance of council controlled organisations; • Monitoring, reviewing and reporting on Council's tender and procurement processes; • Monitoring, reviewing and reporting on the performance and management of Council contracts; • Monitoring, reviewing and reporting on the performance and management of major capital projects (including considering and making recommendations on issues that may arise);

¹ Council is authorised to delegate anything precedent to the exercise of Council's powers, duties and functions - Schedule 7, S32 of the Local Government Act 2002

	<ul style="list-style-type: none"> • Providing oversight and making recommendations in respect of proposals to exercise the powers and remedies of the General Conditions of Contract (by Council as “Principal”) – including taking possession of, determining, or carrying out urgent repairs to works covered by the contract; • Considering and making recommendations as to the settlement of uninsured claims for compensation or damages where the amount exceeds the amounts delegated to council officers; • Considering and making recommendations on requests for Council to guarantee third party loans; • Considering and making recommendations on proposals and requests for the grant of easements or rights of way over Council property; • Considering and making recommendations in respect of proposals to which will or are likely to significantly vary the levels and/or terms of insurance for Council assets; <p>Such other functions as the Council may direct from time to time.²</p>
Relevant Statutes	All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.
Limits to Delegations	<p>The Committee does not have the delegated authority to make decisions for and on behalf of the Council. All matters requiring a decision of Council must be referred, by way of recommendation, to the Council for final consideration and determination.</p> <p>In the event that the Council resolves not to approve or adopt a Committee recommendation, the item shall be returned to the Committee via the Chief Executive for review and subsequent referral to the Council for further consideration and determination.</p>

² A committee is subject in all things to the control of the local authority, and must carry out all general and special directions of the Council given in relation to the committee - see Schedule 7, S30(3) of the Local Government Act 2002.

Order of Business

1	Opening Karakia - Karakia Whakapuaki.....	5
2	Apologies - Ngā Whakapāha	5
3	Declarations of interest - Whakapuakitanga Whaipānga	5
4	Urgent items not on the agenda - Ngā take whawhati tata kāore i te rārangi take....	5
5	Confirmation of Minutes – Te Whakaū i ngā Meneti	6
	5.1 Operations & Monitoring Committee Meeting Minutes (draft) 7 October 2021 ...	6
6	Staff Reports – Pūrongo Kaimahi.....	11
	6.1 Community Safety Plan Progress - update.....	11
	6.2 Financial performance for the three months ended 30 September 2021	13
	6.3 Operational Update for Council from Rotorua Airport Limited.....	16
	6.4 Operational Update for Council from Infracore Limited	24
	6.5 Operational Update for Council from Rotorua Economic Development Limited .	37
	6.6 Operational Report for September 2021	48
7	Resolution To Go Into Public Excluded - Ka Matatapu Te Whakataunga I Te Tūmatanga (to consider and adopt confidential items)	78

1 Opening Karakia - Karakia Whakapuaki

TŪTAWA MAI	TŪTAWA MAI
Tūtawa mai i runga	I summon from above
Tūtawa mai i raro	I summon from below
Tūtawa mai i roto	I summon from within
Tūtawa mai i waho	I summon the
Kia tau ai te mauri tū	surrounding
Te mauri ora, ki te	environment
katoa	The universal vitality
Hāumi e. Hui e. Tāiki	and energy to infuse
e!	and enrich all present
	Enriched, unified and
	blessed

2 Apologies - Ngā Whakapāha

The Chair invites notice from members of:

1. Leave of absence for future meetings of the Rotorua Lakes Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

3 Declarations of interest - Whakapuakitanga Whaipānga

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

4 Urgent items not on the agenda - Ngā take whawhati tata kāore i te rārangi take

Items of business not on the agenda which cannot be delayed

The Chairperson will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of Rotorua Lakes Council

The Chairperson shall state to the meeting.

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Rotorua Lakes Council.
s.46A (7), LGOIMA

Discussion of minor matters not on the agenda.

Minor Matters relating to the General Business of the Rotorua Lakes Council.

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Rotorua Lakes Council for further discussion
s.46A (7), LGOIMA

5 Confirmation of Minutes – Te Whakaū i ngā Meneti

5.1 Operations & Monitoring Committee Meeting Minutes (draft) 7 October 2021

01-15-229
RDC-1192944

Minutes

**Operations & Monitoring Committee meeting
held Thursday 7 October 2021 at 9:30am
Council Chamber, Rotorua Lakes Council**

MEMBERS PRESENT:	Cr Tapsell, (Chair) Cr Yates (Deputy Chair), Mayor Chadwick, Cr Donaldson, Cr Kai Fong, Cr Kumar, Cr Maxwell, Cr Raukawa-Tait, Cr Wang, Mr Waru and Ms Bray (Te Tatau o Te Arawa), Mr Heard (Rural Community Board) and Miss Rothwell (Lakes Community Board)
APOLOGIES:	Cr Bentley
IN ATTENDANCE AUDIO VISUAL	Cr Macpherson; Jessica Allen, Regional Manager System Design (Waikato/BOP) Waka Kotahi
STAFF PRESENT:	G Williams, Chief Executive; T Collé, Deputy Chief Executive, Organisational Enablement; J-P Gaston, Deputy Chief Executive, District Development; G Rangī, Deputy Chief Executive, Te Arawa Partnership; C Tiriana, Deputy Chief Executive, Chief Executive's Group; R Pitkethley, Manager Sports, Recreation & Environment; S Brown, Director Arts & Culture; K Williams, Manager Community & Regulatory Services; L Marshall, Director Library; R Fraser, Infrastructure Business Support Manager; N Carling, Safe & Sustainable Journeys Manager; R Dunn, Governance Lead; I Brell, Governance Support Advisor

The meeting opened at 9.33am.

The Chair welcomed elected members, media and staff.

1 KARAKIA WHAKAPUAKI OPENING KARAKIA

Cr Maxwell opened the meeting with a Karakia.

2 NGĀ WHAKAPĀHA APOLOGIES

RESOLVED

That the apologies from Cr Bentley be accepted.

Moved: Cr Yates

Seconded: Cr Raukawa-Tait

CARRIED

[Back to index](#)

3 WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

None

4 NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Civic Centre deep clean 4 October 2021

Cr Kumar enquired if there had been an update on the recent deep clean or was one going to be provided. The Chair advised that elected members and the public had been informed, however asked the Chief Executive, Geoff Williams to give an overview. Mr Williams commented on the situation:

- While at work, a staff member realised they could have been exposed to a COVID-19 case in Hamilton.
- The response was to close the building. The team and the staff member were asked to undergo COVID-19 tests which have returned as negative.
- The building was deep-cleaned and staff returned the next day.

The Chair asked Mayor Chadwick if she would like to comment. Mayor Chadwick urged elected members to support the vaccination campaign.

The Chair also acknowledged the Chief Executive and Executive team for their actions to ensure staff and the community were protected.

Staff Vaccination

Cr Donaldson asked if the Chief Executive could provide an update on measures to ensure staff are vaccinated. Mr Williams provided an update:

- An agreement with Lakes DHB has enabled council staff and their families to be prioritised as urgent.
- The changes occurring to enable employers to require vaccination of their staff is also being closely monitored by Council.

NGĀ TĀPAETANGA PRESENTATION

5.1 WAKA KOTAHI – NATIONAL LAND TRANSPORT PROGRAMME UPDATE

Jessica Andrew spoke to a presentation (Attachment 1). Regan Fraser and Niki Carling assisted in answering questions from elected members.

6 TE WHAKAŪ I NGĀ MENETI CONFIRMATION OF MINUTES

6.1 OPERATIONS AND MONITORING COMMITTEE MEETING 2 SEPTEMBER 2021

Resolved

“That the minutes of the Operations and Monitoring Committee meeting held 2 September 2021 be confirmed as a true and correct record”.

Moved: Cr Donaldson

Seconded: Cr Yates

CARRIED

7 PŪRONGO KAIMAHI STAFF REPORTS

RECOMMENDATION

7.1 FINANCIAL PERFORMANCE FOR THE TWO MONTHS ENDED 31 AUGUST 2021

RDC-1185903

Resolved

That the report ‘Financial performance for the two months ended 31 August 2021’ be received.

Moved: Miss Rothwell

Seconded: Ms Bray

CARRIED

Thomas Collé spoke to a presentation titled ‘RLC Financial Performance update 2 months to 31 August 2021.’ (Attachment 2)

RECOMMENDATION

4.1 OPERATIONAL REPORT FOR COVID 19 DELTA VARIANT AUGUST/SEPTEMBER 2021 REFLECTIONS

RDC-1186268

Resolved

- 1. That the report “Operational Report for COVID 19 Delta Variant August/September 2021 Reflections” be received.**

Moved:Cr Maxwell

Seconded: Cr Wang

CARRIED

The Chair invited each Deputy Chief Executive to overview their section of the report.

- Kāhui Tū Pakari – Organisational Enablement group, Thomas Collé
The meeting adjourned at 10.57am and resumed at 11.05am
- Kāhui Tupu Whakaritorito – District Development group, J-P Gaston

- Kāhui Hapori Oranga – Community Wellbeing group, Rob Pitkethely, Stewart Brown, Kurt Williams and Luara Marshall spoke to a presentation titled 'Effects of Covid -19 this year' (Attachment 3).
- Kāhui Tūānuku Tūārangi – Infrastructure and Environment Solutions group, Regan Fraser
- Kāhui Whaitua Tūtahi – District Leadership and Democracy group, Rick Dunn
- Kāhui Te Arawa Hourua – Te Arawa Partnership group, Gina Rangi

The Chair advised, that the only matter in the public excluded session is to adopt the confidential minutes of the previous meeting and as there are, no corrections or discussion required there is no requirement to move to Public Excluded.

RECOMMENDATION

4.1 OPERATIONS AND MONITORING COMMITTEE MEETING MINUTES– 2 SEPTEMBER 2021 (CONFIDENTIAL ITEM)

Resolved

That the confidential minutes of the Operations and Monitoring Committee meeting held 2 September 2021 be confirmed as true and correct.

Moved: Cr Raukawa-Tait

Seconded: Cr Wang

CARRIED

OPEN SESSION

To be confirmed at the Operations & Monitoring Committee meeting on 4 November 2021

.....

Chair

Note 1: Rotorua Lakes Council is the operating name of Rotorua District Council

Note 2: Attachments to these minutes are available on request or on Council's website: [click here](#)

6 Staff Reports – Pūrongo Kaimahi

01-15-229
RDC-1195102

ROTORUA LAKES COUNCIL

Mayor
Chair and Members
Operations & Monitoring Committee

6.1 Community Safety Plan Progress - update

Report prepared by: Kurt Williams, Manager Community & Regulatory Services

Report reviewed by: Craig Tiriana, DCE Chief Executives Group

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

To update elected members on the progress of the Community Safety Plan work underway.

2. HE TŪTOHUNGA RECOMMENDATION

1. That the report 'Community Safety Plan progress - update' be received.

3. TE TĀHUHU BACKGROUND

Community safety was a strong discussion point during the creation and adoption of the Rotorua Lakes Council's LTP 2021-2033. In recent years council has in partnership with Police and other key safety stakeholders, continued to focus much of its safety efforts on providing adequate response and support in the CBD area. However, while that remains an important 'neighbourhood', the draft Community Safety Plan seeks to widen safety across the district so that Rotorua becomes a place with the safest public spaces in Aotearoa.

Council staff continue to work in close partnership with the Rotorua Police and other key safety stakeholders on a daily basis through activities such as but not limited to: vehicle and foot (community) patrols, the joint Summer Safety Campaign, CCTV monitoring, footage review and phased network expansion, providing commercial and public property protection, public education and welfare assistance associated with the Government's Covid-19 response.

Staff have also continued to improve Council's data collection and analysis with the aim of moving into a more 'prevention' based approach going forward.

This report will be accompanied by a presentation to provide further detail on the above subjects.

8.3 Tūraru Risks

Community safety is an important priority for Rotorua and maintaining visibility on the work and its effectiveness is important to create and maintain a positive reputation of Rotorua and increase perceptions of safety in the community.

01-65-052
RDC-1196012ROTORUA LAKES COUNCIL

Mayor
Chair and Members
OPERATIONS & MONITORING COMMITTEE

6.2 Financial performance for the three months ended 30 September 2021

Report prepared by: Michelle Overbeek, Finance Business Partner

Report reviewed by: Thomas Collé, Deputy Chief Executive – Organisational Enablement

Report approved by: Geoff Williams, Chief Executive

**1. TE PŪTAKE
PURPOSE**

The purpose of this report is to provide information on Council's financial performance for the three months ended 30 September 2021.

**2. HE TŪTOHUNGA
RECOMMENDATION**

That the report "Financial performance for the three months ended 30 September 2021" be received.

**3. TE MATAPAKI
DISCUSSION**

**Operating Statement
For the month ending 30 Sept 2021**

\$'000	Year to date			FY
	Actual	Budget	Variance	Annual Plan
Revenue				
Rates	28,398	28,186	211	112,272
Fees and Charges	4,348	4,801	(453)	17,622
Subsidies & Grants	1,070	872	198	5,290
Investment Income	146	158	(12)	630
Total Revenue	33,961	34,017	(56)	135,814
Less Expenditure				
Operating Expenses	15,219	14,829	(390)	64,440
Staff Expenses	6,886	7,230	344	32,048
Utilities Expenses	681	849	168	3,505
Administration Expenses	853	895	42	3,948
Finance Expenses	2,129	2,127	(2)	8,506
Depreciation	8,442	8,442	(0)	33,767
Total expenditure	34,209	34,371	161	146,214
Operating Surplus / (Deficit)	(248)	(353)	105	(10,400)

[Back to index](#)

Year to date Performance Summary

Overall Council's operating performance is tracking favourably in comparison to budget.

Revenue

Total revenue is tracking slightly unfavourable, which is largely driven by suppressed Fees and Charges.

Varying alert levels of lockdown have led to reduced Fees and Charges, in particular, parking revenue not being enforced, lease rental income reduced as markets and other major events have been cancelled. For the remainder of the financial year, we anticipate additional pressure on our Fees and Charges as the extended lockdown continues. Rolling forecasts are in place to identify and mitigate the full year impact on Fees and Charges.

Rates revenue continues to track marginally ahead of budget.

Subsidies and grants are favourable, mainly due to funding received from the DIA towards professional services relating to Three Water Reform (to be offset with consultancy spend). In addition, funding received for delivery of the Aronui Indigenous Arts Festival (postponed till further notice), and profit share on landfill revenues from MFE.

Expenditure

Total expenditure is tracking favourably overall, in comparison to budget, explanation of key variances is detailed below for reference:

- i) Operational expenses are unfavourable by \$390k, mainly driven by the following:
 - Consultancy fees- Expert advice required in preparation of MHUD housing bid
 - Professional fees- Three Water Reform initiative (offset with funding noted above)
 - Grants and Contributions- Community Resilience grants issued

With Council's continued focus on delivering against strategic priorities, we anticipate increased pressure on our operational expenditure. These additional demands will be aligned to Council's priorities and may result in further pressure on our budgets.

Council continues to work collaboratively with government and private agencies to ensure we retain flexibility to respond to any new and unforeseen events.

- ii) Staff vacancies across the organisation resulted in savings of \$344k.
- iii) Utilities expenses are favourable by \$168k due to lower usage across facilities, and a retrospective electricity on-charge to Trility to align with contract.

It is worth noting that Council is working with InfraCore on a debt reduction drive, effectively resulting in a debt transfer from InfraCore to Council. InfraCore's historical outstanding loan with Council is \$2.8mil. An agreement was reached to forgive \$1 of debt for every \$1 debt repayment made up to and including 30 June 2022. The impact on Council's operating result is expected to be in the region of \$1m and represent the value of the loan forgiveness.

Capital Expenditure for the 3 months ending 30th September 2021

The capital programme delivery for this year has been set at \$146m, which can be broken down into:

Capital growth projects \$13m – such as Pukehangi West stormwater.

Capital level of service \$89m – such as Shmpac, Lakefront, Whakarewarewa Forest and other CIP funded projects for roading and stormwater.

Capital renewals \$44m – such as Aquatic Centre, renewal programmes for transport, three waters, buildings and parks and reserves. Provision for economic recovery projects included within the above is approximately \$23m.

Year to date spend across capital projects is \$14m, key projects have been detailed below:

- i) SHMPAC \$3.6m, all zones are currently underway with construction scope works, with floor and wall framing started in plant room.
- ii) Lakefront \$2.3m, stage 2 site works progressing well, stage 3 impacted by Auckland lockdown so delay in cycle way, and stage 5 enabling works have progressed.
- iii) Aquatic Centre \$437k, progress on pool hall works with final design drawings and building consent. Delay in outdoor change room refurbishment due to lockdown and additional works identified as well as handover process underway for new project manager.
- iv) Stormwater improvements \$1.6m, underway across various locations such as Pukehangi West as work continues on detention ponds and dam designs and geotechnical investigations on various sites.
- v) Transport improvements \$1.1m, continue to progress across various locations including Kaingaora CIP funded projects.
- vi) IT Solutions \$1.9m, ERP upgrade with phase 2 underway as well as renewal of various hardware and software assets.
- vii) The remainder is spread across numerous smaller capital programmes, which, on an average individual basis are approximately \$100k

Cash on hand at the end of September was \$21m. Due to the significant Covid uncertainty Council decide to hold available cash surpluses at higher levels than usual.

4. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

The decisions or matters of this report are not considered significant in accordance with the Council's Significance and Engagement Policy.

01-65-052\02
RDC-1195316ROTORUA LAKES COUNCIL

Mayor
Chair and Members
OPERATIONS & MONITORING COMMITTEE

6.3 Operational Update for Council from Rotorua Airport Limited

Report prepared by: Thomas Collé, Chief Financial Officer

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

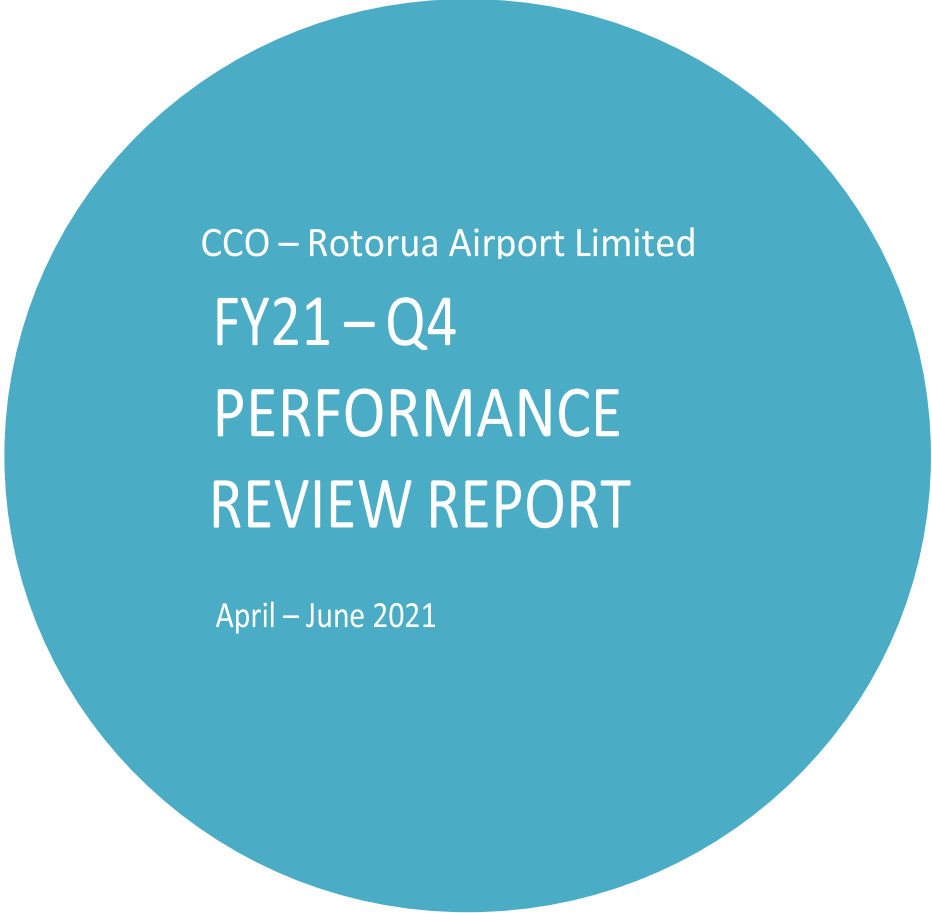
The purpose of this report is to provide the committee with an operational update for the year ending 30 June 2021 from Rotorua Airport Limited.

2. TŪTOHUNGA RECOMMENDATION

That the report 'Operational Update for Council from Rotorua Airport Limited' be received.

3. NGĀ APITI HANGA ATTACHMENTS

Attachment 1: Rotorua Airport Limited Quarterly Review Report



CCO – Rotorua Airport Limited
FY21 – Q4
PERFORMANCE
REVIEW REPORT

April – June 2021

CCO – FY21 Q4 PERFORMANCE REVIEW REPORT

Contents

FY21 – YTD HIGHLIGHTS	4
FY22 – KEY STRATEGIC ACTIONS Q1	7
FY21 – YTD FINANCIAL PERFORMANCE	7
STATEMENT OF INTENT - PERFORMANCE MEASURES	8

FY21 YTD Highlights

HIGHLIGHTS FROM 1 APRIL – 30 JUNE 2021**Financial KPI's Performance Update**

Based on COVID-19 impact SOI dated 30.06.2021.

- YTD Net Surplus (before Depreciation): Subject to audit (pending by 30th September 2021)
- YTD Net Surplus (after Depreciation / pre-tax): Subject to audit (pending by 30th September 2021)

Non-Financial KPI's Performance Update

- Aircraft Movements: Target 5,640 v Actual 4,935
- Passenger Numbers: Target 124,043 v Actual 179,500
- Controllable Safety Incidents: 0
- Employee Injury Events – days off: 1
- Masterplan

**Key Objectives FY21 – Performance Update**

Below is an update on each of the Company's Key Objectives for FY21 as set out in the SOI:

Manage health and safety risks and provide a safe environment for everyone affected by the activities of the airport including employees, customers, tenants, contractors and visitors

RRAL has maintained full operational compliance of its mandated Pt 139 Certification and Safety Management Systems (SMS). This is an operating requirement of the Civil Aviation Authority (CAA).

A WorkSafe audit was undertaken on the 29th January 2021 to review a number of RRAL's operating systems. The audit confirmed all audited systems were compliant, no actionable issues or findings were issued.

RRAL's Business Continuity Plan (BCP) continues to operate effectively through the challenges of COVID-19. The company and staff performed exceptionally well maintaining full operating continuity facilitating a number of key medical, military and essential worker relocation flights.

Following advice from Airways around the withdrawal of Air Traffic Control (ATC) RRAL commissioned an Aeronautical Study to determine the most fit for purpose ATC option for the airport. The study was completed on the 3rd March 2021 and submitted to the Director of the CAA for determination. The CAA Director released his determination on the 15th September 2021 and this confirms that an air traffic control service at Rotorua Airport is needed to ensure appropriate safety standards are being met. Retention of the ATC service has therefore been achieved.

Develop a commercial network that best meets the needs of the residents and businesses in the region

Rotorua's key passenger sectors (Auckland, Wellington and Christchurch) all showed positive performance over FY21 despite the challenges COVID imposed on domestic travel. As at 30th June 2021 we were had facilitated 179,500 passenger movements for the preceding twelve (12 months).

As we re-emerge from the challenges of COVID our focus remains on supporting growth across these networks and growing services over time to cater for the Rotorua community, business and tourism sectors and in doing so further positioning Rotorua as the key Central North Island Airport Hub.

In June the RRAL Board held a Strategy Day, several new initiatives are currently proceeding through the scoping phase.

In early September RRAL advanced its Initial Pricing Proposal (IPP) for the ensuing five (5) years aeronautical charges. WE are seeking to conclude these negotiations in 2021.

Redevelop the original terminal, taking the opportunity to showcase the best of what Rotorua has to offer

The original terminal was constructed in the mid 1960's. Investigations concluded that the structure required a significant upgrade to meet current legislative standards around seismic rating and capacity for departures and arrivals areas occupied in times of peak traveller demand.

The completed new terminal is designed to provide a safe and efficient facility for travellers and businesses operating across the building. It showcases Rotorua and provides a place our community can be proud of. Terrace Airside and the Business Hub underpin the expanded customer offerings.

Continue the terminal development, taking the opportunity to showcase the best of what Rotorua has to offer, and the Fire Station.

RRAL has continued to enhance the terminal facilities, key projects completed over the period included:

- Opening of a Business Hub;
- Completion of a full bilingual project across all terminal wayfinding signage;
- Completion of a Port of First Arrival facility;
- Opening of a Parents Room – The Karamuramu Room;
- Opening of a Meeting Room – The Mokoia Room;
- The renaming of the main airport entry road – Waikawa Crescent;

- The restoration, refitting and blessing of the Airport terminal carvings.

Engage the community and staff by being welcoming and ensuring the airport is an asset that they can be proud of

RRAL has maintained and enhanced connections with its community over the last twelve (12) months. Key initiatives have included:

- The publication of Haere Mai magazine in Spring and Autumn 2021;
- Hosted a sponsors event for Ride the Runway;
- Hosted Ride the Runway with circa 1000 event registrations;
- Hosted a number of community groups at the Airport, providing demonstrations of our emergency response capability; and
- Hosted Operation 'WiseOwl' with the NZ Airforce during the period 17th to the 28th May 2021.
- In April 2021 the Rotorua Airport terminal redevelopment was named as a finalist in the 2021 Property Council of New Zealand Awards

Manage and maintain business-critical infrastructure, services and facilities for all users of the Airport

Annual noise monitoring and a detailed survey of the airport's flight paths has been successfully completed over the course of last year. RRAL will proactively continue to work with Rotorua Lakes Council (RLC) and the broader community to ensure airport operations are undertaken within agreed legislative requirements.

Further works have been undertaken within the airport to maintain taxiway and runway surfaces with significant crack / joint sealing works completed.

Build non-aviation revenue and optimise existing assets, including unlocking the potential of the unused airport land

RRAL has advanced a number of key development initiatives within the last twelve (12) months, these include;

Precinct A - General Airport Business and Heliport Precinct

- Phase 1 Development Business case approved;
- Jet facilities – Fixed Base Operations (FBO) feasibility advanced

Precinct B - General Aviation Hangars

- Phase 1 Development Business case approved;
- Phase 1 Fire and Operations training facilities approved

Terminal

- Enhanced Retail facilities – feasibility advanced.

The successful completion these developments will enable RRAL to move towards a position of self-funding through generation of revenue streams from its strategic land holdings.

Support the wider plan change for the area surrounding the Rotorua Regional Airport

RRAL has strongly supported the Rotorua Eastside Community Wellness Plan te Oranga Nui - Rāwhiti Mai This process was a two-year collaboration between Council, Eastside hapū, Tatau Pounamu, the community and

key contributors (Waka Kotahi NZ Transport Agency, Toi Moana Bay of Plenty Regional Council, Rotorua Airport, Ministry of Education, Ngāti Whakaue Tribal Lands Inc) has resulted in an aspirational plan to create a brighter future for Eastside mokopuna.

Support Rotorua Lakes Council partnership with Te Arawa by working with the broader Te Arawa stakeholders, especially mana whenua from within the Rotorua Regional Airport area. The redevelopment of the terminal is a key opportunity to include bilingual signage and to represent Te Arawa stories and values.

RRAL has taken advantage opportunity presented to it through terminal redevelopment to convey our manaakitanga to our community and customers. Te Reo signage has been adopted across the building as well as the Emergency Operations Centre.

FY21 Q4 Strategic Actions

- Advancement of RRAL's portfolio of Strategic Initiatives through the adopted project plans.
- Completion of the revised Service Funding Agreement with RLC.
- Advancement of funding discussions with the LGFA.
- Negotiation and confirmation of RRAL's aeronautical charges proposal(s).

NOTE: Achievement of the above Actions is subject to co-operation from all parties.

Financial Management

Financial Performance FY21.

FY21 OPERATING BUDGET to 30 June 2021 (Based on the SOI)

Item	YE Budget	YE Actual
Revenue	\$2,780,071	Audit Result Pending
Expenses	\$6,055,654	Audit Result Pending
Net Earnings (post depreciation / pre-tax)	(\$3,275,583)	Audit Result Pending
<u>Reforecast as at 31 May 2021 (Month 11)</u> Net Earnings (before depreciation / pre-tax)	\$1,350,121	
<u>Reforecast as at 31 May 2021 (Month 11)</u> Net Earnings (post depreciation / pre-tax)	(\$1,155,139)	
Capital Expenditure	\$490,000	Audit Result Pending

NOTE: The reforecast as at 31 May 21 reflects a faster than forecast recovery of passenger services resulting from COVID's impact on domestic travel and subsequent positive uplift in other airport related revenues.

FY21 SOI Performance Measures

Targets are set for each performance measure. The table below shows how we are tracking towards reaching these targets by the end of the financial year.

1	2	6	0
On-track	Not Achieved	Achieved	At risk

Measure	Target	Result	Status	Comments
Aircraft Movements	5,640	4,935		
Passenger Movements	124,043	179,500		
Finance – Net Earnings	(\$3,275,583)	Audit Pending		
Support Rotorua Reorua	Under action	Achieved		
Support the Plan Change for the wider area	Under action	Achieved		
Develop a funding model to facilitate building non-aviation revenue	Under action	Milestone Achieved		
Develop the airport precincts in line with the agreed masterplan	Under action	Milestone Achieved		
Operational Number of Controllable Safety Incidents	1	0		
Team – Number of employee Injuries	0	1		Strained muscle in gymnasium.

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RDC-1184592ROTORUA LAKES COUNCIL

Mayor
Chair and Members
OPERATIONS & MONITORING COMMITTEE

6.4 Operational Update for Council from Infracore Limited

Report prepared by: Thomas Collé, Chief Financial Officer

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to provide the committee with an operational update for the year ending 30 June 2021 from InfraCore Limited.

2. TŪTOHUNGA RECOMMENDATION

That the report 'Operational Update for Council from InfraCore Limited' be received.

3. NGĀ APITI HANGA ATTACHMENTS

Attachment 1: InfraCore Limited Quarterly Review Report

CCO – InfraCore Limited

QUARTERLY REVIEW REPORT

FOURTH QUARTER FY21:
APRIL-JUNE 2021

Contents

Purpose (as per Statement of intent FY21).....	4
Highlights from Q4 FY21 (April – June 2021).....	5
Whats Happening in July - September 2021?	9
Financial Performance.....	10
Financial Position as at 30 June 2021.....	11
Performance Measures.....	12
Summary of progress against performance measures versus Statement of Intent.....	12
How we are tracking.....	12
Key Strategic Actions Measures.....	13

Purpose (as per Statement of Intent FY21)

A **social enterprise** is an organisation that applies commercial strategies to maximise improvements in financial, social and environmental well-being.

InfraCore's purpose is to partner and support the Rotorua Lakes Council operational requirements in alignment with the Vision 2030 – The Rotorua Way. For InfraCore as a business, this translates into improving the quality of life for Rotorua residents and visitors by cultivating and maintaining the areas in which they work and play. We do this by ensuring that the essential services are delivered appropriately and efficiently.

In summary, InfraCore's purpose is to:

- Partner with Rotorua Lakes Council in creating liveable communities.
- To offer asset management and social enterprise opportunities and solutions in order fulfil RLC's 2030 and 2050 goals.
- Provide high quality, cost effective solutions efficiently to fulfil RLC's 'Vision to Action' priorities.
- To deliver the core services as contracted to InfraCore:
 - service and maintain Rotorua's Parks and Open Spaces to predetermined Council specified standards
 - construct and maintain Rotorua's Three Waters infrastructure by conducting planned and unplanned maintenance activities
 - maintain the CBD and Premium sites with city cleaning activities
 - propagate and supply of nursery products both to service the CBD flower bed displays and wider Bay of Plenty residents
- Operate the business in an efficient and sustainable way; to be able to clearly demonstrate that goods and services delivered are to industry standard and compliant to all laws, by-laws and Industry standards. Where practicable, best practice should be followed.
- To work in partnership with Local and Central Government to actively support local youth and adult return to employment initiatives; to explore wider opportunities to support social good and well-being initiatives in order to further contribute towards the well-being of Rotorua Incorporated (Rotorua Inc).
- To provide Rotorua Lakes Council an increased flexibility that isn't present with pure commercial arrangements, including the delivery of services and projects that are not currently contracted out to InfraCore.

Highlights From Q4 FY21 (April – June 2021)

- In partnership to deliver social good – A recap of the MSD Contract. Below is an outline of the initiative including the planned outcomes:
 - MSD will provide part-funding to support two full time individuals each receiving a 9 month contract.
 - InfraCore is to provide suitable training to ensure each individual is competent within their position and able to confidently return or enter into the workforce
 - On the completion of each term competent individuals will be eligible to apply for permanent positions should they be available. Where permanent positions or ongoing engagement options are not available a written reference will be provided outlining their position, employment dates, and the role they fulfilled.
 - Each area will nominate a buddy to be the key mentor for this individual, this will be tailored to the skills they are learning.
 - Outcome for Parks & Open Spaces: Individual will be able to undertake the full complement of tasks required of a Gardener Labourer within a commercial and retail Nursery.
 - Outcome for Utilities: Capability to undertake tasks required of a Utilities Labourer working within the drinking water, storm water and components of wastewater reticulation sector

An update on the current position of the MSD contract: Both the Parks and Open Spaces and the Utilities positions have been filled, with one candidate being moved to a permanent Utilities position within 1 month of commencing the programme. This was undertaken in agreement with MSD, and allows the employee to use their existing skills and capability as well as further develop their skill base.

As a consequence of the above, the contract has been increased by +1 FTE making a total of 3 x FTE positions each for a 9 month period. This demonstrates an opportunity to further increase the number of people that InfraCore could employ on this basis. Whilst InfraCore are open to further exploration, it should be noted that there is a challenge with finding suitable applicants through the MSD channel.

- **In partnership to deliver social good** – The relationship with the Corrections department remains strong and active. We have received 3 applicants for employment through this channel during this financial quarter, however none of which have been successful all for different reasons. InfraCore are currently working with The Corrections Department to improve the employment success rate, and we remain committed to working together on this important initiative.
- **In partnership to deliver social good** - We continue to work in partnership with Rotorua Lakes Council on a number of new projects where InfraCore could play an active role in delivering Rotorua Build Back better outcomes.

- **Financial performance** – A combination of business optimisation initiatives and non-budgeted work opportunities have positioned InfraCore well for the year end of Financial Year 2021. Fundamentally, the InfraCore baseline costs have reduced due to the ongoing drive for resource utilisation and efficiencies. This places us in the strongest financial position that InfraCore has ever experienced and positions us well to enter talks on debt servicing with RLC, and to reinvest back into further replacing tired plant and equipment that will result in further reduced running costs and operational efficiencies.
- **The business optimisation programme (BOP)** - The BOP has become the modus operandi of the InfraCore Business. We continue to gather data through our finance and workflow management systems that allows us to analyse and identify further areas of opportunity that improve our safety ratings and efficiencies by increasing resource utilisation and production rates. This programme has no end date, it is now the way that the business is managed.

The BOP is inclusive, it involves the whole of InfraCore management and operational resource to work through the business systematically, seeking initiatives to make the business more resilient and robust.

- **The InfraCore Dispatch Centre review.** Now known as the Support Centre, we are now in the implementation stage and transitioning to a ‘best practice’ model by leveraging off of our existing workflow management system, and driving for resource utilisation and other operational and administrative efficiencies. This enhanced position will further strengthen KPI performance and further build upon the already sophisticated data capture and analytical capability that InfraCore has. Once implemented, the Support Centre will be capable of matching workflow to resources via an individual skills matrix, potentially for any workstream.
- **Business growth** – InfraCore now has a robust tendering process including a full risk review, a gateway approval process and where required a full Board approval process. Recent tender submissions have shown that InfraCore water main replacement pricing is within market rates, and whilst not all submissions have been successful we are comfortable that our price is now competitive. Operational improvements will continue to be made under our business optimisation programme, to further reduce our cost base and drive our efficiencies.
- **Business growth** – InfraCore continues to work with RLC and RED on growth opportunities.
- **Operational achievements** – InfraCore has proudly delivered Lakefront stages 1 and 1A, under the head contractors.
- **Operational achievements** – All of the annual maintenance programmes in Utilities and Parks have been delivered in the financial year timeline.
- **Health and Safety** - Continued focus on HSE initiatives to maintain injury reduction momentum. This is based upon increasing the levels of education, ensuring that standard operating procedures are being followed on site, and managing injuries effectively.
- **Human Resources** – The annual engagement survey has been completed and has delivered some important insights into the InfraCore business.

- The Annual All Staff Engagement Survey** – Following on from the material gains made in financial year 2020, InfraCore have once again demonstrated that we are fundamentally a people business, and that how our employee feel at work is important to us. The chart below shows the movement of the top 6 elements clearly showing that staff engagement levels have increased even further. Staff engagement is important to any business as it drives towards a safer, more productive environment.

InfraCore Employee Engagement Results FY21 - Consolidated versus FY20

Questions	FY20 (Where direct comparison exists)	FY21 Average across all divisions	Movement FY20 versus FY21
My division manager role models our values every day	46%	69%	↑
Employee feedback influences decisions at InfraCore	29%	58%	↑
The contribution of individuals is recognised	33%	61%	↑
I am fairly compensated for my work	37%	56%	↑
I look forward to going to work	69%	70%	↑
In my workgroup, we dedicate adequate time to planning for future changes.	33%	57%	↑

- Human Resources** – Training/Development continues to be a focus for InfraCore, investing in enhancing the skills base of our people to consistently improve and expand on the services we can provide. A number of key achievements / milestones have been met in Q4 of FY21:

Utilities

- Two Apprentices completed their Level 4 Civils Infrastructure Works
- Three are working towards completing their Level 4 Civils Infrastructure Works apprenticeships
- One has begun their Level 4 Civils Infrastructure Works apprenticeships
- Two are working towards completing the Level 4 Water Treatment qualifications
- One has completed Level 1 Te Reo
- One person completed First Aid refresher
- One person completed Growsafe Standard Certificate

Parks and Open Spaces

- One individual has begun their Level 3 Horticulture qualification

- Three are working towards completing their Level 3 Horticulture qualification
- One individual is working towards completing their Level 4 Arboriculture qualification
- One individual is working towards completing the Level 6 Arboriculture Operations qualification
- Three are working towards completing Level 4 First Line Management qualification
- Two have completed Level 1 Te Reo
- Two are working towards completing their Assessor qualification
- Five people completed Workplace First Aid / First Aid refresher
- Two people completed Growsafe Standard Certificate
- Three people completed Elevated Work Platforms Refresher
- One person complete Traffic Controller refresher

Support Functions

- Two working towards completion of Te Reo Level 2
 - One individual completed Health & Safety Level 6 qualification
 - One individual working towards completing Health & Safety Level 7 qualification
 - One completing Chartered Accountant qualification
 - One individual working towards completing Level 4 First Line Management qualification
 - One person completed Workplace First Aid
- **Preparation for ISO9001 Accreditation** – The external ISO 9001 audit is planned for the week commencing 19th July 2021 and is being undertaken by Kiwi Auditing. Achieving the ISO 9001 accreditation is important for 2 reasons, 1) it demonstrates that InfraCore has suitable quality systems and processes in place, is functional and is committed to continuous improvement, b) it provides confidence to our Shareholder, our Board of Directors and our client base that we have the capability and systems in place thereby creating a solid foundation for the business.
 - **InfraCore as a CCO** – The InfraCore FY22 Statement of Intent has been approved by Council. There are some significant changes to the previous iteration with the inclusion of Te Reo Maori, the commitment to work with Te Arawa in partnership supported by the addition of two new important KPI measures:
 - Partner with Te Arawa (contributing towards Te Arawa Vision 2050) and Mana Whenua through collaboration with a Te Arawa Iwi and Hapū entities.
 - Development and implementation of InfraCore reorua strategy. Commitment to Rotorua Reorua. Increased cultural awareness within our organisation.
 - **COVID-19** – The quarterly review of the COVID-19 contingency plan has taken place to ensure that InfraCore is COVID ready should there be a need.

What's Happening In July – September 2021?

- InfraCore will be audited against the ISO 9001 quality standard. This will result in one of two outcomes, a) non-conformance is identified resulting in corrective actions that will lead us to the ISO accreditation, b) InfraCore are awarded the ISO 9001 accreditation, this will allow us to display the logo within our branding and will better position us for tendering projects outside of RLC.
- A review of the Senior Leadership structure will be undertaken. The InfraCore business has evolved over the past 2 years with the needs of the business changing. A review will be undertaken to understand

what this means to the InfraCore business, and what management structure will best support achieving the outcomes as outlined in the Statement of Intent FY22.

- Work will continue in collaboration with Council to work on initiatives that create opportunities for displaced workers in the region, to include training and NZQA qualifications.
- Continued investment into relationship building with Iwi and other local organisations, seeking areas of opportunity to collaborate and support in making our community stronger. Specifically, we will be exploring the feasibility of introducing professional services pathways into the Te Arawa partnership.
- The business optimisation programme will refocus on the operational requirements of InfraCore, and how we unite our resources to achieve even greater resource utilisation and drive for efficiencies.
- Continued focus on HSE and wellbeing initiatives to maintain injury reduction momentum.

Financial Performance

For the period 1 July 2020 – 30 June 2021 (unaudited)

	Actual \$'000	Budget \$'000	\$ Variance \$'000
Core operations including revenue from Rotorua Lakes Council	12,459	10,288	2,171
Nursery Revenue	716	924	(208)
Project Revenue	2,541	2,540	1
Other Revenue	93	0	93
Total Revenue	15,809	13,752	2,057
Operating Expenditure	11,960	10,985	975
Administration Expenditure	2,979	2,767	212
Total Expenditure	14,939	13,752	1,187
YTD Net Surplus/(Deficit)	870	-	870

Commentary

Revenue

For the period 1 July – 30 June 2021 unaudited revenue is \$15.8m compared to budgeted revenue of \$13.8m. This increase can be attributed to the Rotorua Redeployment culvert project, additional water renewals, playground renewals and other projects awarded to InfraCore both through Rotorua Lakes Council and other customers. We have completed a project in Tauranga during the third quarter. We have also completed work as a subcontractor for the Lakefront project. InfraCore continues to evolve practices in our project management space including greater governance over projects. We operate regular reporting for all of our projects, and upon completion complete a “lessons learned” close out process.

Expenditure

Total expenditure is \$14.9m compared to budget of \$13.8m. This increase relates to the additional work completed. We have seen a significant decrease to the equipment hire as a result of the assets purchased to date. We are always working through opportunities to ensure efficiencies and continue to move forward with our business optimisation programme. This programme now extends to the wider staff as we utilize the “Why don’t we just...?” suggestions to filter through into our business.

Year End Surplus

The YTD surplus reflects \$870k compared to a budgeted breakeven position.

Expense management through the interactive dashboards created and using the business optimisation plan as a mechanism to drive change has contributed to this positive result. We continue to leverage the technology we have implemented at InfraCore to drive results through each division. We ensure visibility for all managers and are able to tailor easy-reporting strategies for each.

Financial Position as at 30 June 2021

	June 2020 (Audited Position) \$'000	June 2021 (Unaudited Position) \$'000
Current Assets		
Cash and Cash Equivalents	863	1,550
Other Current Assets	2,866	3,047
Non-Current Assets	1,771	2,052
Total Assets	5,500	6,649
Current Liabilities	1,974	2,438
Long term RLC Borrowings & other non-current liabilities	2,810	1,874
Total Liabilities	4,784	4,312
Share Capital	1,616	2,366
Retained Earnings	(900)	(30)
Total Equity	716	2,336

Performance Measures

Summary of progress against performance measures versus Statement of Intent

How we're tracking

The first table below summarises the overall status of the measures set for the year as featured in the FY21 Statement of Intent. The second table sets out the performance for each specific measure.

10	0	1	0
On Track	Measures in place to ensure On Track	Off Track	Not Measured

	Performance measure	Target for FY21	Status & Commentary
1	To achieve financial budget	To achieve financial budget allowing any future surpluses to be used to enhance business capability and invest in further plant and equipment and/or capability.	Achieved Budget was set to break even and a surplus of \$867k was achieved.
2	To secure additional revenue within this financial year that upon completion has a positive contribution to margin.	To secure additional revenue streams within the financial year that increases EBITDA compared to budget. This will be measured upon project completion, and monitored on a monthly basis.	Achieved There were a total of 13 projects during the year, with 2 projects still in progress. These projects contributed \$844k of profit to the bottom line.
3	Consolidated KPI scoring Parks and Open Spaces	80%	Achieved Annual Average 82.37%
4	Consolidated KPI Utilities	80%	Achieved Annual Average 87.25%
5	Targeting full employee engagement with Health and Safety	85%	Achieved 93.8% this was based upon employee attendance in the health and safety committee representative meetings
6	Gain ISO 9001 accreditation	100% (on track to gain and maintain)	Not Achieved At 30 June was awaiting our final audit to receive accreditation. We received certification as at 5 th August 2021.
7	Individual performance plan in place per employee	90%	Achieved 100% - All InfraCore employees have individual performance plans that are set with their managers. We have a performance management process that is followed, with annual and 6 monthly reviews.

	Performance measure	Target for FY21	Status & Commentary
8	Develop and document social enterprise project / initiative of work	3	<ul style="list-style-type: none"> 1 project completed in conjunction with RLC and PGF 1 project completed with RLC – utilising / extending the redeployment resource 1 MOU signed with corrections for employment pathways 1 Contract signed with MSD to deliver employment and training.
9	Understand the satisfaction level of the beneficiaries of the social enterprise's activities (Engagement survey).	80%	Achieved 100% based upon 3 feedback datasets from correction.

Key Strategic Actions Measures

Project	Comments
Laying the foundations of a lasting partnership with the Council	<p>Both organisations agree that a mature relationship is key to our mutual success, and that InfraCore has an important part to play in delivering a dual bottom line business. The organisations are aligned on the Social Enterprise value of InfraCore, and are actively engaged in exploration of further opportunities to include InfraCore in the Build Back Better social outcomes contribution.</p> <p>The general relationship is viewed as strong by InfraCore, with alignment gained on the InfraCore commitment to continuous improvement and best business practice initiatives.</p>
Building capabilities and committing to our community	<p>Social Enterprise is at the heart of InfraCore's purpose, whether it be employing locals or working with Council on mobilising socially responsible initiatives to increase employment and skill levels for the region's most vulnerable.</p> <p>InfraCore have developed relationship with Iwi, and MOU with Corrections Department and have a contract in place with MSD.</p> <p>InfraCore continue to work with Rotorua Lakes Council on understand how we can deliver further positive outcomes for the Rotorua region, whilst undertaking essential and worthwhile works packages.</p>

End of Report

ROTORUA LAKES COUNCIL

Mayor
Chair and Members
OPERATIONS & MONITORING COMMITTEE

6.5 Operational Update for Council from Rotorua Economic Development Limited

Report prepared by: Thomas Collé, Chief Financial Officer

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to provide the committee with an operational update for the year ending 30 June 2021 from Rotorua Economic Development Limited.

2. TŪTOHUNGA RECOMMENDATION

That the report 'Operational Update for Council from Rotorua Economic Development Limited be received.

3. NGĀ APITI HANGA ATTACHMENTS

Attachment 1: Rotorua Economic Development Limited Quarterly Review Report

CCO – Rotorua Economic Development
trading as Destination Rotorua

QUARTERLY REVIEW REPORT

April 2021 – June 2021

CONTENTS

QUARTERLY HIGHLIGHTS	4 - 8
1. Corporate Communications	
2. Marketing and Insights	
3. Investment and Development	
4. Visitor Experience and Services	
FINANCIAL MANGEMENT	9
KEY MONITORING INDICATORS REPORT	10

QUARTERLY HIGHLIGHTS

Corporate Communications

Capability

RED Values

- RED's organisational values have now been finalised and will be incorporated in the new office at the Fenton Street i-SITE. The whakatauki (proverb) gifted to RED by Kingi Biddle has also been incorporated into the values and will feature prominently in the design work. REDs values will be reorua (bilingual).

Bicultural Capability

- The RED team are committed to increasing the use of te reo both internally and externally when engaging with stakeholders. Utilising the teams' internal capability, RED is incorporating te reo wherever possible. This includes marketing campaigns and stakeholder communications.

Relationships

Shifting the narrative

- RED is aware of the negative perceptions toward Rotorua and how they can impact the desirability of Rotorua as a place to live, work and visit. We're working with a number of organisations to understand common issues, shared objectives, and how we can work together to combat the negative narratives that are often misguided. By using insights and data, we are working steadily to create greater awareness in the community of the real issues at play and how we can proactively resolve them together.

Supporting community kaupapa

- REDs role is to unlock the potential of Rotorua and this includes supporting the efforts of others in the community. We've expressed our support for the museum exhibitions redevelopment programme; the Aronui festival, the Wingspan Bird of Prey Centre and others.

NZ Māori Tourism

- RED has focussed on establishing and maintaining a meaningful relationship with NZMT. Following a meeting with the NZMT team earlier this year, RED was invited to be their guests at the inaugural Tohunga Tumau Matariki dinner in Auckland, and ongoing work between REDs marketing and insights team and the NZMT regional director has continued with considerable pace and enthusiasm.

Education New Zealand

- An opportunity has arisen for RED to benefit from a global PR effort to attract international students to Aotearoa New Zealand. We're working with Toi Ohomai to identify student stories to profile and feed into the larger pool of stories.

Market Insights

Destination Management Plan

- RED has led a project team to develop a Destination Management Plan (DMP) for the Rotorua district. The Government has asked each RTO to create one of these plans to ensure that tourism in their region reflects the community's wishes and they have a plan to enable the long term investment needed to maximise the benefits that tourism can deliver. With the support of two consultants, we have worked in partnership with Te Arawa, Rotorua Lakes Council, Tourism New Zealand, Ministry of Business Innovation and Enterprise, Rotorua Tourism Investment Partnership and local tourism businesses through a Project Steering Group over the past eight months to distil feedback from iwi, tourism businesses, central and local government, and lots of other stakeholders into an actionable plan with a 10-year focus. The plan will be submitted to Council's SP&F Committee in October.

#RotoruaProud

- To help to bring our brand identity to life and encourage New Zealanders to see Rotorua in a new way, we developed a story telling campaign called Rotorua Proud. We know that our unique qualities come from within – from the stories of our people. We wanted to put our people – our designers, our story tellers, our business owners, our entrepreneurs, our innovators and inventors, our performers, our scientists and our guides – in the centre of our story and share it with the people of New Zealand in an authentic and engaging way. We filmed 13 stories for the campaign, based around the concept of 'Our Wairua, Our Stories'. Using sound technology software, we created unique visualisations of each korero to provide a visual representation of each person's wairua and mana as they speak. The campaign was launched in the first week of July and has since been shortlisted for three awards in the Best Design Awards, run by the Designers Institute of New Zealand.

Capability development

- **Food and beverage:** We have established an industry-led steering group called Tao Kai, to help support development within the sector. Some of the projects that have been led by this group include:
 - Running a digital workshop to raise capability on using social media and Google My Business for hospitality businesses
 - Hiring a specialist food photographer to capture imagery for businesses to use in their own marketing efforts
 - Running a survey of Rotorua residents to gain insights into locals' perceptions of the Rotorua food offering (which achieved 730 responses)
- Future priorities for the Tao Kai group include developing food related events for Matariki 2022, working alongside RED to weave cultural competency through the F&B offering in Rotorua, and assisting with the development of the Rotorua Food story.
- **Rainbow training:** We ran a series of workshops with InsideOUT to help tourism, accommodation, retail and hospitality front line staff make their business safe and inclusive for rainbow and takatāpui communities. At the end of the training, the business received Safe Space Alliance accreditation as a signal to the LGBTQI community of the manaakitanga that Rotorua extends to everyone. 27 businesses signed up to take part.
- **Manaaki Hospitality training:** We are creating new content to update the Manaaki online hospitality programme promoting Te Arawa cultural knowledge and customer service in the hospitality sector. This will be video led, completed online and will form the basis of a new Rotorua-focused customer service training programme.
- **PR and story-telling:** For the next phase of our #RotoruaProud campaign, we've appointed a Communications Agency to help get more positive media coverage for the city by sharing some of our inspirational local business stories. For a monthly retainer, they will work directly with a local tourism

business to promote positive stories through the media each month. If this approach is successful, we hope to expand the contract to provide support to a wider range of businesses. To kick off this project, we ran a PR, media and story-telling workshop tailored specifically to help Rotorua businesses work with the media in a more positive way.

New business development

- We have supported a number of new tourism businesses looking to establish in Rotorua with data, insights and product feedback to support their product development. One of these businesses has now opened (Escapade: Rotorua Adventure Game) and others are still in exploration/development phases.

Business Events

- Around 60 members of Rotorua's conference industry attended our event called "From a Client's Perspective". The event explored what PCOs, Associations and Incentive Groups are looking for from the industry, and how we can work together to make Rotorua an even more successful business events destination.

Digital development

- In Rotorua App: We've developed an app to help our tourism, hospitality and service providers respond better to event-led visitor peaks. The app has two interfaces: one that enables venues and hotels to be able to check the status of live enquiries; the second allows the service industry (restaurants, bars, taxis) to see the number of additional people in Rotorua on a daily basis due to events. Initially focused on Business Events, phase two will draw in all Council venue booking information and we will also work with the hotels to encourage them to submit their own event information. Data will hopefully enable the hotels and airport to provide business cases for refurbishments, future investment and increased flight capacity.
- RotoruaNZ.com: Our new website went live in October 2020. The new website has significantly increased the number of digital leads that we send to businesses (either website referrals, links to email or phone number), ensuring that RotoruaNZ.com is a key referral resource for local businesses.

Working in partnership

We continue to work with key partners like Air New Zealand, Tourism New Zealand and Rotorua Tourism Investment Partnership (RTIP) to jointly fund a variety of campaigns to promote Rotorua as an attractive visitor destination for New Zealanders.

- RTIP has jointly funded our Experience Rotorua With Us school holiday campaigns, featuring bilingual, interactive digital maps showcasing a range of RTIP members. Fun, friendly and engaging, the maps painted a picture of a family-friendly destination, perfect for the holidays. The bilingual approach satisfies a renewed thirst for te reo learning and embraces the cultural offerings of Rotorua in an authentic way. Indeed, the te reo versions of our online ads have generated the biggest response.
- On March 16th Rotorua and Air New Zealand launched a joint campaign called "Feel the Energy of Rotorua". This multi-level marketing campaign utilised Air New Zealand channels such as their 900k domestic database, media and social channels, print and a made for purpose digital mountain bike game. This campaign featured strongly in Christchurch and Wellington, with Auckland as a secondary market. The aim of this campaign was to highlight Rotorua operators, gain an engaged database and to increase awareness of Air New Zealand links to Rotorua.
- We have been collaborating with Tourism New Zealand on a project to gain better understanding of New Zealanders' perception of and intent to experience Māori cultural products. This work will culminate in a future marketing campaign.

Investment and Development

Inner-city and residential development

- RED has extended its role to now deliver Transformational Place-making Projects. The extended role means RED can now work with the private sector to unlock development opportunities that will be transformational for Rotorua allowing RED to work more directly with developers and landowners to remove barriers without compromising the integrity of the process.
- Earlier this month an Expression of interest – Projects Supporting Inner City Living was released targeting both landowners and developers that are interested in transformational place-making projects that support inner-city living.
- Discussions with developers and Council to support a potential residential development in central Rotorua is ongoing.

Supporting the establishment of Te Mānuka

- RED was pivotal in the establishment of Te Mānuka – a partnership arrangement between Datacom, Te Tatau o Te Arawa, RED, and Toi Ohomai committing to work together towards establishing a digital hub in Rotorua.

Unlocking commercial opportunities in the forest and at the lakefront

- Work is ongoing with landowners, developers and business owners to realise the commercial opportunities and potential that exists within the Tokorangi Forest and at the Rotorua Lakefront.

Commercial and Industrial Land Development

- Storm water and transport modelling for a Greenfield industrial site completed by external consultants. Land trustees are to consider the information and determine potential rollout of the site development.
- Supported Waiariki Studios on due diligence and feasibility for movie studio sites, including discussions regarding potential investment opportunities.
- Supported Scion to progress mutually beneficial projects, including the opportunity to establish bio scale up facilities in the Rotorua region. Will be transformational for Rotorua allowing RED to work more directly with developers and landowners to remove barriers without compromising the integrity of the process.
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Visitor Services and Experience

Working with Toi Ohomai students

The i-SITE has hosted a number of students over the previous quarter, supporting their research projects where possible.

Rotorua Education Network

School bookings have been strong through until the current lockdown, with new enquires being generated from as far afield as the South Island. To extend the reach of this programme a variety of online modules are being considered.

i-SITE Future Network

The Visitor Information Network (owner of the i-SITE Brand) is consulting on changes to the i-SITE network. The proposal is focused on future proofing the network and aligning more closely to New Zealand's destination management approach.

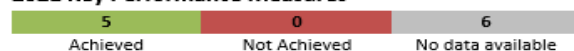
FINANCIAL MANGEMENT

Profit & Loss (Unaudited)
Rotorua Economic Development Limited
For the year ended 30 June 2021

	Actual 2021 \$000	Budget 2021 \$000	Var NZD \$000
Income			
Council Funding	4,420	4,220	200
Government Funding	852	1,000	-148
Other income	1,055	1,267	-212
Interest received	1	0	1
Total Income	6,327	6,487	160
Expenses			
Personnel costs	2,893	2,617	-276
Operating Expenses	3,322	3,804	482
Depreciation	76	53	-23
Total Expenses	6,292	6,475	183
Net Profit	35	12	23

KEY MONITORING INDICATORS REPORT

2021 Key Performance Measures



Measures	YE Result Jun 2020	YE Target Jun 2021	YE Actual Jun 2021	Action Status	Comments
1. Relevant destination data and insights has been sought in target sectors to support investment and reinvestment decision making by business. Subject matter of insights will be delivered during the year based on relevance and need.	25	>= 6	19	Achieved	Data and insights were provided to existing businesses and prospective new investors engaged in visitor activities, horticultural exports, horticultural infrastructure, Maori agribusiness, electrical vehicles and export coaching programs.
2. Level of satisfaction of businesses going through the ACCELERATE programme	95% (New Measure)	>= 80%	#N/A	#N/A	Council approved the removal of the ACCELERATE programme from the 2020-21 Statement of Intent reporting requirements.
3. Level of members' satisfaction with the value of the Luminaries Programme	#N/A (New Measure)	>= 80%	#N/A	#N/A	Council approved the removal of the Luminaries programme from the 2020-21 Statement of Intent reporting requirements.
4. The number of direct commercial introductions made by RED that contribute to a strong investment ecosystem	#N/A (New Measure)	>= 30	31	Achieved	Commercial introductions connected local business people with local funders, central government export agencies and iwi.
5. Introduction of a summer intern programme	#N/A (New Measure)	>= 10	#N/A	#N/A	Council approved the removal of the intern programme from the 2020-21 Statement of Intent reporting requirements.
6. i-SITE to be financially sufficient Revenue at least 30% pre-COVID level (ie. year end December 2019 \$1.76m)	\$1,431,128 (New Measure)	>= \$528,135	\$757,246	Achieved	The August/September 2020 COVID lockdown in Auckland was a key driver in revenue tracking only marginally above target in the first quarter, however revenue since then has steadily increased and resulted in the target being achieved with \$757,246 revenue for the 12 months to June 2021.
7. Business Events - Value of bids won in financial year based on MBIE data and DR lead sheet confirmed conferences * Events are typically won more than 12 months in advance of the event date. Some events won in the June 2020 year were to be held during 2020-21 and were cancelled due to COVID-19, additionally as business events occur the tentative room nights held are adjusted to reflect actual room nights and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value in DR business records for the June 2020 year.	\$4.7m*	>= \$3.0m	\$3.2m	Achieved	This value is based on room nights tentatively held as a result of business event bids won by RED and MBIE's Business Events Delegate Survey 2017 calculation of \$385 average delegate spend per night. For the year ending June 2021 RED won 31 events, collectively resulting in 8,352 room nights and \$3.2 million delegate spend.

Measures	YE Result Jun 2020	YE Target Jun 2021	YE Actual Jun 2021	Action Status	Comments
8. Total international expenditure data for Rotorua (based on MBIE statistics)	\$273m**	>= \$35m	\$15m*	#N/A	* As at YTD Oct-20: On Track at \$15m MBIE has suspended publishing visitor expenditure until at least the 2022 year and consequently this metric cannot be reported beyond October 2020. The model for estimating visitor expenditure is unfit for purpose following significant changes in spending patterns resulting from COVID19 disruptions to travel behaviour.
9. Total domestic expenditure data for Rotorua (based on MBIE statistics)	\$443m**	>= \$452m	\$202m*	#N/A	* As at YTD Oct-20: On Track at \$202m As above, MBIE has suspended publishing visitor expenditure and consequently this metric cannot be reported beyond October 2020.
10. Rotorua Tourism Sentiment score (based on Destination Think) is at least approximately the same or better than the December 2017 base year (=54). Tourism Sentiment Score (ranging from -100 to 100) is a measure of the destination's performance in driving online word of mouth and the perception of Rotorua's tourism offering internationally.	61 (New Measure)	>= 52	#N/A	#N/A	Tourism Sentiment was reported once annually for the year ending December, however during the 2020 year was replaced with a real-time online dashboard. The online dashboard utilises a new sentiment measure which is not comparable to the previously reported measure and consequently cannot be utilised for monitoring performance against the target.
11. Domestic consumer perception - % intend to visit (Delve loyalists + considerers) Rotorua from Auckland AND one target market is at least approximately the same or better than the June 2017/18 year	3 markets (New measure)	>= 2 markets (incl AKL)	3 markets (incl AKL)	Achieved	Consumer perceptions are collected once annually in May through August. The values published for the 2021 year are the result of survey responses collected during the month of July 2020. Each target market recorded an increased propensity to visit Rotorua and exceeded their respective targets.
<i>% Auckland market "intend to visit" Rotorua AND</i>	<i>50% (New Measure)</i>	<i>>= 50%</i>	<i>56%</i>		
<i>% Wellington market "intend to visit" Rotorua OR</i>	<i>40% (New Measure)</i>	<i>>= 40%</i>	<i>51%</i>		
<i>% Christchurch market "intend to visit" Rotorua</i>	<i>24% (New Measure)</i>	<i>>= 20%</i>	<i>28%</i>		

** MBIE estimates are subject to revision and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value published by MBIE for the June 2020 year.

01-65-052
RDC-1192056ROTORUA LAKES COUNCIL

Mayor
Chair and Members
OPERATIONS & MONITORING COMMITTEE

6.6 Operational Report for September 2021

Report prepared by: Geoff Williams, Chief Executive

**1. TE PŪTAKE
PURPOSE**

The agreed purpose of the report is to provide:

- briefings on matters under consideration prior to any decision being needed by Council;
- an opportunity to discuss the purpose and nature of developments at an early stage;
- progress updates on key initiatives; and,
- briefings on issues and matters arising from decisions made.

**2. HE TŪTOHUNGA
RECOMMENDATION**

That the report “Operational Report for September 2021” be received.

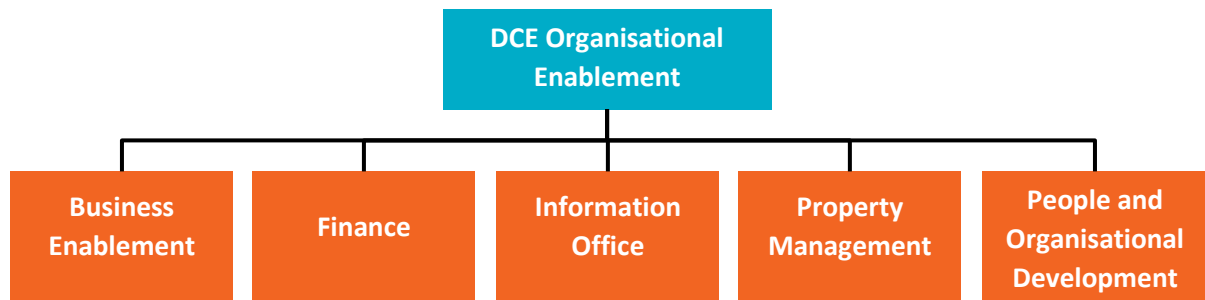
**3. TE TĀHUHU
BACKGROUND**

The report has six sections with reports and updates from:

- Kāhui Tū Pakari – Organisational Enablement group
- Kāhui Tupu Whakaritorito – District Development group
- Kāhui Hapori Oranga – Community Wellbeing group
- Kāhui Tūānuku Tūārangi – Infrastructure and Environment Solutions group
- Kāhui Whaitua Tūtahi – District Leadership and Democracy group
- Kāhui Te Arawa Hourua – Te Arawa Partnership group

It is envisaged some matters will need to be considered in public excluded. The intention however is to maintain as much as possible in open meeting.

4. KĀHUI TŪ PAKARI – ORGANISATIONAL ENABLEMENT GROUP



4.1 OHU: HANGARAU INFORMATION OFFICE

4.1.1 OneCouncil Programme

The country went in to lockdown as the programme entered into the first move of the configured software from the current development environment to test.

Activity during this time centered on the IT team moving the configured software, the ECM team as it moved their configured components and the Data, Reporting and Interfaces streams also set about moved from development into test.

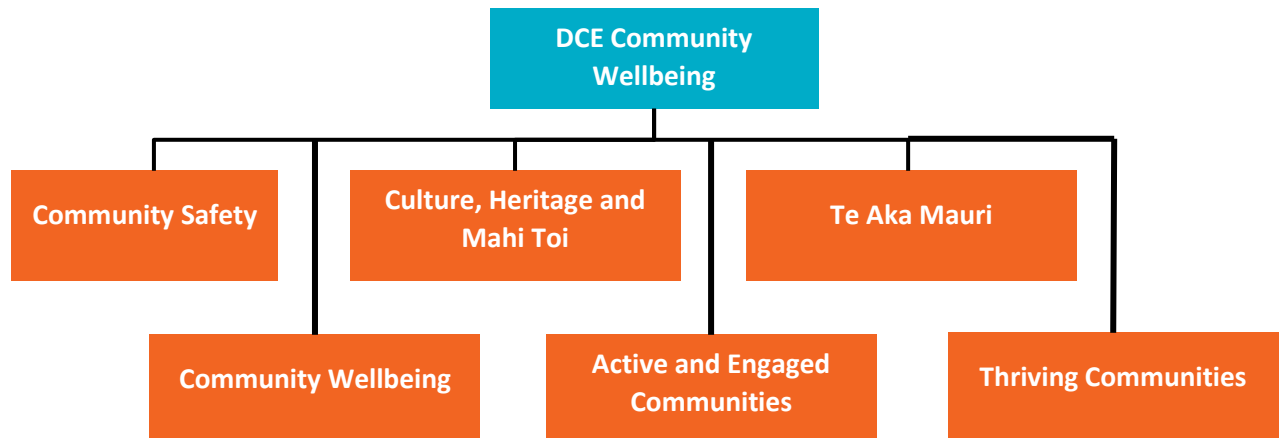
The focus of the Business Analyst and QA team has been a continuation of configuration, test planning and test execution following the configuration migration.

The One Council programme has moved from configuration validation into testing. The environment shift and load processes were as time consuming as expected, but valuable lessons have been learned as part of the process which will serve to allow us to potentially shorten timeframes for doing so as we move into UAT and Go Live planning, readiness and execution.

There has been a high number of bugs and issues in the early stages of testing, as was expected. Ongoing support is in place to work through testing and the fixing of bugs, issues, and triage.

We now have a development version of the new Geyserview 6. This is Council's spatial viewer which will be incorporated more closely with OneCouncil. Development is ongoing with a Public version and by the end of the month will be promoted to our test environment for the start of testing.

5. KĀHUI HAPORI ORANGA – COMMUNITY WELLBEING GROUP



5.1 VISION TO ACTION UPDATES

5.1.1 SHMPAC (Sir Howard Morrison Performing Arts Centre) Project

- Covid-19 continues to impact the programme both from the lockdown period in Rotorua, but also the extended AL4 and AL3 in Auckland and the Waikato.
- Several key contractors are based in Auckland and the Waikato. This has delayed programmes including asbestos removal and gib delivery.
- Two applications to permit contractors to leave lockdowns and continue work have been declined.
- Sourcing of materials is challenging whilst alternatives are being sourced time and cost are being impacted.
- Opening of the facility is now likely to be September/October 2022, but further delays can be expected if Covid 19 continues to affect material supply lines and contractor availability.
- Pre-cast sheer walls have now been installed by dropping them through the roof and bolting to the existing heritage structure.



5.1.2 Te Whare Taonga o Te Arawa Museum Project

- Following the lockdown work streams have progressed in the areas of power supply and HVAC.
- Design work continues on the 3D model, with minimal impact to the programme at this point.
- A funding application to Bay Trust has been submitted for the exhibition development.

- The brief for the Māori Battalion project (funded by MCH), is awaiting feedback before progression to concept design can be started.

5.1.3 Aquatic Centre

- Construction work on the outdoor change room by Burtons Construction is continuing. Delays have been incurred due to the Covid L4 lockdown, material supply delays, encountering deeper than expected foundations (that needed to be cut through) and a requirement for significant additional paint preparation on the walls. The refurbishment work is still expected to be completed in November.
- Detailed designs are now complete for all aspects of the pool hall works, including the Vector Foiltec transparent roof skylight and peer reviews of key aspects have been carried out. Building consent applications were lodged in early October for all areas (Pool Hall, Roof, Foyer and Indoor Change). The Request for Expressions of Interest for the construction work was released to the market in early October and responses are currently being evaluated. Once complete, a short-list of preferred suppliers will be invited to tender pricing and methodology for construction. Development of the tender document is currently underway, with issue of the tender to the short-listed REOI suppliers planned for November.
- The Aquatic Centre's reinjection bore in Kuirau Park experienced a casing failure on Friday 8 October and geothermal water surfaced in the park approximately 15m to the north-east of the well-head causing damage to Kuirau Street by the old Saturday market site. The casing failure was deep so special equipment was needed to be brought in from Taupo to supply enough material at a high enough pressure to quench the flow of geothermal water from the broken casing. Once sealed the site was cleared and arrangements made for repair of the road and park and a site for a new reinjection bore is being determined. This has not affected the Aquatic Centre's heating as this is supplied from the nearby production bore.

5.1.4 Whakarewarewa Forest Developments

- All trail work on the Whakarewarewa Forest Loop is complete and wayfinding signage installed for visitors to the forest in time for Crankworx (3-10 November). There will also be a number of storytelling interpretation panels installed around the loop and further digital storytelling coming on line through a mobile app throughout the summer.
- Cultural art sculptures for Te Pūtake o Tawa have been unveiled and construction of the deck and covered area for the commercial facilities at this site has been further delayed due to material shortages and is scheduled to begin in November.
- Upgrading the dual use cycling and walking path from the city to the forest has commenced with track widening between Motutara Point and the Whakarewarewa Rugby Club completed. Further improvement works along Hatupatu Drive and installing new bridges and boardwalks will be undertaken throughout the summer.

5.1.5 Lakefront Development

- Construction is continuing across the site with HEB working on Stage 5 (western lake edge and boardwalk, Campbell Infrastructure working on Stage 2 (new playground) and Stage 3 connection and cycleways, and GRB working on the new toilet block. Campbell Infrastructure will also complete the landscape works around the new toilet block pre-Christmas.
- Due to ongoing COVID pressures the risk of Campbells also starting construction of the toddler playground and not being able to complete before Christmas break, is considered high and therefore the decision has been made to push the toddler play works into early 2022.
- Offsite carving of the totara tumu at NZMACI are complete and the metal tumu and reflection seat are in fabrication targeting December install. CCTV procurement is underway and design and procurement work continues on the Whare Waka, and lakefront stages 6 and 7. The final Whare

Waka concept design is shown below. Note that in day time the timber screens pull back to open the Waka to the public (with a low glass barrier).



Whare Waka design shown at night when timber security screens are closed



Stage 5 sheet piling beginning for the area for the western boardwalk



New playground area with climbing Towers, slide, play rings and stepping paths

5.2 HUNGA: TIAKI HAPORI COMMUNITY SAFETY

5.2.1 Safe City Guardians / Patrols

- The Safe City Guardian patrol team have returned to a more 'activity and people focused' approach compared to the previous month's attention on property protection (during lockdown).
- The two patrol vehicles utilised during lockdown to cover areas outside of the CBD have been retained for the purpose of providing reassurance, detection and prevention services to the wider community.
- CCTV monitoring hours have recently been adjusted to proactively provide for the longer daylight hours and warmer weather. The operators continue to support the patrollers and Police in achieving prevention, de-escalation and attending to instances of anti-social and/or criminal activity.

5.2.2 Animal Control

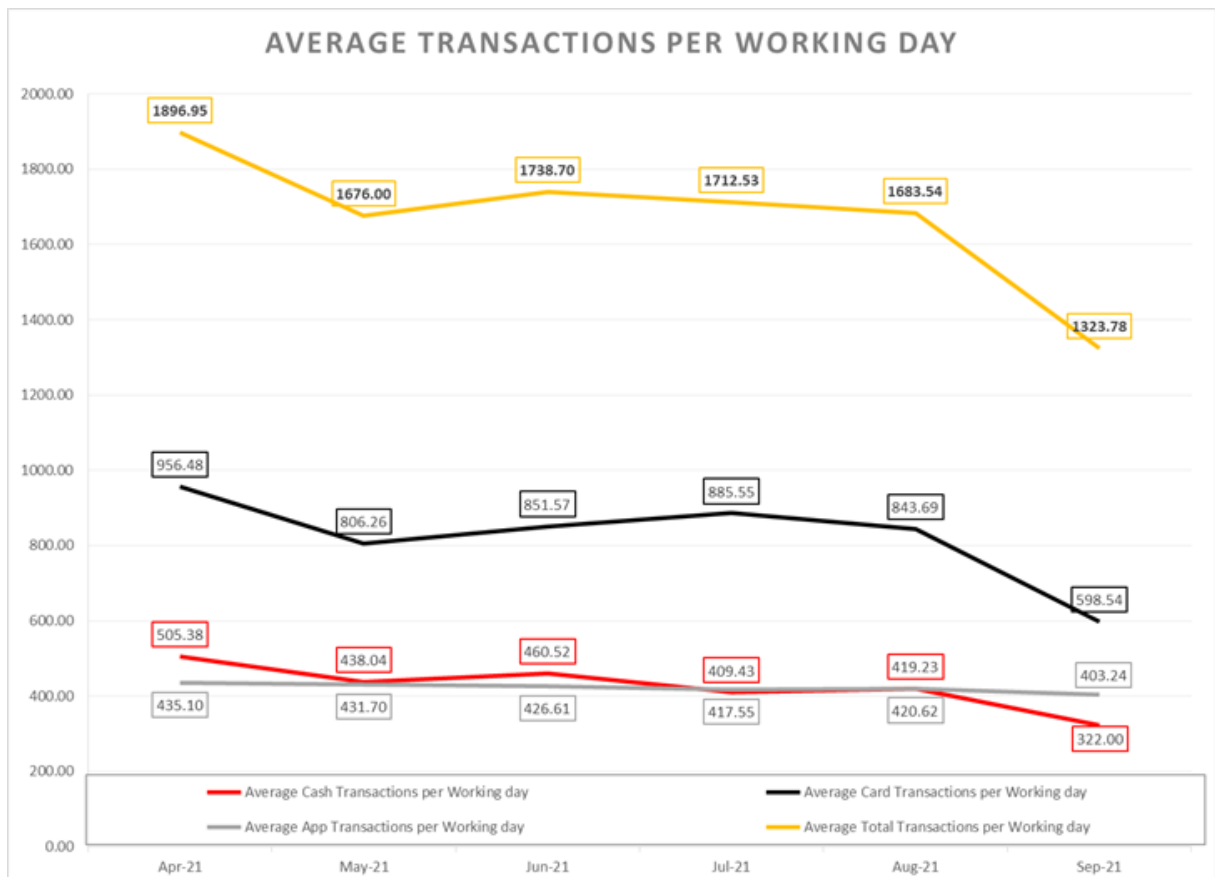
- Door to door dog registration follow up inspections resumed in September with appropriate Covid-19 safety measures in place.
- Staff are continuing to work through a backlog of customer complaints and difficult dog registration follow-ups that require physical attendance. Lockdown restrictions had previously prevented these from occurring.
- Despite the above challenges, dog registrations are progressing well and current trends suggest that we should reach approximately 95% registration rate by the end of October.

5.2.3 Licensing

- Duty Managers (alcohol) Certificate applications have spiked with the easing of Covid restrictions. Compliance administration and licencing staff remain focused on processing these applications as quickly as possible.
- Onsite Food Act verifications resumed for any ‘new’ premises during September, the remainder continued to be completed remotely as per the instructions from Ministry of Primary Industries.
- Council’s response to noise complaints once again returned to normal with a physical response now being possible in the first instance as the Covid-19 restrictions eased.

5.2.4 Parking update

- Parking transactions revenue show the impact of COVID lockdown during August/September.
- There were 18.5 parking days in September compared to only 13 in August.
- As per previous lockdowns parking enforcement was ceased and did not resume until the city was back to Alert Level 2.
- Normal parking levels in L2 have not returned to “normal levels” and is reflected in the reduced transactions and revenue.
- In the reporting period an average of **1324** transactions were taken per day. The transaction value split over this time was:
 - App transactions – 30% of total transactions (up from 25%)
 - Cash transactions – 24% of total transactions (down from 25%)
 - Card-at-meter transactions – 45% of total transactions (down from 50%)



5.3 OHU: TE AHUREA ME NGĀ MAHI TOI CULTURE, HERITAGE AND MAHI TOI

5.3.1 Arts & Culture Business Development Team

- The Farmer's Market and Food Truck Thursday (a smaller version of the Night Market) are both operational under Delta Alert Level 2, weather permitting. The Auckland and Waikato lockdowns have been having a noticeable effect on numbers.
- 63 artists have submitted a total of 75 works for the Bay of Plenty Artists Exhibition being run by Friends of Rotorua Museum from 8 November to 12 December 2021 in the Lockwood show homes in Fairy Springs. The Arts & Culture Business Development team have supported the exhibition with marketing. Proceeds go to works for the Museum collection and special projects.
- Despite the uncertainty of Covid, over 20 applications were received for the September round of Creative Communities. The Government also announced \$5million additional funding to be administered through the scheme nationwide, meaning additional funds will be available for the next round to support the hard hit creative sector.
- A range of activations were run during the latest school holidays including inner city chalk art, kids fun zones and a whānau night of entertainment and food trucks in Te Manawa.



5.3.2 Public Art

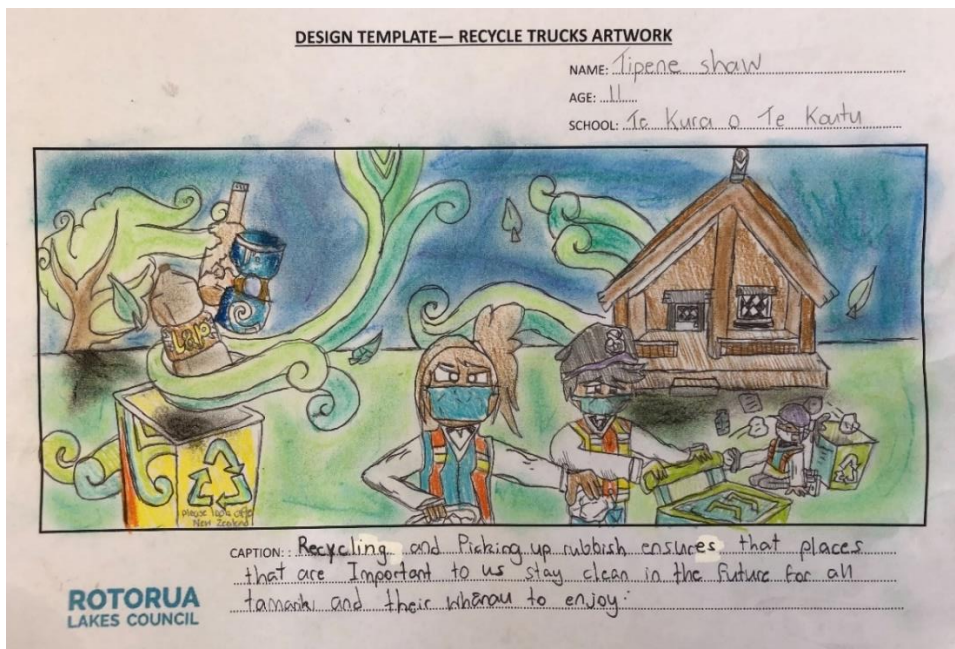
- Galleria exhibition 'Shades of Whites' by David Poole has been extended due to the cancellation of the annual showcase by Te Wananga O Aotearoa (COVID constraints).
- Community artwork outside Lynmore School has reduced average speed in that area by 19%.



- A community mural for Butcher’s Pool has been installed and has been well received. This was designed and painted in partnership with Reporoa College.



- Rubbish/recycling fleet artwork submissions have been received from local primary and secondary schools. Winning images will be printed and applied to ten trucks from December.



- Images below are a sample of the CBD chalk and pavement art project delivered by Helen English and Claire Delaney both local artists. Quirky, vibrant, and well received by community.



5.3.3 Performing Arts

- Aronui Merata Mita Mural unveiled on Friday 8 October (started in September) with at an intimate gathering in accordance with the Covid-19 Alert Level 2 restrictions.



Aronui Merata Mita Te Toki o Te Arawa Mural on the Yoobee Wall, 1220 Eruera Street

- A request for proposal for venue contract and ticketing has been developed for SHMPAC.
- Programming underway for 2022-2023 Sir Howard Morrison Centre Premiere Programme.

5.3.4 EEC and Sportsdrome

- Rotorua Basketball recommenced their regular basketball season from Tuesday 14 September using the Arena and Sportsdrome to comply with Alert Level 2 Guidelines.
- Hosted new and different clients in this reporting period. This involved the Rotorua District Court for its jury selection process and a Rural Community Board workshop. EEC was selected as the venue for its ability to host and ensure COVID L2 restrictions.

5.3.5 Rotorua Museum Te Whare Taonga o Te Arawa

- All out of town schools cancelled in September (708 students) due to Covid-19 however we were able to deliver a small number of outreach lessons in Rotorua schools safely using level 2 health and safety guidelines.
- Ngati Whakaue Education Endowment Trust have kindly agreed to let us repurpose the unspent portion of the term three bus funding and use in term four instead. (Due to level 4 and 3 many local schools opted to change their bookings until later this year)
- The Ministry of Education has extended all current LEOTC – *Learning Experiences Outside the Classroom* contracts for another 6 months. Our current contract will end on 30 June 2022. New tendering proposals for the next three years are to be released shortly.
- Due to lack of suitable venues and high demand, visual arts classes, where possible will be taught in studio two of the Arts Village on Mondays during term 4.
- We are working with Rangitiora Tibble, Ben Manly and Rangitihia Pene to complete a brand new education programme about the *Fenton Agreement* ready for term 1 2022.

5.4 TE AKA MAURI ROTORUA LIBRARY

5.4.1 Resources

- e-issues - 7,742. 43% increase.
- All issues - 20,926 for the period we were open, 2.4% increase.
- Average building numbers 600 per day.

5.4.2 Services

- **Christchurch Library** made contact to learn more about our “Bigger Busy Bag” project (library activities that encompasses literacy, creativity and new ideas) for those children in emergency housing - MSD advised them our programme was very good and working well.

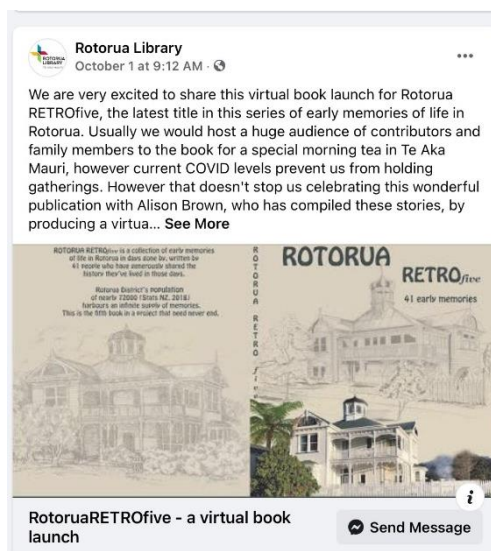
5.4.3 Library to You

- 693 issues. Contactless services continue at level 2.
 - “What a great service in these troubled times. Thank you, Rotorua Library.”
 - “I didn’t know what I would do without my books apart from going round the bend”
 - “It’s so nice to be thought of at times like this. Big thank you to your selectors & drivers.”

- **Fordland’s Community Centre** – Our first delivery of books made by the team to a community run facility, this follows on from successful visits from our Youth and Early Learning team. The deliveries will become part of our regular service.
- Delivery of discarded books made to Te Maioha o Parekarangi Youth Justice Residence in Horohoro. They were thrilled to get the latest deliveries and told us how much they enjoyed the previous delivery.

5.4.4 Programmes and Activities

- Regular in house programmes postponed during Delta Level 2, due to social distancing constraints. Team continue to investigate alternative delivery methods.
- **Rotorua Retro 5 – Online book launch.** Te Aka Mauri developed and facilitated the online book launch of this fantastic local resource. 221 Youtube views within the first week. <https://youtu.be/hSKoS8nXi1Y> *“You're right about the video . . . it's gob-smackingly brilliant. I just love it. He's one clever, insightful, talented, visionary man, is the library's research specialist, Graeme.” Alison Brown, Editor Rotorua Retro.*
- **Education**
 - Zoom sessions with 150 students to support their factsheets and presentations in preparation for Aquabots competition in November.
 - Young Engineers Club, 46 participants via zoom.
 - Level 2 Outreach School sessions in September: Aquabot build days were able to go ahead at Malfroy, Kaingaroa and Mururpara for 12 teams (108 students) with appropriate protocols in place.



5.4.5 Information enquiries – Heritage and Research

- 79 research enquires for the period, 24% via online.
- **Architect** researching the history of the Government Tourist Office as part of a refurbishment project.
- **Customer researching WAI 384 Treaty Claim:** “So grateful and really appreciate your assistance with this ... Ngā mihi for this information. I am happy with the attached info. Kia pai tō rā, Noho haumarū mai.”

5.5 OHU: HE HAPORI KAIIKAHA ACTIVE AND ENGAGED COMMUNITIES

5.5.1 Updates

- Council, the Trees for Survival team and Westbrook Primary School students planted 683 native plants behind the Rotorua Netball Courts. This planting will transform a small unused grass area into a more pleasing native grove visible from our premier netball facilities. Being close to the school the students can keep an eye on the plants which they have grown from seedlings under the Trees for Survival programme.



Westbrook Primary School students and Trees for Survival planting by

- Feedback from local residents and schools on the Aorangi Reserve playground has been assessed. Despite the issues surrounding glass being put into the bark safety surface of the playground, it is evident that the space is highly valued by young families in the area. To reduce safety surface replacement and maintenance costs sand will be trialled as opposed to bark because it is easier to locate debris and remove it from sand. Additionally new seating will be installed away from the playground to provide a separate area for those who want to use the reserve to meet. Letters have gone out to advise the community and the works will take place within the next couple of months once a contractor is available.
- Following engagement within the Springfield community about Tihi Road Reserve, a multi-year plan to manage the tree crop within the reserve started last year. Council has also been working with the community to set up a “Friends of Tihi Reserve” group with their own Facebook page. Work to mulch and spray areas where trees have already been removed will be done in spring so areas are ready to replant with appropriate tree species in autumn. Staff will work with the Friends of Tihi Reserve to plan and undertake this planting and monitor any weed growth.
- Restoration of the Isles Road drainage reserve started in September with progressive weed tree removal and then restoration planting for this multi-year project. Stakeholders have been advised of the initial work and engagement will continue to canvas interest in community involvement in further stages. Community Engagement on play space renewal work has also occurred in communities around Karenaga Park and Haumingi Reserve before these playgrounds are renewed.
- The Open Spaces team’s Recreation and Partnerships Advisor has been invited to be on a National Technical Advisory Accessibility Group. This comes after nationally recognised work on improving accessibility in the Whakarewarewa Forest and the role of this group will be to develop clear standards and guidelines for those working in the parks and outdoor industry on appropriate provisions for improving accessibility to open spaces.
- The Aquatic Centre has been operating under Covid Level 2 rules with restricted entry providing lane swimming and leisure swimming activity. Swimming BOP were also able to host their first carnival under Level 2 criteria on 10 October. The Aquatic Centre will resume normal operations only at Alert Level 1.
- The only events that have taken place under Covid Level 2 restrictions have been the 24 hour Blue Lake Challenge at Lake Tikitapu (numbers restricted), Steamers v Lions NPC game at the stadium (see below), and the NZRL Youth tournament at the stadium (no crowds).

- After working through options with BOPRU the Steamers NPC game was delivered with 15 separated bubbles created around the Stadium so that Level 2 rules could be maintained.
- Staff continue to work with event organisers for events up to May 2022. Of 27 scheduled events between September 2021 - May 2022, we have had the following outcomes thus far:
 - 3 x events took place under level 2D protocols
 - 6 x events cancelled
 - 4 x events postponed
 - 4 x events waiting on further information before confirming dates
 - 3 x events had no alternate dates (apart from Crankworx's which can operate at Levels 1, 2 & 3, the other events can only operate in level 1)
 - 7 x events have alternate dates booked.
- Community sport resumed at Level 2 with rugby (senior/junior) and rugby league (junior only) finals rescheduled to 18/19 September. WaiBOP football competitions restarted in mid-September and finished 3 October.
- Events scheduled to occur in October, Covid restrictions permitting, were:
 - NZRL Youth (U/16 & U/18) x 4 games
 - Northland v Otago NPC game (likely to be no-crowd restrictions)

5.5.2 Small Project Updates – Open Space & Recreation

- Tenders are out for the renewal of safety surfaces and fall zone modifications at playgrounds at Alexander, Amun, Brookdale, Bronte, Grand Vue, Jackson, Werrina, Stanley, Rerewhakaaitu and Linton Park West reserves. At these playgrounds the fall zones around play structures will be re-landscaped and the bark safety surface replaced to ensure compliance with playground safety standards prior to the busy summer season.
- A tender has been awarded for the renewal of the Linton Park West footbridge and is scheduled to begin in October.

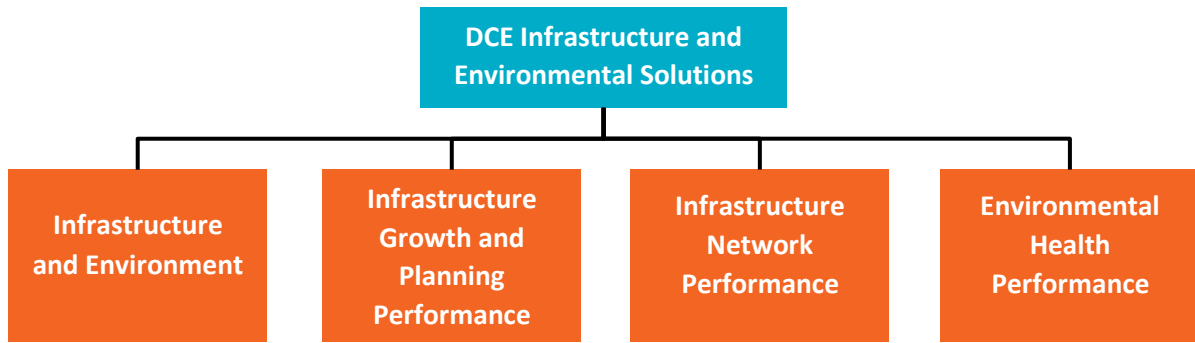
5.6 OHU: HE HAPORI TAURIKURA THRIVING COMMUNITIES

5.6.1 He Papakāinga, He Hapori Taurikura- Homes and Thriving Communities Strategic Framework

Emergency Housing

The cross-agency teams continue to connect as required to progress work. For Council, work is predominantly operational in the Planning team. The COVID lockdown in Auckland continues to delay some Kāinga Ora building works. Almost all families with children are now accommodated in HUD-contracted motels with support services. Other emergency housing clients continue to receive support from MSD navigators and case managers while MSD develops additional support services. Te Pokapū, the Housing Hub physical space is delayed by COVID effects, however is operating virtually connecting providers.

6. KĀHUI TŪĀNUKU TŪĀRANGI – INFRASTRUCTURE AND ENVIRONMENT SOLUTIONS GROUP



KEY MILESTONES

- State Highway Networks Improvements (enabling future proofing transport capacity and economic development) – Presentation of Stage One and Ngongotaha Intersection.
- Wastewater WWTP improvements and Victoria Street capacity upgrade for development (presentation).
- Water mains renewals to protect service reliability and future development (presentation).
- Taniwha Spring joint consent with NR reflecting Iwi Partnerships (presentation/schematics).
- Stormwater improvements to improve capacity a flood protection as well as enable development (presentation of key projects – Linton Park/Wharenui).

6.1 OHU: WAKA TRANSPORT



6.1.1 Updates on current NZTA-state highway owned and led projects:

Council works with Waka Kotahi (NZTA) to provide input into state highway projects on behalf of the local community and to enable the Council's strategic outcomes. Waka Kotahi is a key funding stakeholder in terms of roading investment programmes on local roads.

- SH30 Eastern Corridor Stage One further improvements (Sala Street to Iles Road) – The Ngapuna Shops carpark and footpath is being upgraded. Concrete kerbing and landscaping of central median

is continuing. Night time surfacing work underway from Sala to Iles. The combined result of these works will future proof this section of the Eastern Corridor.

- SH33 Ōkere Falls shared path and four pedestrian refuge islands construction is now underway reinforcing safety actions and providing active modes connection to the area.
- Work has continued on the roundabout bypass lane from Ngongotahā to Rotorua and this is expected to be substantially completed by early November. Work is also continuing on safety improvements on SH5 between SH36 and the Tupapakuraa Stream crossing. These work programmes augment the north/west corridor's capacity and will enable safer flow of traffic to and from Rotorua. These augmentations enable future spatial development in the area.
- The combined investment by Waka Kotahi on Rotorua's transport corridors including Stages one and two to the East and the Northwest programme is around \$70 mil this year.

6.2 OHU: MAHI MATUA

STATUS OF ROTORUA CAPITAL PROGRAMMES FOR THE CURRENT YEAR

Programme	Background	Project	Progress
(1) Transport Road Rehabilitation (road foundation rebuilds)	Road rehabilitation is required when the underlying pavement structural layers are failing and the resultant maintenance costs are increasing. On average approximately 0.2% of our network requires foundation strengthening per year.	The projects for 2021-22 include: <ul style="list-style-type: none"> • Yankee Road • Waikite Valley Rd • Whirinaki Valley Rd • Ash Pit Rd • Hamurana Rd 	The design of the programme for 2021/22 financial year is now well underway and the target is to commence and carry out these works during Q2 and 3.
(2) Annual Road Re-Seals Programme Council reseals about 8% of all sealed roads in the district per annum.	Re-surfacing of roads is a very important component of Asset Management that ensures road surfaces provide a suitable running surface and foundation waterproofing for underlying structural layers that protect them from failure, due to water penetration.	Road network Re-seals	The annual programme has now been finalised and work on pre-seal repairs is underway. The resealing works will be completed within Q2 and Q3 of the FY and will achieve between 65-70Kms of reseals.
(3) Roading Minor Improvements Programme	These are small scale upgrades which do not require a detailed business case application to NZTA and they generally target improved safety objectives but also they can include works to improve corridor resilience, traffic efficiency or assist to promote better mode share outcomes.	Projects on the year's programme are: <ul style="list-style-type: none"> • Paradise Valley Stream stabilisation and improved resilience for climate change driven storms. • Otonga Road and Edmond Road 	Specialist engineering resources have been appointed to advise on the long term management of the stream which, over the years, has resulted in several failures of the road support structures. Appropriate design scoping and objectives assessment of these two

Programme	Background	Project	Progress
		<ul style="list-style-type: none"> • Rural school roads safety review and safety interventions design. • Oturoa Road corner realignment where there has been a number of vehicle crashes. • A corner on Devon St near the stadium which has had a number of crashes is now being assessed for further safety improvements. • Dansey Road is high priority on NZTA's Road to Zero programme and is included in Council's 2021/22 programme 	<p>roads for traffic calming measures is underway. The Local community will be asked for input to the feasibility design.</p> <p>A contractor has been appointed to undertake work to improve safety for the Ngakuru School access. Works will commence shortly and completed in Q2/3.</p> <p>Council has completed the design for safety improvements to an accident prone corner. We are now proceeding through the land purchase process. Funding to deliver these works is not included in the NLTP and this work will be delayed until NZTA funding is secured.</p> <p>Preferred options to address safety have been determined however we are awaiting clarification from Waka Kotahi as to inclusion in the 21-24 NLTP.</p> <p>A programme of safety improvements has been evaluated however we are waiting for clarification from Waka Kotahi as to inclusion in the NLTP funding.</p>
(4) Rural Road Seal Extensions	The programme involves sealing of currently unsealed roads in rural areas. Projects include consideration for safety improvements and general drainage renewals where appropriate as well as other ancillary work.	<ul style="list-style-type: none"> • Maleme Road is the next scheduled road for sealing extension and it is based on evaluation criteria. 	Design for this project is now underway for implementation in the 2021/22 year Q3/4.
(5) Drainage Renewals	The programme is based on the Asset Management objectives of reducing storm impacts and it is targeting renewals for critical drainage assets on	<ul style="list-style-type: none"> • A significant culvert on Parsons Road is planned for replacement in the current year. 	Design for Parsons Road culvert is now underway. The work is programmed for late summer as it involves significant earthworks.

Programme	Background	Project	Progress
	road corridors principally of culverts, cesspits and kerb and channels.	<ul style="list-style-type: none"> Barnard Road culvert on the Waiwhero Stream is due for replacement. Council will work towards acquiring a consent in the 2021/22 year with construction planned in the 2022/23 year. 	Preliminary options report has been received. Discussions with the BOP Regional Council on consenting for the structure have been held and a consent application is being prepared with a view to obtaining consent in the current year.
(6) Wastewater Upgrades	The East Rotoiti and Rotomā Sewerage Scheme involves the provision of sewerage services to the Rotomā and East Rotoiti Communities. The project is part of the Te Arawa Lakes strategy that aims to ensure water quality in the lakes meets the agreed target standards. The project involves the construction of a wastewater treatment plant, providing on-site pre-treatment on all properties and the reticulation of effluent from on-site facilities to a new treatment plant.	Rotoiti Rotomā Sewerage Scheme	Council has now approved the on-site systems tender/contract for East Rotoiti and arrangements are being made with the contractor for commencing works. A detailed community information package has been posted to the local residents. Mobilisation for the installation have commenced and works are in progress. A full on-going communications plan to continuously update local residents has been implemented via a range of methods.
(7) Wastewater Networks Renewals	An asset management driven programme of renewal of critical assets that have reached the end of their useful life.	<p>A number of significant and critical renewal elements at the Wastewater Treatment Plant and within the reticulation system are in progress.</p> <p>Key projects are:</p> <ul style="list-style-type: none"> Dewatering plant Blower replacement Recycled water upgrade Victoria Street trunk main refurbishment 	<p>These critical renewals had to proceed ahead of the full plant upgrade as the risk of managing the old plant in a reliable service position until it is fully consented to be upgraded is too high.</p> <ul style="list-style-type: none"> The new dewatering plant has been installed and testing is complete and process commissioning is in progress. Blower is complete and commissioned. The recycled water upgrade is now complete and commissioned. Design for replacement of a

Programme	Background	Project	Progress
			critical section of wastewater main is progressing with construction planned for the current year. The project is being designed to accommodate future demand from all proposed development on the western side of the city.
<p>(8) Water Networks Renewals</p> <p>(8.1) Taniwha Springs Water Supply</p>	<p>Water Renewals involve replacement of reticulation networks that have reached the end of their useful life. A prudent Asset Management driven programme considers pipe age, condition, capacity, new materials and levels of maintenance costs to arrive at an optimum programme of renewal works.</p> <p>This project involves a new pump station at Taniwha Springs in line with recently issued consent.</p>	<p>Asset renewal driven projects for the year include:</p> <ul style="list-style-type: none"> • Umukaria Rd • Malfroy Rd • Island View Rd • Miller St • Peace St • Hilda St • Galbraith St • La Trobe Pl • Sala St <ul style="list-style-type: none"> • Duplication of the Waipa water main to increase supply resilience and service reliability is planned for the 21/22 year. • Replacement of a trunk main in Ranolf Street is programmed for the current year. • This is a key project securing water supply from this source for the future. 	<p>This programme of work is now well underway.</p> <ul style="list-style-type: none"> • This project is well advanced and will be complete by end of the calendar year. • Design is complete for the renewal of this critical trunk main which is at the end of its useful asset life, and it is expected to be tendered soon. • Detailed design is underway with a view to commence construction in the new year
<p>(9) Storm water upgrades and Renewals.</p>	<p>Council has the responsibility to implement storm water and drainage protection to the agreed design and levels of service standards currently set out in the Building Code. Most projects have a component of upgrades</p>	<p>Main projects included in the current year are:</p> <ul style="list-style-type: none"> • King Street area improvements. <p>Key projects for the 2021-22 year include:</p>	<ul style="list-style-type: none"> • The King Street storm water project is now complete.

Programme	Background	Project	Progress
	(to meet new design standards due to climate change) and renewals.	<ul style="list-style-type: none"> • Hinemoa Storm upgrade. Point water • Vaughan extension Road 	<ul style="list-style-type: none"> • Design is now complete for improvements to storm water that will support proposed development and address existing flooding problems. Consenting requirements are being worked through. • Piping of an existing open drain within an urban area is planned for the current year. Design is underway.
(10) DIA Funded projects	Through the Water Reform Package, Council has been allocated money by the Department of Internal Affairs to advance projects. These include projects to support development proposals on the western side of Rotorua City and advance the Rotoehu sewerage reticulation.	<p>The projects are:</p> <ul style="list-style-type: none"> • Pukehangi Storm upgrade Road water • Linton stormwater detention system upgrade which will support development proposals on the western side of Rotorua City Park 	<ul style="list-style-type: none"> • Design is now complete for improvements in storm water capacity to support the Pukehangi Plan Change (PC2). This design is funded through the water reform package. • Detailed design of the dam upgrade in conjunction with the early appointment of a contractor is planned for construction over the 2021/22 summer period. All preliminary work is well advanced and a detailed contract being prepared for signing. Delays with testing of fill materials due to COVID are being accommodated by splitting the contract into three phases allowing early works to commence late October while some aspects of the embankment details are still being finalised. This shows the value of the early appointment of the contractor. • Detailed design work to connect

Programme	Background	Project	Progress
		<ul style="list-style-type: none"> Rotoehu sewerage reticulation has received some advanced seed funding from the DIA grant that will enable completion of detailed design and installation of most of the main reticulation. Further work will depend on the response from the Minister of MfE as reported to Council in June 2021. 	<p>Rotoehu/Ngāmotu residential properties to the scheme is complete along with comments from various affected parties and is now being priced by the incumbent contractor for the scheme reticulation.</p>
(11) CIP Funded projects	<p>Crown Infrastructure Partners funding provides for alternative transport modes from demand brought about by projected increased housing.</p> <p>Funding was also provided for enabling housing and in order to mitigate the effects of storm water runoff from future land developments.</p>	<ul style="list-style-type: none"> Transport shared path projects. The storm water component involves construction of infrastructure to support the Ngāti Whakaue land Development in the Eastern Suburbs. Principally this will involve construction of storm water detention systems 	<ul style="list-style-type: none"> Vaughan Road Shared Path Stage Two work started the week commencing 4 October. Includes shared path through Puketāwhero Park. A further stage in Vaughan Road requires undergrounding of power lines which is now in the detailed design stage with Unison. Design is complete for a further two stages of shared path linking Wharenui Road with Whakarewarewa Forest and it is currently with an independent safety auditor. These will be tendered following that audit. Detailed site geotechnical investigation has been completed and factual report has been prepared. Some additional risk assessment work and geotechnical design will be now progressed.

Programme	Background	Project	Progress
		and upgraded conveyance.	<ul style="list-style-type: none"> Modelling of the full system has been completed and it is being peer reviewed. Currently BoPRC are reviewing the model as it will be needed to support subsequent detailed design and consent applications.

6.3 OHU: RERENGA PAI SAFE & SUSTAINABLE JOURNEYS

Bike Ready started back in schools in late September. Waka Kotahi have this month confirmed our budget for community programmes for the next 3 years.

6.4 EMERGENCY MANAGEMENT

Emergency Management: *RLC will maintain capability to effectively respond to an emergency.*

- The Rotorua CDEM EOC was activated to support Lakes DHB health response following community transmission of COVID-19 Delta variant and subsequent increase in alert levels. In contrast to the 2020 response to COVID19 when a state of national emergency was declared, Central Government directed that Central Government agencies such as MoH, MBIE and MSD take the lead in the response, with CDEM resources being largely being held in reserve in as a contingency for another emergency. Rotorua CDEM developed a contingency plan to ensure there was both a capability and capacity to respond to another emergency such as a severe weather event or other natural disaster.
- However a small CDEM EOC team of about 10 Council staff were activated to support community and other Government agencies during levels 4 and 3 of the most recent lockdown. Control, Iwi Liaison, Intelligence, Logistics, Welfare and Public Information Management (PIM) functions were activated.
- The primary role of EOC was to provide Intelligence, logistical and welfare support to community agencies and support other Government agencies, in particular Lakes DHB, police and MSD.
- About half of the team work in the Civic Building, with the other half working virtually.
- The EOC was deactivated shortly after the transition to Level 2. The Council CDEM team continue to monitor the situation and are in regular contact with other agencies concerning the COVID19 pandemic.
- Very favourable feedback was received from a number of community groups about the speed, agility and robustness of the Rotorua CDEM's response to requests for support.

EOC Incident Management Team: *Capability and Training*

- RLC achieved above the 85% standard across the professional training matrix with 91% staff having completed training to Intermediate level.
- 100% roles filled within the EOC structure.

Community Readiness: *We provide community education initiatives to increase public awareness and readiness for local and regional hazards.*

- RLC registered to participate in the national Civil Defence earthquake drill ShakeOut on Thursday 21 October. We are confirmed to partner with a local kōhanga for this event. Aim to encourage uptake of kura, kōhanga and iwi agencies, and promote distribution of available te reo resources.

- The Rotorua CDEM team is proactively working with local iwi in order to increase both resilience and understanding of how Council and CDEM can support local iwi in the event of an emergency. There has been a significant increase in awareness and understanding of the role of CDEM among local iwi as a result of the Covid emergency.
- Local CDEM are also supporting a small group of Auckland University of Technology (AUT) students who are undertaking research to explore how Māori can build resilience and marae can better prepare to support their local community in the event of a natural disaster. Most of the students engaged in this work are from Rotorua.

6.5 OHU: WAI WATER SOLUTIONS

6.5.1 Stormwater reliability works

- Repairs have had to be made to an outlet structure after a car crashed through barriers into a drain on Bell Road, and a crashed car also had to be removed from a drain in Tarewa Road.
- General open drain maintenance has continued, including removal of wind fall trees.

6.5.2 Water Supplies

- One of the three Deep Creek (Reporoa) pumps has been removed and is in Christchurch being fully serviced. It will be back within the next couple of weeks, ready for installation before summer.
- The Wharenui Rise subdivision new booster pump station has been commissioned ready for the new subdivision to be built on. This provides additional pressure to this area which is at a higher elevation than areas currently serviced.
- The Water Services Bill has now passed into law as the Water Services Act 2021, and Taumata Arowai is preparing to commence duties as the new regulator, expected to be sometime in November. Draft new Drinking Water Standards, Operational Rules, and Acceptable Solutions have been developed, and consultation on these is planned for early next year, with 1 July 2022 being the date planned for them to come into effect.

7.5.3 Wastewater

- During investigation for the Linton Park stormwater retention dam project, it was established that the dam and construction work posed potential risk to a section of 300mm asbestos cement wastewater main. The replacement of this section of pipe with resilient materials has been brought forward within the renewals programme, and is planned to be undertaken prior to Christmas to enable dam construction to proceed.
- All operational waste water services contract KPI's were achieved for the month.

6.6 OHU: PARA WASTE MANAGEMENT

6.6.1 Landfill

- Municipal waste to landfill for July was 1,411 tonnes. This was consistent with the average landfill tonnage for the 2020/21 financial year.
- For improved leachate management, the rising mains for leachate collection has been upgraded. A new flow meter has been connected to better estimate the leachate production from the older cells of the landfill.

- Landfill operation is not affected by Level-2 restrictions. There are social distancing requirements and only cashless payment is being accepted.
- There is about 3 hectares of wilding pine trees at the back of the landfill site. Tree thinning has been planned in late October to improve the quality of the logs.
- Council was alerted by a member of the public about a drain discharging leachate in a stream. It was investigated and found to be a subsurface drain, which is a part of State Highway 30 construction. Water testing did not indicate the presence of any contaminant.

6.6.2 Refuse Collection

- Resource consent for Tarawera Transfer Station is due for renewal in March 2022. An application was filed with the BOPRC in September for a new consent.
- A relatively high number of illegal dumping incidents were reported during the lockdown. A total of 31 large dumping cases were reported in September. In contrast, total large dumping incidents reported in FY20/21 were 48.

6.7. OHU: TAIAO ENVIRONMENTAL

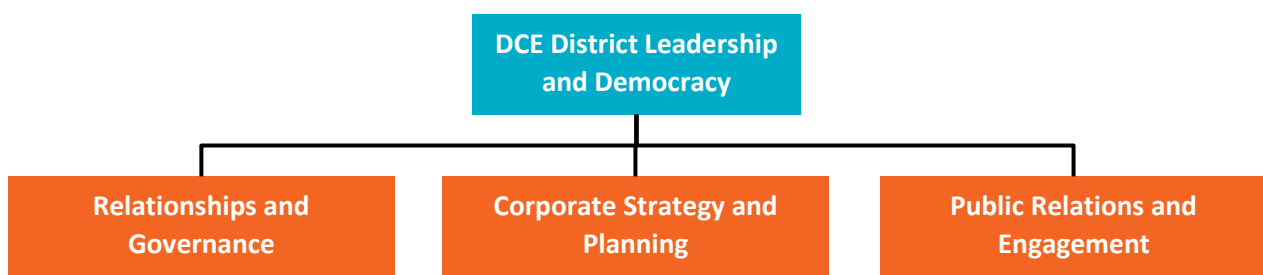
6.7.1 Terrestrial Wetlands – establish and restore

- This is a joint open space and infrastructure project to restore wetlands and establish an additional wetland area at Hannah’s Bay, with the support of tāngata whenua and the local community. We have a consent requirement to establish and restore wetlands associated with the airport extension and funding discussions are underway.
- In the interim, a resource consent is being prepared and BOP Regional Council is engaged. Permitted activity preliminary works are being undertaken, including weed control (willows) in the main wetland restoration and creation areas.
- The civil structure and earthwork requirements are being finalised.

6.7.2 Managing the increases in nitrogen load to the lake from treated sewage from new builds

- The MoU that tracks nitrogen discharges as rural land is developed, is now being implemented. BOP Regional Council are putting aside small amounts of N from each rural development, in line with the MoU for a future WWTP discharge.
- Finance is working on options for offsetting the increasing load of nitrogen from new infill builds, new out-of-catchment reticulation and any shortfalls from rural sector developments. The intention is to consult and implement the preferred option from 1 July 2022.

7. KĀHUI WHAITUA TŪTAHI – DISTRICT LEADERSHIP AND DEMOCRACY GROUP



7.2 MĀU E WHIRIWHIRI – TE AROTAKE WHAKAAHUAHANGA 2022 YOUR CHOICE – REPRESENTATION REVIEW 2022

The submission period closed on 8 October. A total of 161 submissions were received and 32 took up the opportunity to present in person at the hearings held on 19 October.

A forum to establish the direction for the development of the final model was held on 21 October. Work is underway preparing for the deliberations on the final model. The Local Electoral Act states the final model must be adopted by 16 November.

Following adoption of a final model an “objection/appeal” phase must be notified. This is set as 19 November-19 December.

8. KĀHUI TE ARAWA HOURUA



8.1 ONGOING IMPACT OF ALERT LEVELS

September continued to see disruption from alert level changes, postponement of activities associated with Te Wiki o Te Reo Māori (13-19 September), staff noho marae (8 and 9 September), and iwi protocol meetings. There is also noticeable fatigue within the communities that we work with. Most mana whenua groups have taken on significant work to support their communities as well as supporting the vaccination programme.

8.2 RATING OF MĀORI LAND

The Local Government (Rating of Whenua Māori) Amendment Act 2021 came into force on 1 July 2021. Te Amorangi and the Finance team are working together to raise awareness of the changes with mana whenua groups, and Māori landowners.

There has also been good progress in addressing technical queries from several blocks of multiply-owned Māori land. The technical issues often require careful research into the history of particular land blocks. For example, there are a number of blocks that changed status (from general land to Māori freehold land) through historic legislation, without the owners’ knowledge. Other examples are blocks that have had a change of use (so that they are now eligible for rate remission) but Council has not previously been notified of the change. In many cases, Council rating policy provides a good outcome for the owner, and our role is to provide technical support, historic research and to support landowners.

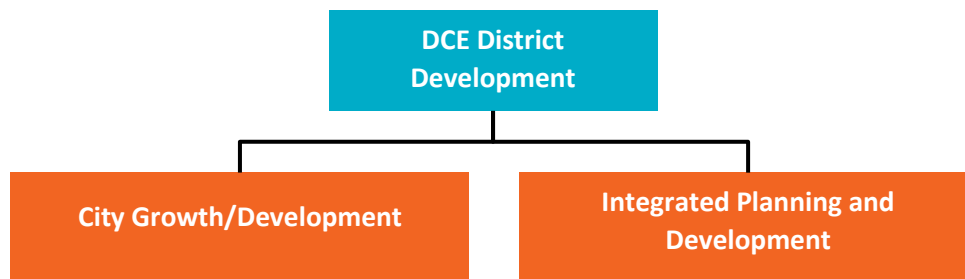
8.3 WORKING ACROSS COUNCIL

TŪĀNUKU TŪĀRANGI - INFRASTRUCTURE AND ENVIRONMENT SOLUTIONS

Rotorua WWTP	Continued support re: Bridging Consent and proposed Sustainable Forest Approach.
Landfill	Technical advice – Support in restorative justice process
Civil Defence and Emergency Management	Engagement – participation in Te Arawa covid-19 response hub Technical advice – recruitment of community resilience project manager
HAPORI ORANGA – COMMUNITY WELLBEING	
Sports, Recreation and Environment	Engagement advice – connected RLC team with Rotoiti community to support playground upgrade at Haumingi Park Whakarewarewa and Lakefront projects – support to develop accessible interpretation narratives (Story Telling and Way Finding) Whakarewarewa – site visit to inspect art works commissioned for Te Pūtake
Te Whare Taonga o Te Arawa	Engagement – delivering exhibition engagement hui have started. Technical advice – procurement
Arts and Culture	Ongoing support for Te Tepu Tautoko (Sir Howard Morrison whānau, Ngāti Whakaeue and Te Arawa) to strengthen SHMPAC cultural design
TUPU WHAKARITORITO – DISTRICT DEVELOPMENT	
District Development	Infrastructure Acceleration Fund – advice on potential effects for mana whenua and reviewing draft application. Reviewing land acquisition history for a number of sites in urban area
Planning	Engagement advice – numerous enquiries re: resource consent engagement, Māori land
Economic Development	Technical Advice – training session and overview of Te Arawa economy Technical advice – ensuring brand work incorporates Te Arawa design advice
TŪ PAKARI – ORGANISATION ENABLEMENT	
Rates	Technical advice – implementing the Local Government (Rating of Whenua Māori) Amendment Act 2021. Technical advice – marae rates enquiries
Customer Service	Technical advice - Māori land rating enquiries.
WHAITUA TŪTAHI – DISTRICT LEADERSHIP AND DEMOCRACY	
Communications	Content for internal pānui, Kupu and Whakataukī o te Wiki, quality assurance check on social media posts.
TIKANGA AND TE REO MĀORI SUPPORT	
Cultural Support	<i>In Alert Level-1:</i> Weekly waiata classes for all of Council; monthly waiata class for Rotorua community (in Te Aka Mauri); and, weekly 15 minute classes with Business Support, with Te Whare Taonga and with Te Aka Mauri teams.

Signage	Te Amorangi are working with Ngāti Whakaue and the infrastructure team to correct historic spelling (macrons) on road signs
Weekly beginner and advanced te reo Māori classes for staff as professional development (delivered online during Alert Levels 4-2).	
Te Amorangi Unit provided translation assistance for the following: <ul style="list-style-type: none"> • Job title translations • Regulatory, communications, Project Management Office, Arts and Culture, and Governance teams sought translations in the month of September • Whare Taonga o Te Arawa – Concept development, newsletter headings, support for external translation of community engagement survey 	

9. KĀHUI TUPU WHAKARITORITO – DISTRICT DEVELOPMENT GROUP



9.1 HANGAIA TĀ TĀTAU ARA WHAKAMUA BUILD OUR WAY FORWARD

Building Consents (1-30 September 2021)

- The total value of building consents issued for the financial year to date is **\$82,786,759**.
- The number of new dwellings consented for the financial year to date is **85**.
- **26** new dwellings were ISSUED in September 2021.
- Approximately **20** dwellings are currently being processed.
- Code of Compliance Certificates (CCC's) issued in September for new dwellings was **20** (Total new dwelling CCC's for financial year is **58**).

Subdivision Consents (1-30 September 2021)

- The number of consented (residential / lifestyle) lots issued for the financial year to date is **28 lots**.
- The number of consented lots (residential) issued for September 2021 is **4 lots**.
- Subdivision consents for a total of approximately **200** potential lots were being processed at time of reporting (includes subdivisions for social housing, lifestyle lots and greenfield residential).

Land Use Consents (1-30 September 2021)

- The number of additional houses (e.g. second house on one title or conversion of garage or dwelling breaching yard requirements) consented during September 2021 was **5**.

September 2021 statistics at a glance

Consents for September	September Numbers 2021
Building Consents Issued	88
Building Consents Currently Being Processed	65 – changes daily
New Dwellings Issued	26
New Dwellings Being Processed	20
Resource Consents Issued	39
Subdivision Consents Issued	6
Number of Consented (residential) Lots Issued	4

Consents issued compared with September 2020

Consents	2021 / 2022 Year to September 2021*	2020 / 2021 to September 2020**	2020 / 2021*** Full Year
Number of Building Consents Issued	289	306	1223
Value of Building Consents YTD	\$82,786,759	\$54,565,997	\$212,743,101
New Dwellings Consented	85	45	280
Number of Resource Consents (all decisions) Issued	144	141	530
Subdivision Consented Lots Issued	28	18	157

* Financial year to date (July 2021 – September 2021)

** Financial year (July 2020 – September 2020)

*** 2020 / 2021 financial year (July 2020 – June 2021)

9.2 WHAKAMAHERETIA TĀ TĀTAU ARA WHAKAMUA PLAN OUR WAY FORWARD

9.2.1 National Policy Statement for Urban Development (NPS-UD)

- By August 2022 we aim to have notified plan change implementing the NPS-UD intensification policies. This plan change will relate to the Priority Development Area (PDA) for the CBD corridor previously discussed with Council.
- To inform the 2024 Long-term Plan work is underway of the preparation of a Future Development Strategy.

9.2.2 Housing and Business Development Capacity Assessment (HBA)

The HBA will form a key component in our response to the NPS-UD (see above). Presentation of the HBA is intended to go before Strategy, Policy & Finance Committee 11 November.

We are currently initiating a Housing Suitability Assessment that will support our intensification plan change and natural hazard assessment / flood modelling work that will inform the flooding plan change.

The intensification plan change that will enable high density living and greater housing choice. It will also consider how we ensure better quality urban form as we grow both up and out, through the development of design guidance.

Our inner city is where we would expect to see our smaller housing typology over time. Alongside the intensification plan change we will be focussing on a flooding hazard plan change to ensure RLC manages its flooding hazards reducing risk or retaining low risk, as intensification increases in flood prone areas. This information has been reported several times to elected members in confidential and more recently in the public agenda with BOPRC presenting their initial climate change flood hazard maps. Council staff have stressed that all green corridors (recreation spaces) may be needed to manage storm water in severe weather events. It is critical that the ability to properly access and design solutions in these spaces are retained.

9.2.3 Housing Acceleration Fund

Council has been successful in progressing through the Expression Of Interest (EOI) process for two of the three applications Council made. The two live EOIs are for the central and western portions of the city. The funding for these two parts totals \$90m (of original \$113m request).

The final business case document is due mid-December. Council staff are working closely with partner organisations to finalise documentation for submission.

The application provides flexibility but as noted earlier, green space owned by Council will need to be designed to accommodate storm water during severe weather events to reduce the frequency and severity of flooding. Modelling and design work will be required but the initial assumption is that all reserve areas on the Utuhina and Managakakahi will need to be utilised.

9.2.5 Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill

The Bill is a significant shift in urban development planning and reflects both this Government's and the National Party's desire to uplift housing supply and ease housing unaffordability. It will present a significant opportunity for more intensive development in areas where it has not previously been permitted, but also removes the ability for local authorities to determine how and where this intensification should occur in their regions and districts.

New requirements for intensification

The Bill requires that every residential zone in an urban environment of specified territorial authorities must incorporate the Medium Density Residential Standards (**MDR Standards**). Tier 1 urban environments, and any Tier 2 urban environment specified in an Order in Council, are required to implement the MDR Standards through their Intensification Plan Change.

The MDR Standards require that every residential zone in an urban environment permits 3 units per site that comply with the associated MDR Building Standards (**Building Standards**). Those Building Standards permit three storey buildings (11 metres high) on most residential sites, with only a 2.5m setback from the front boundary and a 1m setback from the side and rear boundaries. A development of 4 or more units per site, or a development that does not comply with the Building Standards will still require resource consent but can be no more stringent than a restricted discretionary activity. A development of 4 or more units per site that complies with the Building Standards must also be processed on a non-notified basis.

The only sites to which the MDR Standards and Building Standards will not apply, are those to which a number of qualifying matters apply. Those qualifying matters include:

- a matter of national importance that decision makers are required to recognise and provide for under section 6 of the RMA (for example historic heritage or significant natural hazards);
- a matter required in order to give effect to a national policy statement (other than the NPS-UD);
- the need to give effect to a designation or heritage order; and

- a matter necessary to implement, or to ensure consistency with, iwi participation legislation.

The MDR Standards will take effect from the date that an Intensification Plan Change is notified, with the only exceptions being for sites to which a qualifying matter applies or to which a new residential zone applies.

The Bill was introduced on 19 October 2021 and will be referred to a Select Committee, which will invite public submissions on the Bill in due course.

Council officers are reviewing the Bill to determine whether a submission would be helpful. Officers have also discussed with BOPRC whether a general submission from BOP councils would also be useful.

In addition, Council will need to consider whether a request to participate (tier 2 council) will be useful with our first intensification plan change for the city.

9.3 RAUTAKI, KAUPAPA HERE, HAUMITANGA STRATEGY, POLICY AND INVESTMENT

9.3.1 Economic Development Strategy (EDS) Framework

Work continues on finalising Economic Development Strategy Framework. This work unfortunately will not be completed by the end of the year, as was signalled in the Long-term Plan. This work has slowed as a result of pressures related to the work programme arising from housing intensification and COVID lock – downs.

9.3.2 Low-Carbon Construction / Wood First

Our Low Carbon Construction Forum which was to be co-hosted by Bay of Connections, Rotorua Economic Development, Scion and Rotorua Lakes Council has been postponed until the New Year.

RLC presented an overview and update on our Wood First Policy and current work being undertaken at the Central North Island Wood Council AGM on 21 October 2021.

7 Resolution To Go Into Public Excluded - Ka Matatapu Te Whakataunga I Te Tūmatanga

(to consider and adopt confidential items)

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing of this resolution
Contract approval	Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 48(1)(a) Section 7(2)(b)(ii)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6 or 7 of the Act or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.