



2008/09 Annual Plan

BUILDING A VIBRANT HAMILTON

INVESTING IN OUR PEOPLE
CREATING IDENTITY & PROSPERITY
PROTECTING OUR FUTURE

Whakatauki and He Mihi

**Kotahi ano te kohao te ngira
E kuhuna ai te miro ma, te miro whero
Me te miro pango.
A muri I a au kia mau ki te ture,
Ki te whakaponu, ki te aroha.
Hei aha te aha! Hei aha te aha!**

*There is but one eye of the needle
Through which the white, red and black threads must pass.
After me obey the commandments, keep faith,
And hold fast to love and charity
Forsake all else.*

**Na take i korerohia e tatau i mua
Tui ai te kupu korero I korerotia
Kia tu te winiwini kia tu te wanawana
I nga pu korero I wanangatia
I roto I te whai ao I te ao marama**

*We bring our combined history and past discussions
Into our plans here for the future.
Be open and stand strongly
For the issues considered and discussed,
To benefit the world, now and in the future.*

Na Potatau Te Wherowhero, 1858

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(RAARANGI KORERO)

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Part A: Hamilton City Council's 2008/09 Annual Plan

**Supporting Year 3 (2008/09) of
Council's 2006-16 Long-Term Plan**

1.0 The Annual Plan in Context

(TE TUHINGA MO TE TIROHANGA WHANUI)

The Local Government Act 2002 (LGA 2002) states that the purpose of local government is to:

- Enable democratic decision-making and action by, and on behalf of communities
- Promote the social, economic, environmental and cultural well-being of communities, in the present and for the future.

The LGA 2002 provides the framework and guiding principles for the development of the Long-Term Plan, Annual Plan and Annual Report, which are planning and reporting cycles that all councils in New Zealand must participate in. The relationship between these planning and reporting processes is shown in the table below.

Relationship Between the Long-Term Plan, Annual Plan and Annual Report

June Financial Year	Long-Term Plan (10-year focus)	Annual Plan (1-year focus)	Annual Report (1-year focus)
2006/07 (Year 1)	✓		✓
2007/08 (Year 2)		✓	✓
2008/09 (Year 3)		✓	✓
2009/10 (Year 4)	✓		✓
2010/11 (Year 5)		✓	✓
2011/12 (Year 6)		✓	✓
2012/13 (Year 7)	✓		✓
2013/14 (Year 8)		✓	✓
2014/15 (Year 9)		✓	✓
2015/16 (Year 10)	✓		✓

1.1 What is the Annual Plan?

Council is required to produce an Annual Plan in the two years between each three-yearly Long-Term Plan (the Long-Term Plan serves as the Annual Plan for the first year of its 10-year focus). Council includes any amendments to the Long-Term Plan as part of the Annual Plan document (refer to Section 6.1 for the definition of an amendment).

The Annual Plan provides the accountability base for the setting and assessing of rates for that year (rates cannot be set until the Annual Plan has been adopted). It is intended to be a companion document to be read in conjunction with the base Long-Term Plan.

Council's 2008/09 Annual Plan document comprises two parts:

Part A: Focuses on the budget for 2008/09, including the variations to projects and policies to that shown in year three of Council's 2006-16 Long-Term Plan (refer to Section 6.2 for the definition of a variation). The purpose of the Annual Plan is to:

- Detail the budget and funding impact statement for that year.
- Identify any variations (and reasons for these) to that specific year of the Long-Term Plan.
- Support the 10-year Long-Term Plan in providing integrated decision-making and coordination of Council's resources.
- Provide a basis for the accountability of Council to the community.
- Provide an opportunity for the public to participate in decision-making processes on the projects and programmes to be undertaken by Council for that year.

Part B: Contains two amendments to Council's 2006-16 Long-Term Plan (the Review of the Development and Financial Contributions Policy and the Review of Council's Rates Remission — Hardship Relief Policy).

1.2 Where Does the Long-Term Plan Fit In?

The Long-Term Plan is Council's primary long-term planning document that outlines the contribution that Council intends to make to Hamilton's development over the next 10 years. The Long-Term Plan provides an opportunity for people to participate in decision-making processes on the activities that Council plans to undertake.

The Long-Term Plan is reviewed every three years. The next Long-Term Plan will cover the period 2009-19.

Council's 2006-16 Long-Term Plan comprises two volumes. In summary, these volumes contain:

Volume I: Information on Council's strategic direction for Hamilton, the key projects and programmes planned for the city, Hamilton's Community Outcomes and Council's contribution to these, detailed information on the activities and services of Council and a financial overview and financial statement for the 10-year period of the Long-Term Plan.

Volume II: Contains the Funding and Financial Policy 2006-16, which sets out the guidelines for how Council plans for and acquires funds to finance its operation, and the projects and programmes in the Long-Term Plan. It also sets out Council's guidelines and targets concerning a number of policies.

1.3 And the Annual Report?

Council must produce an Annual Report at the end of each June financial year. The Annual Report shows how Council's activities, services and performance measured up to the intended levels of service and performance for a specific year of the Long-Term Plan and/or Annual Plan. It also reports on Council's contribution towards Hamilton's Community Outcomes.

1.4 What are Community Outcomes?

The LGA 2002 requires councils to get their local communities thinking about long-term priorities for the city that people want to work towards over the next 10 years. The outcomes identified by the community indicate the community's desire for how the city should progress socially, economically, environmentally and culturally (known as the four well-beings).

Community outcomes can be thought of as the things the community thinks are important for its well-being and for Hamilton's future — the community's goals. The community outcomes and the processes required to work towards them serve as decision-making inputs for Council and other organisations when undertaking their activities and when planning for the city's overall and ongoing sustainable development.

Hamilton's Community Outcomes and the process used to develop them are included in Section 7.0 (page 43) of the 2006-16 Long-Term Plan. The information used to measure the city's progress towards Hamilton's Community Outcomes (known as Progress Indicators) are included in Section 6.5 (page 35) of Council's 2007/08 Annual Plan.

Council is required to report not less than once every three years on progress made towards Hamilton's Community Outcomes. A comprehensive community outcomes progress report will be produced at the end of 2008. Hamilton's Community Outcomes will be reviewed in 2011.

2.0 Mayor and Chief Executive's Letter

(TE KOROMATUA ME TE KAIWHAKAHAERE MATUA RETA)



Over the past three years Council has formed a strong strategic direction for Hamilton. The development of the city-wide strategies maps out a vision for a healthy, safe and vibrant community that is future-proofed through ongoing sustainable development. Hamilton City Council's 2008/09 Annual Plan is putting that vision to work.



In partnership with other key stakeholders, implementation of the Social Well-Being, Creativity and Identity and CityScope (urban design) strategies will continue throughout 2008/09, along with development of the Access Hamilton, Environmental Sustainability, Economic Development, Active Communities and Urban Growth strategies.

The development of the events and conference centre at Claudelands; City Heart redevelopment; additional funding for graffiti removal; design of a new swimming pool for the north-east of the city; and the start of construction for a multi-million dollar upgrade of the wastewater treatment plant — are just some of the projects which form a significant work programme for 2008/09.

Undertaking the plan's projects and programmes throughout 2008/09 will result in an average rates rise of 5.29% for existing city ratepayers. However, the overall rates increase is still below the 6.56% increase shown for year 3 (2008/09) in Council's 2006-16 Long-Term Plan.

This increase includes a change to the Rates Remission Policy criteria for hardship relief so that more ratepayers will qualify for a remission on their rates. Council recognises that a number of Hamilton's ratepayers find it difficult to pay their residential rates, particularly given the ongoing increases in the cost of living. By changing the threshold limits, Council hopes to allow more ratepayers who are suffering financial hardship to qualify. This change will have a total estimated budget impact of \$125,000 in 2008/09 and equates to 0.14% of the rates increase.

City Heart aims to develop a quality urban environment and revitalise the centre of the city. Through a public and interactive 'Enquiry by Design' process held towards the end of 2007, a range of potential concepts were developed for Victoria Street, the River Road Carpark, O'Neill Street, Claudeland's Bridge and Garden Place. The options took a fresh approach to how we see the city and focus on manageable, staged investment that is led by Council. The creation of safe places to which people are naturally drawn is paramount throughout. City Heart is driven by a need to deliver connectivity and cohesiveness in the city's future redevelopment.

The community consultation for City Heart attracted a wide range of formal and informal submissions, which influenced Council's final decisions. Whilst the majority of design concepts for City Heart received wide public support, it was the proposal to introduce a vehicle lane into Garden Place that attracted significant opposition. In response to the community's feedback, Council decided not to proceed with this proposal.

As the City Heart project affects large sections of the inner city, the approach to the project will be a progression of a number of smaller, incremental projects in order to minimise disruption. Funding provision of \$7.394m in 2008/09 will enable streetscape improvements to Victoria Street between Hood and Bryce Streets; two-waying of Ward Street (subject to further investigation); and design and landscaping work in Garden Place, with an emphasis on safety improvements. Also included in the 2008/09 budget is further investigation of the Claudelands Bridge 'clip on', including the pedestrian link to the redeveloped Claudelands Events Centre via O'Neill Street. Investigation to determine the level of business interest in the establishment of a Business Improvement District for a City Heart Business Association will also be undertaken.

Redevelopment of Claudelands and the proposed work for Sonning Carpark will ensure that development spans across the Waikato River. This in turn will allow the river to become a central focus of activities. Work on the Claudelands project is continuing and it is expected that construction will commence in 2008/09.

Access Hamilton projects are funded by a targeted rate and key projects include increasing passenger transport options and progressing important access routes of the E1 designation and Wairere Drive extension.

The Poets Corner Community Renewal Project will continue to take shape this year. Co-led by Hamilton City Council and Housing New Zealand under the Social Well-Being Strategy and involving a number of partner agencies, the project aims to work with the community to build capacity and pride, fostering a healthy community and transforming the neighbourhood into a great place to live.

The 2008/09 Annual Plan reflects a level of renewed fiscal restraint, which is in direct response to a period of financial uncertainty and slowing growth for both the city and national economy. Council is facing the same challenges which are seen clearly in the wider economy. Reduced revenue from rates growth and fees and charges, combined with increased operating costs and rapidly rising construction costs means that Council must be increasingly disciplined in its financial decision-making for the coming years.

The current climate of economic uncertainty has meant that a number of submissions to Council's Proposed 2008/09 Annual Plan for new or increased funding were declined. Additionally, in line with the new three-year Long-Term Council Community Planning (LTCCP) model, major proposals (including those raised by submitters) will be considered as part of developing Council's 2009-19 LTCCP. It is anticipated that this cautious approach will put Hamilton in the best possible position to balance ongoing public expectation with rates affordability.

Thanks are extended to those who made a submission to Council's Proposed 2008/09 Annual Plan and the proposed amendments to Council's 2006-16 Long-Term Plan. The key changes made to both plans as a result of the submission process are outlined in Part A, Section 3.0 of this plan.



Bob Simcock
HAMILTON MAYOR



Michael Redman
CHIEF EXECUTIVE

Te Koromatua me Te Kaiwhakahaere Matua Reta

I nga tau e pahure ake nei, na te kaunihera i whakakahangia e nga kaupapa maha mo Kirikiriroa. I kokiritia e rua nga kaupapa tirohanga whanui, ara, te hauora me te oranga o nga hapori i tautoko whanuitia mo nga tau e tu mai nei.

Ma te kaunihera o Kirikiriroa 2008/09 Mahere a Tau e mahia te kaupapa nei.

E hono ana matou ki nga iwi ki nga momo pou e awhina nei te kaupapa no te mea kei te haere tonu whenei tikanga pumau ki te iwi, tuakiri, taone nui (taura no te taone) mo nga tau e rua 2008/09 huri noa o Kirikiriroa, te taiao, te taha putea kei te pakari haere.

Kua timata ke te hanga taiwhanga hakinakina ki Claudelands. Ko te manawa o te taone nui kei te take e ukui ana nga tuhituhi anuanu he putea awahina. He kaukauranga hou ki te raki o te taone, he taura i whenei wa. He timatanga hoki te wahi parawhakakino hou he nui hoki te utu nga kaupapa e haere ake nei.

Kei te whakaaro te kaunihera te hiki nga reiti ki te 5.29 pai heneti 2008/09. He korero tapiri atu i whena, he kaupapa tautoko kei te whai mai, ka taea te tono mo nga reiti nei, engari heke iho whenei utu reiti ki 6.56 pai heneti mo nga tau toru e haere ana whenei korero i ahu mai i te Tirohanga Whanui 2006-16.

Mohiotia e te kaunihera nga hunga rawakore no te mea nui te utu mo whena, mo whera. No reira ma te kaunihera e awhina atu nga hunga rawakore kia huri ke te utu. Ko whenei te mea rereke mo nga putea \$125, 000 nga tau 2008/09 ka tapiri 0.14 pai heneti te piki ake.

Ko te manawa o te taone whainga ta ratou kaupapa kia hiki te taiao kia hiki te ahua o te waahi nei. Mai nga whakaaro o whena ki whena ko te panui 'Patai Taura' mai te tau 2007 he maha nga hua, ko te huarahi o Victoria, te wahi mo nga waka te huarahi o River, ko te huarahi O'Neil, te piriti o Claudeland's me te wahi mara. Na reira, ko te manawa o te taone ano e tirohia nei matou ma matou e taurima, no te mea ka ahei nga tangata te haere a marumarua kia pai mai te haere o te tangata e kore e raru. Koinei te me nui ki a matou, te oranga o te tangata.

Ko ta koutou tono ki te manawa o te taone me au korero paki, korero okawa e whakatutuki nga whakaaro o matou. E tautoko te nuinga o nga kaupapa engari ko te huarahi ki waenganui te taone ara, te huarahi mara, kaore te nuinga o koutou e tautoko ma matou e tautoko te kaupapa.

He rahi nga mahi o te manawa o te taone te maha hoki nga putea \$7.394m nga tau 2008/09 e whakapai nei nga huarahi mai a Victoria ki Hood, ki Bryce, e rua huarahi Ward me nga mahi whakapai ki te wahi mara. Kei te tiaki ano te piriti o Claudelands mai nga putea 2008/09 ko te korero nei he 'clip on' me te ara hou ki te taiwhanga o Claudeland's mai a O'Neill. He kaupapa ano matou kia tutuki ki te taha kaipakihi o Kirikiriroa.

E mahi tonu ana te taiwhanga o Claudelands kei reira he maha nga kaupapa nui rawa atu.

Mai nga waahi hikoitanga ka taea nga tangata te whakawhiti atu mai a Claudelands ki roto te manawa o te taone he maha nga waahi kai te aha ranei. Timata ai whenei kaupapa 2008/09.

Ko nga huarahi o Kirikiriroa nga moni putea e tautoko ka piki nga tangata no te mea te huarahi o Wairere te E1 te take.

Ka tuhono matou te kaunihera ki a Housing Corp no te mea ka mahi ngatahi ki te kaupapa a Poets Corner i raro iho te oranga pai he waahi pai te noho. Kei runga i whenei kaupapa kia pai te huarahi ki mua.

Mo nga tau 2008/09 mahere he maha nga piki me nga heke no te mea i whenei wa ruarua noa iho nga putea, ruarua noa iho te hoko rawa whera mea katoa. Kei te whera tonu te kaunihera rapaina e nga rawa, he nui te utu mo whena, mo whena na reira kei te tiaki raupapa hoki nga putea mo nga kei te heke.

Koinei te take ngetehi o nga tono 2008/09 kahore e whakaae ana. Haunga ano whera ko te tirohanga whanui (LTCCP) 2009-19 ma matou e taurima mo nga tau e heke mai nei.

Whakamoemitia e matou ki a koutou tono ki a matou te kaunihera 2008/09 Mahere Tau me te kaunihera Tirohanga whanui 2006/16 nga mea tini ki nga mahere e rua kei roto i whenei 'Part A, Section 3.0 mahere.



Bob Simcock
Koromatua



Michael Redman
Kaiwhakahaere Matua

3.0 Council's 2008/09 Annual Plan Process

(NGAA TIKANGA O TE KAUNIHERA 2008/09)

Council's Proposed 2008/09 Annual Plan (which also included two proposed amendments to Council's 2006-16 Long-Term Plan — refer to Part B of this document) was open for public submissions between Thursday 20 March and Tuesday 22 April 2008.

The plan contained a number of variations to projects in 2008/09 to those shown in year 3 (2008/09) of the 2006-16 Long-Term Plan. The plan also contained two proposed amendments to the Long-Term Plan (Review of Council's Development and Financial Contributions Policy and Review of Council's Rates Remission — Hardship Relief Policy).

Council held an information day about the proposed plan (known as 'Your City Expo') at The Meteor (corner of Victoria and Bridge Streets) on Saturday 29 March 2008. Elected members and staff were available on this day to discuss any aspects of the proposed plan and to provide information on how to make a submission. The Expo was very successful, with 408 people attending and positive feedback received about the opportunity to find out more about what is planned for Hamilton in the coming years.

A 24-page Overview of the Proposed 2008/09 Annual Plan was delivered to every Hamilton household as well as hotels, motels, information centres and over 2000 businesses, in late March/early April 2008. The Overview provided a summary of the key elements contained in the plan, and also outlined the proposed amendments to Council's 2006-16 Long-Term Plan, i.e. the review of Council's Development and Financial Contributions Policy and the review of Council's Rates Remission — Hardship Relief Policy.

The following table outlines the key steps undertaken by Council prior to adopting the final 2008/09 Annual Plan (and finalised amendments to Council's 2006-16 Long-Term Plan) on 30 June 2008.

Key Steps in Developing Council's 2008/09 Annual Plan and Amendments to Council's 2006-16 Long-Term Plan

September/October 2007	A series of strategic listening forums were held with key stakeholders. The feedback (which was presented to elected members in November 2007) assisted Council in developing its Proposed 2008/09 Annual Plan.
12 February 2008	Council considered and made decisions on the Proposed 2008/09 Annual Plan and Overview.
10 March	Council adopted the Proposed 2008/09 Annual Plan, including proposed amendments to the 2006-16 Long-Term Plan and Audit New Zealand's clear audit opinion.
Late March/early April	Proposed Annual Plan Overview distributed to all Hamilton households in late March/early April 2008.
20 March — 22 April	Proposed 2008/09 Annual Plan open for public submissions, and available from the main Council office in Garden Place, at all Council libraries and on Council's website www.hamilton.co.nz/AnnualPlan .

29 March	Council Information Day — ' <i>Your City Expo</i> ' - (including information on the plan) — was held at The Meteor on the corner of Victoria and Bridge Streets.
19-21 May	Hearings held for submitters who wished to speak to Council in support of their written submission.
9 June	Council made decisions on submissions.
30 June	Council adopted the Final 2008/09 Annual Plan and Long-Term Plan amendments and confirmed the rates strike for 2008/09.
Early July	Letters sent to submitters advising them of Council's decision on their submission (and reasons).
30 July	Final plan (including amendments to the 2006-16 Long-Term Plan) published and made available from the main Council office in Garden Place, at all Council libraries and on Council's website www.hamilton.co.nz/AnnualPlan .

Key Changes as a Result of the Public Submission Process and Council Decisions

Council received 193 written submissions to its Proposed 2008/09 Annual Plan and proposed amendments to the 2006-16 Long-Term Plan. Of these, 81 submitters requested to be heard in support of their written submission to the Mayor and Councillors at the public hearings, which were held on 19, 20 and 21 May 2008.

Submissions Received by Category

Submission Category	Number	Percentage
City Heart	55	28%
Hydrotherapy Pool	32	17%
Parks and Gardens / Recreation	23	12%
Transport	19	10%
Community Development	18	9%
City Growth	11	6%
Arts and Culture	7	4%
Rates / Financial	7	4%
Hamilton East / Frankton Heritage	7	4%
Environmental Issues	6	3%
Development and Financial Contributions Policy	4	2%
Claudelands Development	4	2%
Total	193	100%

NB: Although submissions were categorised according to the primary topic of the submission, many submissions also raised other issues.

As noted in the Mayor and Chief Executive's letter, the 2008/09 Annual Plan reflects a level of renewed fiscal restraint, which is in direct response to a period of financial uncertainty and slowing growth for both the city and national economy. The current

climate of economic uncertainty has meant that a number of submissions to Council's Proposed 2008/09 Annual Plan for new or increased funding were declined. Additionally, in line with the 3-year Long-Term Council Community Planning (LTCCP) model, major proposals (including those raised by submitters) will be considered as part of developing Council's 2009-19 LTCCP.

City Heart

The City Heart community consultation attracted a wide range of formal and informal submissions, which influenced Council's final decisions. Whilst the majority of design concepts for City Heart received public support, the proposal to introduce a vehicle lane into Garden Place attracted significant opposition. In response to the community's feedback, Council decided not to proceed with this proposal.

As the City Heart project affects large sections of the inner city, the approach to the project will be a progression of a number of smaller, incremental projects in order to minimise disruption.

Funding provision of \$7.394m in 2008/09 will enable improvements to various areas of the CBD. Key works and investigations approved to proceed in 2008/09 were:

Victoria Street Streetscape

Improving Victoria Street between Hood Street and Bryce Street to create a more pedestrian-friendly environment. Work includes reduction to one lane each way, widening medians, introducing bus stopping priorities and some paving replacement work. The number of on-street car parking spaces will also be increased.

Ward Street Two-Waying

The two-waying of Ward Street was adopted in principle subject to a number of matters being reported back to Council before the detailed design and construction occurs. Design investigation includes removal of the Worley Place roundabout, improved lighting, removal of shrubbery, cobbled streetscape and an iconic covered walkway.

Garden Place

Initial safety improvements will be made in Garden Place. These include the removal of the Peace Wall and the old fountain as well as removal of low lying vegetation to improve visibility. A detailed design for Garden Place will also be developed, including further consideration of the Worley Place/Alexandra Street link.

Claudlands Pedestrian Link

Further investigation of the Claudlands Bridge 'clip on', including the pedestrian link to the redeveloped Claudlands Events Centre via O'Neill St.

Business Improvement District (BID) Approach

Funding provision of \$20,000 was allocated for the establishment of a BID. This includes an investigation to determine the level of business interest in the establishment of a City Heart Business Association.

For further information on the City Heart revitalisation project, please refer to Section 8.1 of this plan.

Development and Financial Contributions Policy

A number of submitters raised concerns about proposed changes to the 'special assessments' policy of the draft Development and Financial Contributions Policy.

The submitters opposed the following changes:

- The removal of the examples for a non-standard development.
- The removal of Council's ability to initiate a special assessment.
- The requirement that a development must meet two qualifying criteria.
- The inclusion of a definition of 'substantial' as being 50% reduction in demand on an infrastructure component.
- Stipulation that the special assessment will only cover the components of demand that the developer has evidenced as being substantially lower than the average (and not all components).

Following consideration of the submitters' responses, Council resolved that the special assessment section of the policy be revised accordingly, i.e.:

- The definitions on non-standard developments have been restated.
- Council has reinstated its option to initiate the special assessment procedure.
- A special assessment can now be triggered if a development satisfies either of the qualifying criteria.
- The 50% reduction in demand has been replaced by 'reduction by a substantial amount'.
- Council has rejected the view that a special assessment should automatically cover all components of demand. The applicant should submit on each development contribution component and supply supporting material.

For further information about the Development and Financial Contributions Policy, please refer to Part B, Section 2.0 of this plan.

Variations

Since adoption of the Proposed 2008/09 Annual Plan on 10 March 2008, Council has obtained further information on a number of projects. This information has been reviewed and has resulted in further variations to the final 2008/09 Annual Plan.

Deferment of Infrastructural Projects in the Peacocke Growth Area

Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009. As a result of this, the following projects have been deferred from 2008/09 to 2009/10:

- Peacocke Wastewater Trunkmains (Strategic Action Plan # 581.0)
- Peacocke Stage 1 (Strategic Action Plan # 797.0)
- Peacocke Mitigation wetlands (Strategic Action Plan # 574.0)
- Peacocke Water Supply Trunkmains (Strategic Action Plan # 593.0)
- Peacocke Roading Future Growth (Strategic Action Plan # 553.0)

Economic Development Strategy

Council has made funding provision of \$100,000 towards the development of Hamilton's Economic Development Strategy. The funding will focus on progressing a

practical response to the Strategy, with the first component being the development of a Digital Strategy for the city.

Investment in Innovation Park

Waikato Innovation Park is New Zealand's growth hub for Ag-Biotech businesses. The park is located on 17 hectares of land next to the Ruakura Research Centre, home to AgResearch, HortResearch, Landcare and Dexcel. It is also in close proximity to the University of Waikato Campus. Council will invest \$2.4m in Innovation Park to enable development of at least one new building on the site. This investment is also supported by funding contributions from the Ministry of Economic Development's Enterprise Partnership Fund (\$2m towards the new building and \$2m towards operating expenditure) as well as debt funding from Innovation Waikato. This total investment injection will mean that the Park will increase its economic contribution to Hamilton and the national economy. The increased significance of the Park may in turn attract businesses on a global scale.

There are still conditions to be met before Council's funding allocation is released. Negotiations and discussions around this proposal with key stakeholders are currently underway, and the final proposal will be determined in 2008/09.

Rototuna Roding Growth

The Resolution Drive land purchase (\$1.3m) for the Rototuna Roding Growth project has now been brought forward from 2014/15 to 2008/09. This land is now available due to Transit New Zealand no longer having a requirement for it.

The Crown is in the process of disposing of this land and there is an opportunity for Council to acquire a corridor that is strategically significant for the city, without the need to deal with multiple private land owners. If the land is not purchased now, Council would lose the opportunity to purchase it in the future.

Claudelands Indoor Stadium and Events Centre Upgrade

The timetable and phasing of costs for this project have been revised following a revision of budget estimates. The project remains on target within the original budget, however the 2008/09 budget will decrease to \$13.828m, and the 2009/10 budget will increase to \$39.762m.

For further information on these variations, please refer to Section 9.0 of this plan.

4.0 Council's Elected Members and Management Structure

(NGA MEMA KAUNIHERA ME TE ROOPU KAIWHAKAHAERE)

The Mayor of Hamilton and the Hamilton City Councillors are members of the community who have been elected by the community and given responsibility for the overall governance of the city. This includes setting Hamilton's long-term direction and ensuring that Council acts in the best interests of the community.

Council's elected members are responsible for:

- Law-making (bylaws) and overseeing that the relevant Acts of Parliament (e.g. the Local Government Act 2002) are complied with.
- Developing and approving Council policy.
- Determining the expenditure and funding requirements of Council through the Long-Term Plan and Annual Plan processes.
- Monitoring the performance of Council against its stated objectives and policies (in particular through the Annual Report).
- Employing and monitoring the performance of the Chief Executive.

The 2007 local election was held on Saturday 13 October 2007 using the First-Past-the-Post system of voting (this system was chosen as a result of a public referendum undertaken on 13 May 2006). The number of councillors was reduced from 13 to 12 and the number of wards reduced from three to two. Six councillors now represent the West Ward and six councillors represent the East Ward, with the two wards divided by the Waikato River.

Bob Simcock was elected as Hamilton's Mayor, after being appointed to the position in June 2007 (following the resignation of Michael Redman who was subsequently appointed as Hamilton City Council's Chief Executive on 2 July 2007).

Hamilton residents elected all councillors who stood for re-election in the 2007 election. In addition two new city councillors were voted in (both on the West Ward, where two previous councillors did not stand for re-election).

The elected members are represented on various Council committees and subcommittees. These committees and subcommittees consider and recommend policy to Council, and monitor the implementation of policy and the operation of services relating to the committee functions.

4.1 Council Committees

The revised committee structures, roles and membership as a result of the October 2007 elections are outlined below.

COMMITTEE		ROLE
1.	City Development Committee	Considers and recommends policy to Council on relevant strategic matters that relate to the economic development of the city.
2.	Community and Environment Committee	Considers and recommends policy to Council for the community and environmental areas of activity and monitors the implementation of that policy.
3.	Finance and Audit Committee	Monitors the financial performance of Council against the Annual Plan and Long-Term Council Community Plan. Monitors the non-financial performance measures and significant projects specified by Council.
4.	Statutory Management Committee	Hears and considers applications and objections to applications under various Acts and Bylaws. Considers and makes recommendations to Council on regulatory matters.
5.	Transport Committee	Considers and recommends policy to Council and monitors the implementation of that policy in the area of integrated transportation.

SUBCOMMITTEE		ROLE
6.	Applications Subcommittee	Reports to the Statutory Management Committee. Considers and resolves minor planning matters.
7.	Chief Executive's Performance Assessment Panel	Reports to Council. Maintains an overview of the performance of the Chief Executive.
8.	Community Well-being Grant Allocation Subcommittee	Reports to the Community and Environment Committee. Disburses community well-being grants on behalf of Council.
9.	Contracts Subcommittee	Reports to the Finance and Audit Committee. Approves contracts for supply and services and revenue generating contracts in excess of the delegated sum (\$500,000 GST excluded) and when the amount of work involved in a decision not to go to tender exceeds \$100,000 (GST excluded).
10.	Events Sponsorship Subcommittee	Reports to the City Development Committee. Evaluates and makes decisions on which events should receive Event Sponsorship Funding and to what value.
11.	Passenger Transport Subcommittee	Reports to the Transport Committee. Recommends to the Transport Committee: <ul style="list-style-type: none"> • New and altered Hamilton passenger transport routes, timetables and related issues • Passenger transport infrastructure provision, promotional campaigns, and policy issues • Makes recommendations following comments and complaints received about Hamilton passenger transport from passengers and the public

SUBCOMMITTEE		ROLE
		<ul style="list-style-type: none"> • Advocacy of the Hamilton passenger transport strategy.
12.	Parking Management Subcommittee	Reports to the Transport Committee. Makes recommendations to the Transport Committee and Council on parking management issues.
13.	Active Transport Subcommittee	Reports to the Transport Committee. Examines the ways in which cycling and walking can be promoted as a viable travel choice within Hamilton.
14.	Road Safety Subcommittee	Reports to the Transport Committee. Recommends policy relating to speed limits and traffic calming measures.
15.	Te Runanga o Kirikiriroa (TeRok) Subcommittee	Reports to the Community and Environment Committee. Promotes the partnership between Council and TeRok and oversees administration of the Maori and Pacific Project Fund. Receives reports relating to the service contract between the two organisations and works to promote the well-being of Maori and Pacific people in Hamilton.

Note: Further detail on Council's committees, subcommittees, as well as elected member representation on external organisations and joint committees (including meeting dates/times, agendas/minutes) can be viewed or downloaded from the website www.hamilton.co.nz under 'Representation'.

4.2 Council's Elected Members

HAMILTON MAYOR		KEY TO COUNCIL COMMITTEES	
		Committees	Subcommittees
 <p>Bob Simcock Phone: 838 6976 Home: 838 0661 Mobile: 021 991 071 Email: mayor@hcc.govt.nz Council Committees/ Subcommittees: His Worship the Mayor is an ex-officio member of all committees. He is specifically appointed to Subcommittee 7 (Chief Executive's Performance Assessment Panel).</p>	<ol style="list-style-type: none"> 1. City Development Committee 2. Community and Environment Committee 3. Finance and Audit Committee 4. Statutory Management Committee 5. Transport Committee 6. Applications Subcommittee 7. Chief Executive's Performance Assessment Panel 	<ol style="list-style-type: none"> 8. Community Well-Being Grant Allocation Subcommittee 9. Contracts Subcommittee 10. Event Sponsorship Subcommittee 11. Passenger Transport Subcommittee 12. Parking Management Subcommittee 13. Active Transport Subcommittee 14. Road Safety Subcommittee 15. Te Runanga o Kiriiriira Subcommittee 	
	<p>Committees 1, 2 and 5 meet every six weeks Committee 3 meets quarterly Committee 4 meets as and when required</p>	<p>(C) = Chairperson (DC) = Deputy Chairperson</p>	
EAST WARD COUNCILLORS			
 <p>Pippa Mahood Phone: 838 6662 Home: 856 3218 Mobile: 021 809 964 Email: pippa.mahood@council.hcc.govt.nz Council Committees/ Subcommittees: Deputy Mayor, 1, 2, 4, 7, 15</p>	 <p>Glenda Saunders Phone: 838 6980 Home: 839 7165 Mobile: 021 733 191 Email: glenda.saunders@council.hcc.govt.nz Council Committees/ Subcommittees: 1 (C), 3, 4, 7</p>	 <p>Gordon Chesterman Phone: 838 6766 Home: 854 9851 Mobile: 021 922 927 Email: gordon.chesterman@council.hcc.govt.nz Council Committees/ Subcommittees: 1, 2, 5, 7, 12 (C)</p>	
 <p>Daphne Bell Phone: 838 6859 Home: 854 5555 Mobile: 021 341 767 Email: daphne.bell@council.hcc.govt.nz Council Committees/ Subcommittees: 2 (C), 3, 5, 8, 11, 15, 13</p>	 <p>Peter Bos Phone: 838 6986 Home: 854 0621 Mobile: 021 285 7019 Email: peter.bos@council.hcc.govt.nz Council Committees/ Subcommittees: 2, 3 (DC), 4 (DC)</p>	 <p>Roger Hennebry Phone: 838 6519 Home: 854 0223 Mobile: 021 318 439 Email: roger.hennebry@council.hcc.govt.nz Council Committees/ Subcommittees: 1, 3, 5, 13 (C)</p>	
WEST WARD COUNCILLORS			
 <p>Dave Macpherson Phone: 838 6438 Home: 824 5992 Mobile: 021 477 388 Email: dave.macpherson@council.hcc.govt.nz Council Committees/ Subcommittees: 2, 3, 5 (C), 11</p>	 <p>Maria Westphal Phone: 838 6657 Home: 849 6803 Mobile: 021 341 782 Email: maria.westphal@council.hcc.govt.nz Council Committees/ Subcommittees: 1, 2, 3 (C), 4, 7, 9, 11</p>	 <p>Kay Gregory Phone: 838 6982 Home: 849 6583 Mobile: 021 529 511 Email: kay.gregory@council.hcc.govt.nz Council Committees/ Subcommittees: 2 (DC), 4, 5, 8, 9, 10, 14</p>	
 <p>Joe Di Maio Phone: 838 6653 Home: 849 3472 Mobile: 021 493 472 Email: joe.dimaio@council.hcc.govt.nz Council Committees/ Subcommittees: 2, 3, 5, 12</p>	 <p>John Gower Phone: 838 6450 Home: 847 7465 Mobile: 021 318 789 Email: john.gower@council.hcc.govt.nz Council Committees/ Subcommittees: 1, 4 (C), 5 (DC), 6, 11, 14 (C), 15</p>	 <p>Angela O'Leary Phone: 838 5981 Home: 847 4911 Mobile: 021 343 774 Email: angela.oleary@council.hcc.govt.nz Council Committees/ Subcommittees: 1 (DC), 4, 5, 9, 10, 14</p>	

4.3 Council's Management Structure

Council is supported by a corporate organisation, led by Chief Executive Michael Redman and seven General Managers. Management and staff are responsible for managing service delivery and implementing Council's decisions and policies.

Council currently employs a total of 1,264 staff. This figure includes 704 staff who are employed full-time, 222 employed part-time and a further 317 who are employed on a fixed-term or casual basis.

In October 2007, a number of organisational changes were made to Council's management structure. The key objectives of these changes were to:

- Create capacity to provide strategic leadership to Council.
- Develop a high performance customer-focused culture supported by people and processes.
- Streamline organisation-wide processes to improve efficiency and effectiveness.
- Ensure a managed approach to project phasing and delivery.
- Ensure cross-organisational co-operation and response to Council's strategic framework for the city.

The revised seven group structure (previously six groups) is built around the establishment of two new groups replacing the Corporate Group:

- A new Organisational Development Group focused on organisational strategy, development and human resources, including the re-engineering of internal processes and associated support
- A new Programme and Finance Group focused on financial, resource and project alignment and delivery support.

The seven groups are:

- **Programme and Finance Group, incorporating the Deputy Chief Executive role**
(Blair Bowcott)
- **Community Services Group**
(Sue Duignan)
- **Communication and Marketing Group**
(Philip Burton)
- **Environmental Services Group**
(Brian Croad)
- **Organisational Development Group**
(Paul Dumble)
- **Strategic Group**
(Brent McAlister)
- **Works and Services Group**
(Chris Allen)

4.4 Relationship of the Senior Management Team to the Elected Members

The Senior Management Team manages organisation-wide issues and liaises between the elected members and staff. They are responsible for monitoring operational performance, giving policy advice, implementing policy, strategic planning and service delivery. By working collaboratively, the Senior Management Team ensures that actions undertaken within all seven groups are consistent with Council's vision, mission, values and the City Strategic Framework (including the Long-Term Plan, the Annual Plan and the Corporate Plan).

The elected members and Council staff work together at different levels to decide what activities should be undertaken to enable progress towards Council's vision for the city and Hamilton's Community Outcomes, and to plan how these activities can best be delivered. This takes place within a framework of engagement with the community and affected parties, competing priorities, timeframes, resources and decisions of Council. It occurs within the overall framework of growing and developing the city in a way that enhances its social, economic, environmental and cultural well-being.

5.0 Council's Direction For The City

(TE HUARAHI O TE KAUNIHERA MO TE TAAONE-NUI)

5.1 Council's Strategic Framework for the City

Council has developed a Strategic Framework for Hamilton which:

- Provides a focus for Council's planned direction for the city's development.
- Identifies eight city strategies, which supported by plans, will drive the operational component of the business.
- Seeks to provide a mechanism for aligning the high-level governance direction and operations in a more focused way.
- Communicates Council's direction to other key stakeholders and enables them to align their strategic planning with Council's vision.
- Highlights that the unique urban issues facing Hamilton are of a different nature to that of the region.

The 'Vibrant Hamilton' Vision contained in the Strategic Framework comprises three key statements of strategic intent that outline Council's Vision for planning and managing the city's ongoing sustainable development. The Strategic Framework provides a reference point for Council's decision-making.

The Strategic Framework also enables key organisations in the city to better understand Council's intended direction for Hamilton and provides an opportunity for them, where appropriate, to align their planning and service delivery. This should lead to a more unified approach towards Hamilton's ongoing sustainable development and provide a platform to both strengthen existing partnerships and develop new ones.

The statements of strategic intent and their accompanying introductions are shown below:

VIBRANT HAMILTON

Investing in Our People

Hamilton is a diverse city of many cultures, ages, and backgrounds. Our vision is to build a city that celebrates our diversity, building strong communities which excites us to achieve great things.

Creating Identity and Prosperity

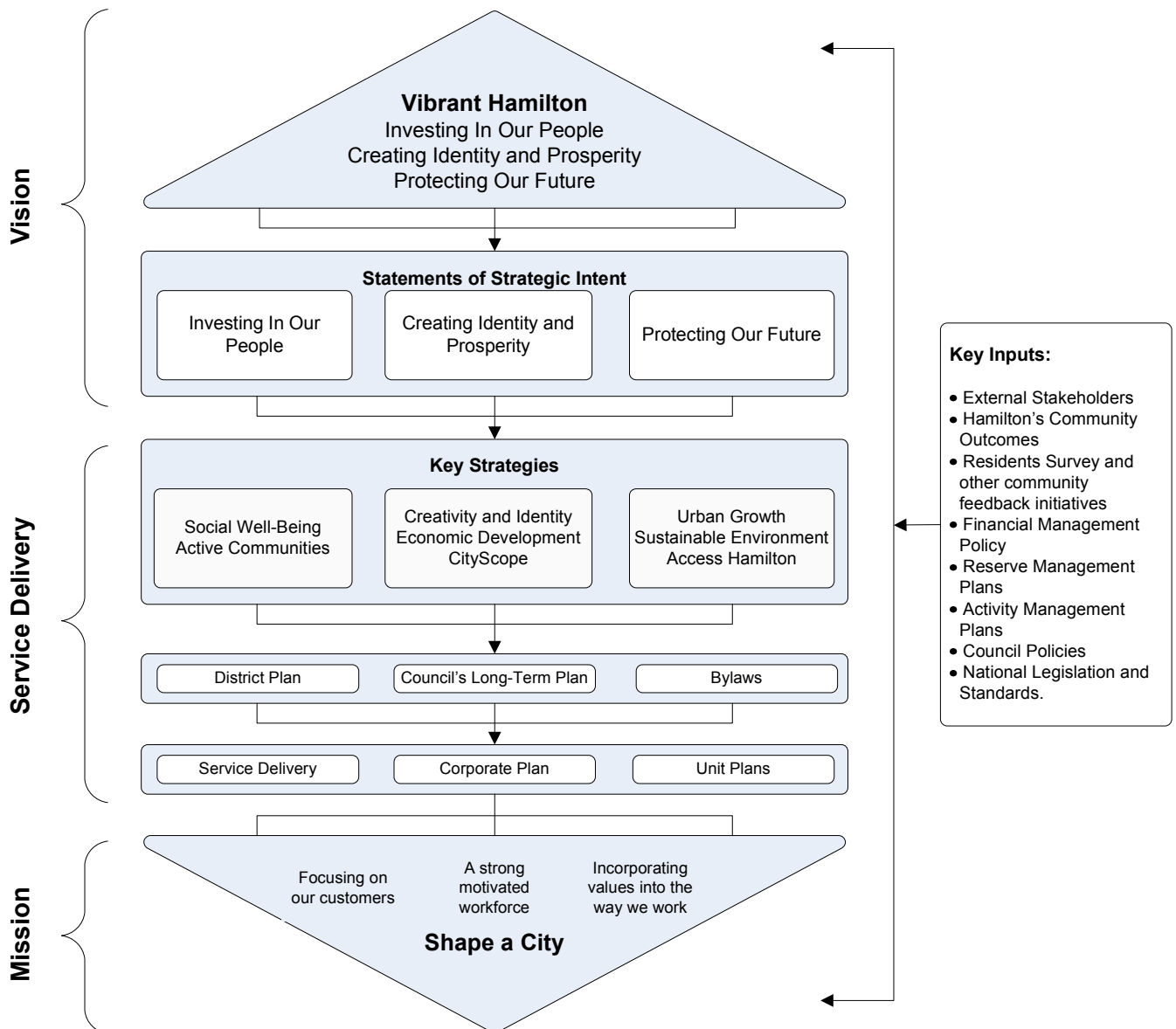
Hamilton is a city that is making its mark on the political, social, cultural, and economic maps of New Zealand. Our vision is for a place of entertainment, celebration, and culture, enabled by a sharp, and wealthy economy built on the city's strategic advantages, innovation, and entrepreneurial spirit.

Protecting Our Future

Hamilton is a city experiencing rapid and sustained growth. Our vision for the city is to see development achieved sustainably, efficiently and creatively. Good planning today will benefit the city of tomorrow.

The relationship of the City Strategic Framework to Council's key plans and policies is shown in the following diagram. The Vision will also be influenced by a range of key external inputs including Hamilton's Community Outcomes, other community feedback and national legislation.

Relationship of the City Strategic Framework to Council's Key Plans and Policies



5.2 Progress of the Eight Key Strategies

The eight city-wide strategies identified in Council's City Strategic Framework will provide a focus for the city's development and will deliver on Council's Vision and the three statements of strategic intent (*Investing in Our People, Creating Identity and Prosperity and Protecting Our Future*) as well as Hamilton's Community Outcomes.

Three of the eight strategies have been developed to date — CityScope (Urban Design Strategy), the Social Well-Being Strategy and the Creativity and Identity Strategy. An outline of each of these strategies is provided below.

The Economic Development, Environmental Sustainability and Access Hamilton strategies are currently under development. The Active Communities and Urban Growth strategies will commence in mid-2008.

Social Well-Being Strategy

The Social Well-Being Strategy represents an exciting collaborative approach to improving social issues in Hamilton. The development of the strategy has been driven by a steering group comprising chief executives from organisations that will be able to make the greatest contribution to the strategy's outcomes across the city.

A clear conviction for long-term change has been made by these organisations to unite strengths, resources and raise a voice for Hamilton's needs at a central government level. Opportunities have been identified for working together through an agreed set of key social priorities and accompanying projects that will directly address pressing social issues on the ground. These priorities are encompassed within the strategy's theme areas:

- City leadership and collaboration
- Community capacity and pride
- Vibrant young people
- Quality of life
- Community safety.

Hamilton's Social Well-Being Strategy was adopted on 2 October 2007. This strategy will deliver real results on the ground over the next one to three years through a suite of eight joint flagship projects.

Council has included funding provision of \$100,000 per annum through until 2015/16 in the 2008/09 Annual Plan (Strategic Action Plan #859.0) to support the implementation of the flagship projects. These projects range from a community renewal project in Poets Corner, to 'cool things for youth to do that don't cost much', which seeks to address the gap of cheap and free activities for our young people to engage in. Housing affordability and economic development through home ownership also feature in this strategy.

Creativity and Identity Strategy

A series of focus groups were conducted in late 2006 to capture local feedback on creativity and identity issues as the first stage in the process to develop the city's Creativity and Identity Strategy.

A number of Hamilton's creative and strategic thinkers were also interviewed and asked to provide their perspectives on how creative and innovative thinking can be fostered in our city. These discussions were a valuable input into the development process for the strategy and served as the basis for a one and a half day strategic 'think tank' that was undertaken in early July 2007.

The 'think tank' process involved 16 creative thought leaders and was facilitated by visiting international cultural planner Charles Landry. From this intense two-day discussion, a set of core principles and theme areas emerged for Hamilton over the next three to five years:

- *Making small effective* — recognising Hamilton's size as its advantage.
- *Attracting and growing our talent* — developing the city as a seeding ground for success and utilising our youthful population and tertiary strength.
- *Expanding the aesthetic experience* — as Hamilton grows it retains a sense of the urban village.
- *Reconnecting to the river as a deeper source of meaning.*

The Creativity and Identity Strategy was finalised and adopted in September 2007. This strategy differs from the Social Well-Being Strategy in that it does not attempt to document 'flagship projects'. The goal of the strategy is to ensure that advantage is taken of any creative opportunities and to encourage city stakeholders to form innovative partnerships to undertake projects that contribute to the creativity and identity of the city.

Council has included funding provision of \$100,000 per annum through until 2015/16 in the 2008/09 Annual Plan (Strategic Action Plan #845.0) to support implementation of the strategy.

In order to provide some idea of the look and feel of potential projects emerging, an interactive page has been created at www.hamiltoncity.co.nz/thinkingoutloud. This reflects the input, discussions and networking that has occurred in the working groups to date and record future input and ideas.

CityScope — Urban Design Strategy

CityScope is the city's Urban Design Strategy. The intention of CityScope is to raise the standard of urban design throughout the city and to actively plan toward the building of communities as the city expands. Its purpose is to establish a framework to guide the city towards a sustainable, quality urban environment. It is not about the look of buildings but the whole 'look and feel' of the city. It is about how the buildings, spaces and places of Hamilton all contribute towards making the city more liveable, enjoyable and valuable for people.

Council formally adopted the strategy in July 2006. CityScope articulates a vision and a framework to guide the decision-making processes of Council, private sector development and the community as a whole. The introduction of CityScope creates an opportunity for Council and the community to embrace a more holistic approach to development. It should give developers more confidence to make the extra investment needed to deliver high quality urban development. When done well, urban design is profitable, offering benefits over time for developers and the wider community. Good urban design is not just a 'nice to do', it is a must do.

Two of the key components of the CityScope strategy are *Vista* (Hamilton City Design Guide) and the Hamilton Urban Design Panel.

Vista outlines Hamilton's expectations for better-designed environments; describing how a well-designed place should look, feel and function. The guide highlights key urban design principles considered fundamental to Hamilton's development as a prosperous, memorable and sustainable city.

It is intended that designers, developers and investors, as well as Council planners and policy makers, will use the design guide as a tool to help design buildings and spaces

that work well now and into the future. The guide is not a statutory document with rules, but a summary of the community's expectations for beautiful and functional spaces.

Vista will be used as the basis for Hamilton's newly formed Urban Design Panel in the review of significant development proposals in the city. The Urban Design Panel is a group of experts commissioned by Council to advise developers, their design teams and Council planners on ways to improve significant developments in the city. Advice from the Council's urban design staff and the Urban Design Panel is free to applicants. Developers are encouraged to engage with Council while proposals are at an early stage so they can benefit from the input and expertise of the panel.

5.3 Developing Council's 2009-19 Long-Term Plan

As noted in Section 1.2, the Long-Term Plan is Council's primary long-term planning document that outlines the contribution that Council intends to make towards Hamilton's development over the next 10 years. It is the key document that shapes Council's direction-setting and provides an important opportunity for people to participate in decision-making processes on the activities that Council plans to undertake.

Hamilton, like many cities in New Zealand, is experiencing increased population growth and the associated pressures that such growth brings. With that comes the need to plan and implement responsive, forward-thinking projects and programmes that balance the city's social, economic, environmental and cultural needs, with a prudent and sustainable approach to the city's finances.

As part of the 2009-19 Long-Term Plan process, Council will be placing particular emphasis on how, where and when the city will develop in the future. For example, should the city continue its growth in greenfield areas, or should greater emphasis and encouragement be placed on infill growth in established areas of the city to capitalise on existing infrastructure? Finding the right balance is fundamental to making Hamilton a more sustainable city.

The Local Government Act 2002 requires the Long-Term Plan to be reviewed every three years. Work for developing the 2009-19 Long-Term Plan commenced in 2007/08 and will continue throughout 2008/09 in preparation for release of the proposed plan in March 2009 for public submissions.

There is an expectation that all local authorities throughout the country will continue to improve their planning, information provision and community engagement with each Long-Term Plan.

An important part of developing the Long-Term Plan is discussing and debating key issues with the community to find out how they wish to see Hamilton progress in the future, and how much residents are prepared to pay for the facilities and services provided by Council. Extensive community engagement will be occurring in the lead up to the 2009-19 Long-Term Plan, as well as consultation on the proposed plan itself.

5.4 Future Proof - Sub-Regional Growth Strategy

Introduction

In partnership, Hamilton City Council, Environment Waikato, Waipa and Waikato District Councils have embarked on the development of a sub-regional growth strategy, known as "Future Proof", which covers the administrative areas of the three territorial authorities and the associated area of Environment Waikato.

Through previous work undertaken it has been identified that there is a need to provide an integrated approach to growth management, given that the city and districts have experienced significant growth in recent years and that this is expected to continue. The respective councils want to take a strategic approach to managing growth and ensure that land resources are used efficiently and that associated infrastructure implications are understood, planned for and appropriately funded.

A scoping report was completed in April 2007, which outlined the basis and nature of such a strategy together with the key tasks, timeframes and costs. The partners agreed to and adopted the scoping report in late 2007.

Benefits of Undertaking a Sub-Regional Growth Strategy

The benefits of completing a growth strategy include:

- Defining the outcomes that may be expected. In particular, influences such as growth drivers, the future land use pattern, servicing needs, development staging and funding needs.
- Linkages with other land use planning processes.
- Linkages with other strategies such as long term council community plans and regional land transport strategies.
- The strong relationship between transport and land use, in particular the 10 year plans of Land Transport New Zealand and Transit New Zealand.
- Compliance with the three major statutes: the Local Government Act 2002, the Land Transport Management Act 2003 and the Resource Management Act 1991.

Strategy Project

The project will develop a sub-regional growth strategy that is agreed between the partners and involves:

- Agreement by key stakeholders on the essential elements of the strategy.
- Appropriate consultation with key stakeholders and the wider community.
- A growth strategy that outlines:
 - Economic trends and drivers.
 - Residential and commercial/industrial land demand and supply.
 - Infrastructure and land-use sequencing and funding.
 - Development constraints.
 - Growth option evaluation criteria.
 - Preferred growth option with sub-regional settlement patterns defined.
 - An implementation plan including actions, timeframes, implementation agencies and monitoring framework.

Timeframes and Costs

The project (which commenced in December 2007) is to be completed in time to allow consultation on the draft strategy to occur at the same time all councils are consulting on their 2009-19 long term council community plans in March and April 2009.

The overall cost of the project is \$1.1m, which is being shared by the four partner councils.

Project Structures

In December 2007 a joint committee was established by the four council partners to provide the governance overview and driver of strategy development. In addition various senior staff groups have been established to assist with strategy formulation that include Council, Transit New Zealand and Land Transport New Zealand staff.

Project Phases

There are four main phases to development of the strategy (with Phase 1 already underway):

- Phase 1: Research input.
- Phase 2: Option development and consultation.
- Phase 3: Preferred option development and evaluation.
- Phase 4: Growth management strategy document publication, consultation and adoption.

For further information about Future Proof, please contact:

Brent McAlister
General Manager Strategic
Phone: 07 838 6790
Fax: 07 838 6464
Email: brent.mcalister@hcc.govt.nz

6.0 Changes to Council's 2006-16 Long-Term Plan

(NGA WHAKAREREKEETIA TONO MO TE KAUNIHERA 2006-16 TIRONHANGA WHAANUI)

Although the 2006-16 Long-Term Plan sets out Council's direction for the next 10 years, changes to projects and core policies contained in the plan are often inevitable. Reasons for such changes include:

- changes in expectations/priorities from Hamilton's residents.
- changes in the priorities of elected members.
- changes to central government legislation that impacts on Council's operations.
- changes in funding arrangements from other providers/organisations that are co-funding a specific project or programme.
- more detailed/updated information becomes available.
- unforeseen changes to the timing and cost of projects and programmes.
- natural disasters or other environmental incidents.

Such changes are categorised as being either **amendments** or **variations** to the Long-Term Plan.

6.1 What is an Amendment?

The Local Government Act 2002 (LGA 2002) makes specific provision for Council to make amendments to its Long-Term Plan. An **amendment** is where Council proposes to make a **significant change** to the direction of a project or core policy contained in its Long-Term Plan. It should be noted that the majority of changes outlined for 2008/09 in this Annual Plan are reflected as **variations** to the 2006-16 Long-Term Plan.

The key sections of the LGA 2002 that outline what constitutes an amendment to a Long-Term Plan include:

- Section 97, which sets out certain decisions that can be taken only if they are provided for in the Long-Term Plan. This includes decisions to significantly alter service levels; to transfer ownership or control of a strategic asset; or to construct, replace or abandon a strategic asset that will significantly affect the costs to or capacity of Council.
- Section 102, which states that changes to the funding and financial policies listed under this section are amendments to the Long-Term Plan.
- Section 141, which makes it a condition of sale or exchange of endowment property that information about the intention to sell or exchange, and the use to which any proceeds will be put, must be included in the Long-Term Plan (Section 97 may also apply).

In most cases, proposed changes to projects and core policies that constitute an amendment to the Long-Term Plan will also trigger Council's Significance Policy¹. The objective of Council's Significance Policy is:

"To ensure that the community of Hamilton is fully consulted and able to actively participate in the consideration of issues, proposals, decisions or other matters which are significant, and/or which involve the community's strategic assets."

The Significance Policy contains various thresholds and criteria which, when triggered, require Council to undertake consultation using the provisions of the LGA 2002.

When Long-Term Plan amendments are proposed, Council will ensure that:

- the amendment is clear, including the reasons for and effect of the amendment
- the community is consulted and has the opportunity to provide feedback
- confidence in the integrity and robustness of the Long-Term Plan remains.

The two amendments to year three (2008/09) of Council's 2006-16 Long-Term Plan are:

- Review of Council's Development and Financial Contributions Policy
- Review of Council's Rates Remission — Hardship Relief Policy.

As per the requirements of the LGA 2002, Audit New Zealand was required to issue an audit opinion on the proposed amendments to Council's 2006-16 Long-Term Plan. (Although a legal compliance review of Council's Proposed 2008/09 Annual Plan was undertaken, Audit New Zealand was not required to issue a formal audit opinion).

There is no legislative requirement for Audit New Zealand to issue an opinion on the final amendments. The requirement is that an audit note for the finalised 2008/09 amendments be incorporated as part of Audit New Zealand's original opinion on Council's 2006-16 Long-Term Plan. This is included with the web version of the 2006-16 Long-Term Plan at www.hamilton.co.nz/longtermplan.

Please refer to Part B of this document for detail on the amendments.

6.2 What is a Variation?

The LGA 2002² requires Council to disclose in its Annual Plan key variations (including reasons for the variations) to the projects shown in the corresponding year of its Long-Term Plan, i.e. this 2008/09 Annual Plan must show variations to year three (2008/09) of Council's 2006-16 Long-Term Plan.

Key variations to 2008/09 are defined by the following criteria:

- a change to the budget provision for a project (where the amount that is to change is \$500,000 or more)

¹ Refer Council's 2006-16 Long-Term Plan, Volume II, Section 8.0.

² The Local Government Act 2002, Section 85(2)(b).

- a change to the timing of a project (for projects where the amount is \$100,000 or more)
- the addition of any new projects
- the deletion of any planned projects.

An explanation of each of the key variations to projects is included under the relevant significant service in Section 9.0 (Council's Significant Services).

Using the 2006-16 Long-Term Plan as the base framework for the city's development over the next 10 years, Council has taken a prudent and financially responsible approach and deliberated over what it sees as the optimum set of projects for the 2008/09 financial year. In doing so, a number of variations have been made to the projects shown in year three (2008/09) of the base 2006-16 Long-Term Plan.

A full list of all variations to capital projects for 2008/09 (including budget changes less than \$500,000 and timing changes less than \$100,000) is shown in the Capital Expenditure Statement in Section 11.0 (Financial Section).

For more information on the variations, please contact:

Fiona Ferrar
Finance Manager
Phone: 838 6746
Email: fiona.ferrar@hcc.govt.nz

7.0 Financial Overview

(NGA TUTUKITANGA)

Rates Levied

For the 2008/09 financial year, Council has budgeted income from rates of \$98.167m (2007/08 \$92.249m). Rates income will increase by 6.42% for the 2008/09 financial year, which includes the Access Hamilton targeted rate. Taking account of growth in the city's rating base, this represents an average increase of 5.29% to existing Hamilton ratepayers.

The rate table below shows the total rates and rate increase for year 3 (2008/09) of the 2006-16 LTCCP and the 2008/09 Annual Plan showing the adjustment for growth in the city's rating base.

	LTCCP 2008/09	Annual Plan 2008/09
Total rates levy	\$99.5m	\$98.2m
Rates levy (total increase)	8.26%	6.42%
less rating growth (new ratepayers)	(\$1.4m)	(\$1.0m)
Rates levy increase to existing ratepayers	6.70%	5.29%
Targeted rate - Access Hamilton	3.20%	1.56%
Inflation (CPI) adjustment	3.10%	3.20%
Rate increase to existing ratepayers above inflation (CPI) adjustment	0.40%	0.53%

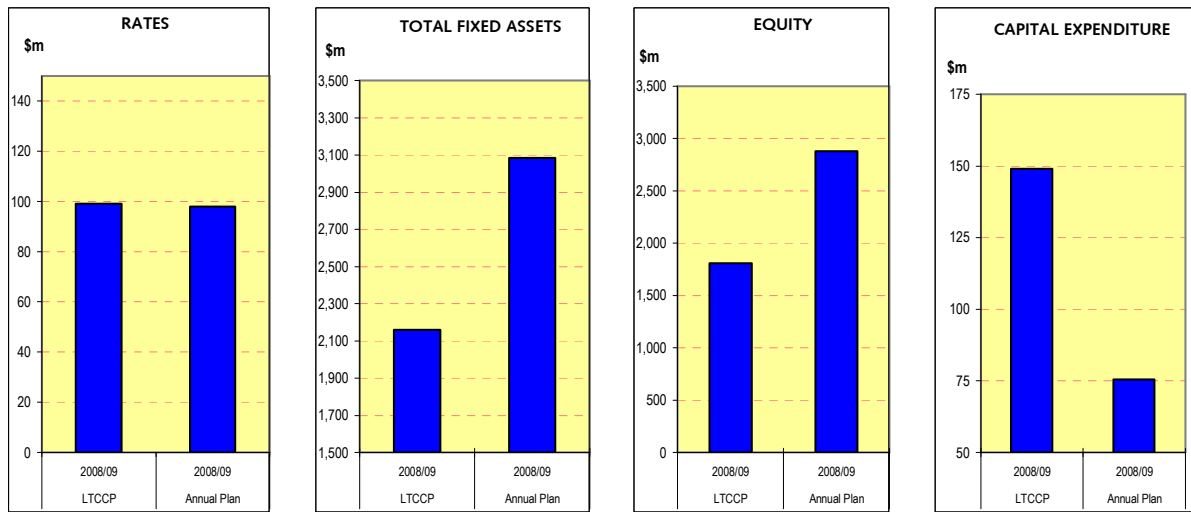
Rates by Property Sector

The indicative rates levy for 2008/09 on the average value of each property sector is:

	Annual Plan 2008/09
residential	\$1,503
inner city	\$1,008
commercial	\$8,958
multi-unit	\$3,930
rural residential	\$2,948
rural large	\$4,709
rural small	\$1,907

Financial Summary

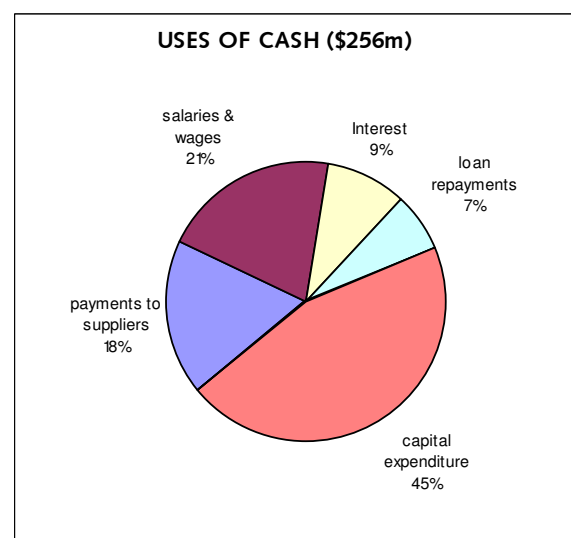
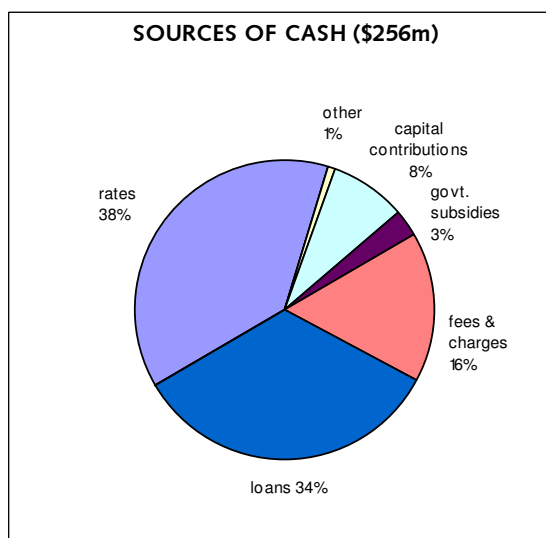
A graphical presentation of key financial statistics for June 2009 as indicated in the LTCCP and the 2008/09 Annual Plan is shown as follows:



\$m	LTCCP	Annual Plan
	2008/09	2008/09
Rates (incl penalties less remissions and rates charged to Council properties)	99	98
Total fixed assets	2,160	3,084
Equity	1,807	2,876
Capital expenditure	149	75

Cash Flow

The estimated sources and uses of cash for the year ended 30 June 2009 is summarised as follows:



City Debt

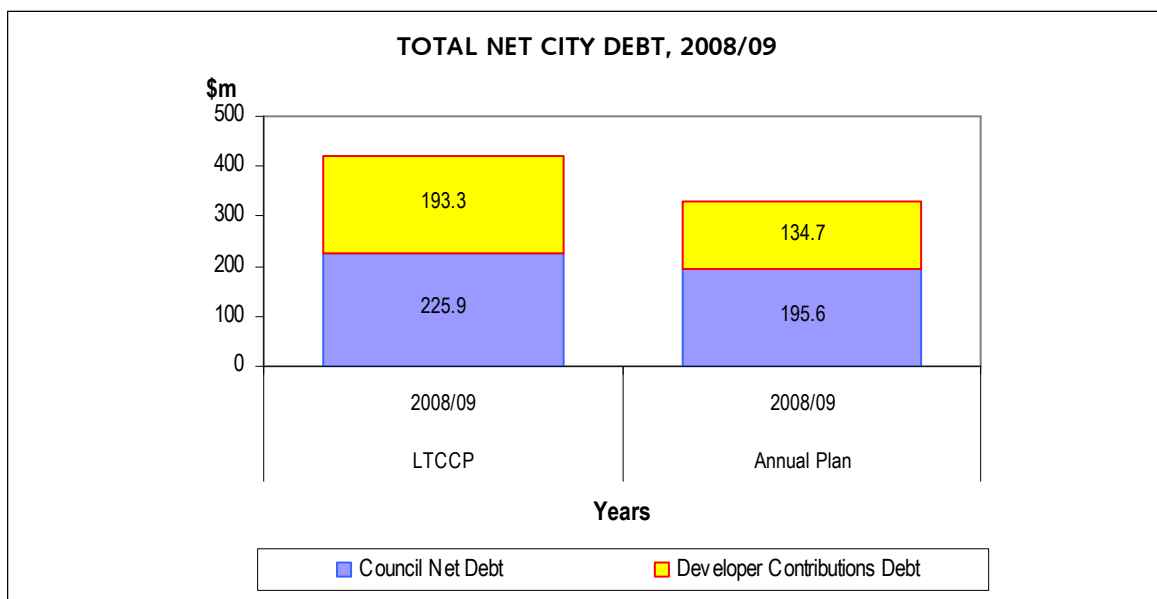
The overall level of net city debt including internal borrowing will total \$330m for the 2008/09 financial year. This compares to \$419.2m for 2008/09 as indicated in the amended LTCCP. Council has budgeted for internal borrowing from special funds and other cash funds of \$40m. Rather than sourcing all its borrowing externally, Council utilises funds from reserves and working capital to reduce external borrowing and charges an interest rate on these funds, which is then added to the reserves.

There are two categories of Council debt. These being:

- Council debt comprising debt funded by reserves and Access Hamilton (Knox Street carpark), debt funded by Access Hamilton Reserve, and debt funded by rates, and
- Debt funded by development contributions.

Debt funded by development contributions at the end of the 2008/09 financial year is \$134.7m.

The graph below shows the total net city debt levels for June 2009 as indicated in the amended LTCCP and in the 2008/09 Annual Plan, split between Council net debt and debt to be funded by development contributions.



DEBT BALANCES (including internal borrowing)

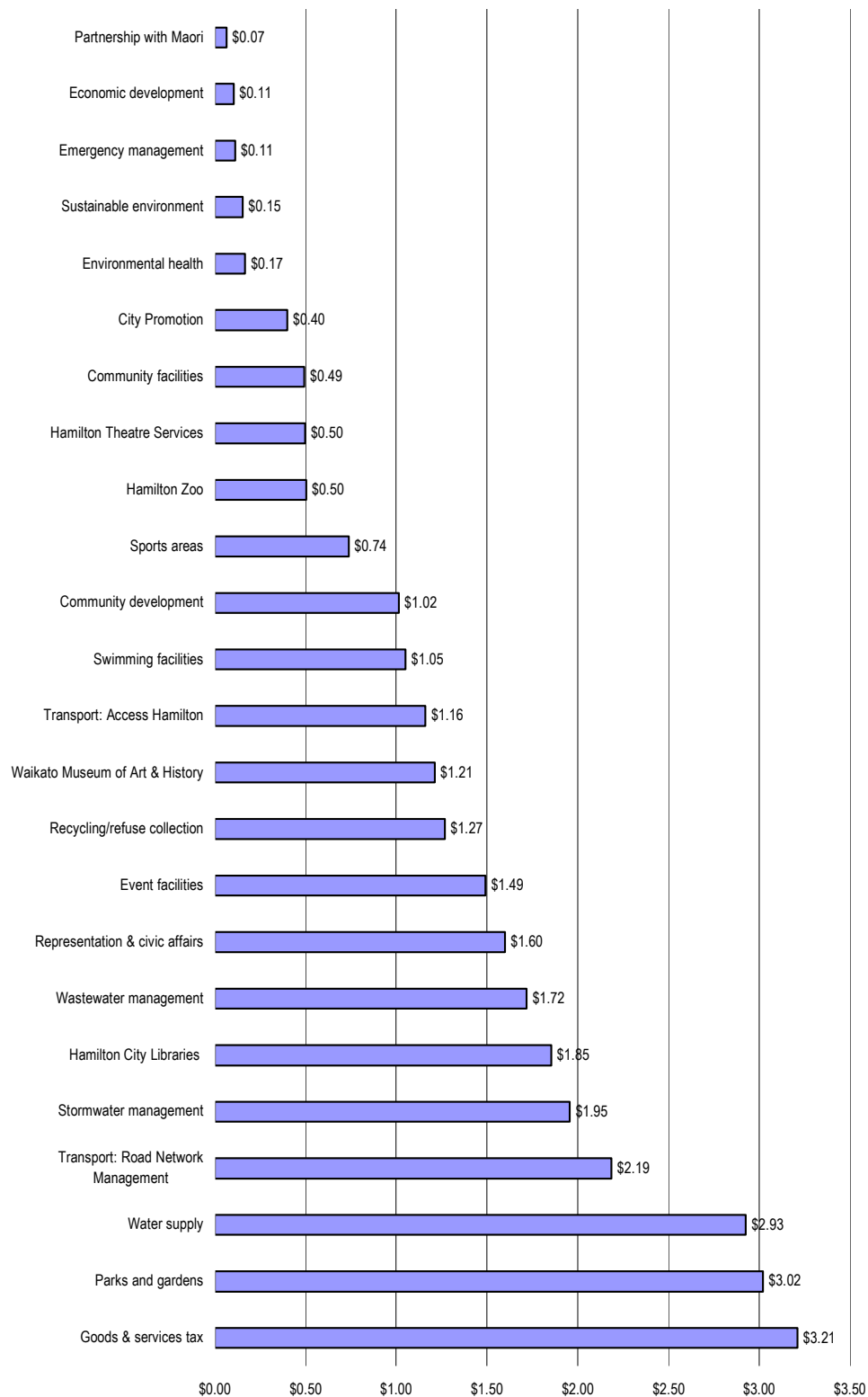
\$m	LTCCP	Annual Plan
	2008/09	2008/09
Funded by Reserves & Access Hamilton (Knox St Car park)	7.4	7.5
Funded by Access Hamilton Reserve	29.7	24.0
Funded by Rates	188.8	164.1
Closing Balance - Council Net Debt	225.9	195.6
Funded by Development Contributions	193.3	134.7
TOTAL CLOSING BALANCE NET DEBT	419.2	330.3

DEBT SERVICING PERFORMANCE LIMITS

Policy Limits - Council Net debt	LTCCP	Annual Plan
	2008/09	2008/09
1. Interest on Council debt (excluding interest on DCL debt) as % of total rating income (Max 20%)	13.3%	11.4%
2. Net debt (Council) as % of total income (Max 180%) (excluding total DCL contributions received p.a. in income)	138%	131%
3. Net debt (Council) per capita (Max \$1,800)	\$1,509	\$1,374
Policy Limits - Total Net debt		
1. Net debt as % of total assets (Max 25%)	18%	10%
2. Net debt as % of total income (Max 300%)	239%	197%
3. Interest (total) as % of total income (Max 20%) (including total DCL contributions received p.a. in income)	15.6%	12.9%
4. Liquidity (on total net debt & working capital) (Min 110%)	113.0%	118.2%

Indicative Residential Rates

For 2008/09, the rates levy on the average value Hamilton home will be \$1,503, that is, about \$29 per week. The indicative rates levy per week is presented graphically below for each significant service of Council.



8.0 Highlights of 2008/09 Projects and Programmes

(NGA MARAMA ME NGA KAUPAPA MO NGA TAU 2008/09)

This section highlights some of the key projects and programmes that Council will be completing or working towards during 2008/09.

The first highlight outlines the City Heart CBD Revitalisation Project. The remaining highlights are grouped under the three City Strategic Framework areas — *Investing in Our People, Creating Identity and Prosperity and Protecting Our Future*.

8.1 City Heart Revitalisation Project

Council's 2006-16 Long-Term Plan makes funding provision of \$25.845m over the plan's 10-year period to enable the redevelopment of the CBD following initial work undertaken in 2005 on the CBD 2020 project³.

The City Heart Revitalisation Project builds on this former work and aims to create a vibrant and distinctive city heart for Hamilton and to produce physical spaces that reflect Hamilton's unique identity. \$7.394m (Strategic Action Plan # 228.0) has been allocated for work to be undertaken in 2008/09 — please refer to Section 3.0 of this plan for specific details of the projects approved for 2008/09.

A 'place based' approach was used to look at options to bring the following areas to life:

- Garden Place and Civic Square
- Victoria and Ward Streets
- Council's Reception Lounge
- The pedestrian link between the CBD and Claudelands Events Centre
- I-site Visitor Information Centre
- Wintec wall
- Opoia Residential Area
- Sonning Carpark
- Land behind ArtsPost.

PROJECT CONCEPTS FOR CITY HEART REVITALISATION

The following concepts and ideas were the result of the processes undertaken for the City Heart Revitalisation. All ideas and comments that were raised through the process were analysed, with the following key themes emerging:

Garden Place and Civic Square:

- Enhance existing features such as the trees, water feature and wall.
- Proposed shared space network from Worley Place to Alexandra Street, which can be used by pedestrians, cyclists and slow-moving traffic. The space would be designated by bollards on existing paving.

³ 'CBD 2020 Future Vision Report' by Priest Mansergh Graham Landscape Architects Ltd in conjunction with Bloxham Burnett and Olliver Ltd for Hamilton City Council (2005).

- Creation of a wi-fi (wireless-fibre) space situated outside the central library, which will encourage the flow of information into Garden Place.
- Creative linkage from the Wintec Media Arts Building through to Civic Square and Garden Place to attract talent into the CBD.
- Fostering intellectual and cultural connection through public art.

Victoria Street:

- Widen the median strip and increase car parking.
- Remove the Alma Street roundabout.

Ward Street:

- Change Ward Street from a one-way street into a two-way street.
- Remove the Ward Street/Worley Place roundabout.
- Widen the footpath and provide tasteful plantings and street furniture to lift the amenity of the area.
- Investigate a covered walkway between Downtown Plaza and Centreplace Mall.
- Install bike stands outside the malls and the Hamilton Environment Centre.
- Establish Ward Street as an up-market high street.
- Public investment to coincide with private investment from Kiwi Income Property Trust through some redevelopment of Centreplace.
- Investigate the links between Wintec, Ward Street and the Claudelands Events Centre redevelopment.

Council Reception Lounge:

- Encourage an indoor/outdoor flow by opening up the Reception Lounge out onto Civic Square and Garden Place using glass doors/windows and an open passageway.
- This space could be utilised as a large exhibition space open for community groups and the public to use.
- Convert the existing Council ground floor training room into a boardroom facility, which can be utilised by external groups and organisations.
- Establish a café area within the Council building situated near the existing kitchen (which services the reception lounge and training room).

I-site Visitor Information Centre:

- Six potential sites to relocate the I-Site Visitor Information Centre (currently housed in Hamilton's Transport Centre) have been identified.

Opoia Residential Area:

- There is an opportunity to increase the height and density of apartment and residential buildings (this is unlikely to change in the short-term).

City Heart and Claudelands Events Centre Pedestrian Link and Wider Area around the Claudelands Events Centre Site:

- The addition of a clip-on to the existing Claudelands Bridge, which would be utilised by pedestrians.
- The creation of another iconic landmark for the city.
- The widening of footpaths on O'Neill Street to encourage pedestrian flow onto the Claudelands Bridge and into the city heart.
- The land opposite the Claudelands Events Centre (CEC) to be utilised for commercial and retail activity and to accommodate event parking overflow from

the CEC. A longer term vision will see these premises also attracting residential apartments on higher levels.

Sonning Carpark:

- Establish a mixed use complex, in partnership with a private developer, that may feature apartments, high-end retail and longer-term niche apartments or a boutique hotel.
- The development will still accommodate carparking requirements.
- Inclusion of a walkway which would connect to Claudelands Bridge and provide a clear accessway onto River Road.

Land behind ArtsPost:

- Possible extension of the Museum or ArtsPost building, in partnership with a private developer, linking it to the Waikato River.
- Possible development of riverside residential apartments with an active ground floor space e.g. retail, café, art gallery.

The concepts and ideas listed above will be further considered as projects to be included in Council's 2009-19 Long-Term Plan.

8.2 Investing In Our People

Social Well-Being Strategy Flagship Projects Support

Strategic Action Plan # 859.0 (\$100,000 in 2008/09)

Hamilton's Social Well Being Strategy was adopted on 2 October 2007. The strategy was developed as a partnership document with key social development agencies working in Hamilton. The basis for the strategy is the shared conviction that the city will benefit from working together in a resource-sharing, streamlined fashion and will provide committed leadership for the city.

The strategy will initially be delivered through a suite of joint flagship projects including a focus on youth, families, safety and housing. This funding is part of Council's commitment to supporting these joint projects.

Graffiti Removal Programme

Strategic Action Plan # 842.0 and # 843.0 (\$113,000 in 2008/09)

This additional funding for graffiti removal is to enable an effective graffiti eradication, education and enforcement programme. This will be achieved through a coordinated approach with local communities and the police.

Monitoring Progress Towards Hamilton's Community Outcomes

Part of Strategic Action Plan # 624.0 (\$60,000 in 2008/09)

The Local Government Act 2002 requires Council to get its community thinking about and identifying how they would like to see Hamilton develop over the next 10 years and beyond, and to translate this thinking into what are known as community outcomes.

The community outcomes aim to enable increased participation and collaboration between different organisations in the city and will also assist in making Hamilton a more sustainable city. During 2004 and 2005 a new set of community outcomes were

developed for Hamilton using a consultation steering group comprising community-based organisations, iwi/Maori, central and local government and other representatives.

To plan for the optimum development of Hamilton and as a means to assess the city's progress in working towards the community outcomes, key components of Hamilton's economy, environment and society need to be monitored to measure the effect of our actions. A set of Community Outcomes Progress Indicators were developed and signed off through Council's 2007/08 Annual Plan process. Council is required to report not less than once every three years on progress made towards Hamilton's Community Outcomes. A comprehensive community outcomes progress report will be produced by the end of 2008.

Transport Centre Security

Strategic Action Plan # 854.0 (\$70,000 in 2008/09)

This project, which is co-funded by Environment Waikato, provides for a new City Safe Patrol Team with primary responsibility for the Hamilton Transport Centre. The patrol team will provide extended security at the Transport Centre and surrounding area (including Garden Place) during off-peak periods. They will operate from noon until 8:00pm, Monday to Wednesday; noon until 5:00am Thursday to Saturday and 1:00pm until 5:00pm on Sundays. Monitoring of the City Safe Crime Prevention Cameras will also be extended from the current operating hours of 6.00pm until 5.00am, to noon until 5:00am every day.

Recreation Equipment Programme

Strategic Action Plan # 137.0 (\$163,900 in 2008/09)

This programme enables Council to contribute towards the provision of recreational equipment in the newly developed areas of the city and the upgrade of existing playgrounds throughout the city for the enjoyment of the local community. In 2008/09 the programme provides for the completion of Claudelands Park playground, the development of a new playground at Brymer Glen Reserve and an upgrade of the existing playground at Pygmalion Park.

Cricket Wicket Renovations at Jansen Park

Strategic Action Plan # 834.0 (\$132,600 in 2008/09)

Hamilton has eight wicket blocks that are used for senior grade premier cricket, including four blocks at Jansen Park and four blocks at Galloway Park. All wicket blocks have been in place for a number of years and require special types of clay to be used in order to prepare suitable wickets. Both wicket blocks will be renovated, with the Galloway Park blocks completed in 2007/08 and Jansen Park blocks in 2008/09.

Design of the New North East Sector Pool

Strategic Action Plan # 351.0 (\$1.064m in 2008/09)

The development of a new pool in the north-east sector is an increasingly high priority due to the capacity pressure placed on current facilities and the rate of city growth. The scope of the project includes a 10 lane 25 metre pool, leisure fun pool, learners pool, toddlers pool, hydroslide, café and gym facilities. Specification of the design is due to be completed in 2008/09 with construction scheduled for 2010/11 and 2011/12.

Waiwhakareke Natural Heritage Park

Strategic Action Plan # #609.0 (\$177,700 in 2008/09)

Council has shown a long-term commitment to the local biodiversity within Hamilton through the recognition of Natural Areas within the existing parks network. Ecological enhancement including ecosystem restoration work (such as native plant re-vegetation, pest plant control / eradication, and mammal pest control) is currently being implemented within the Natural Area Parks. Waiwhakareke is the largest (60 hectares) Natural Area Park, with Council planting 16,500 plants in 2007/08. A recent project undertaken by Council is the Restiad Bog Restoration project on the lake edge at Waiwhakareke, where the threatened cane rush (*Sporodanthus ferrugineus*) has been translocated. In 2008/09, Council plans to plant approximately 20,000 native plants in the Waiwhakareke site.

8.3 Creating Identity And Prosperity**Hamilton Urban Fibre Network — a Broadband Initiative**

In September 2006, Hamilton secured \$3.29m of government funding towards a major broadband initiative for the city. Hamilton is one of a handful of centres to be granted substantial funding from the Ministry of Economic Development as part of the government's digital strategy.

The funding will be used to develop publicly owned broadband infrastructure available to any party within the network coverage area and to provide important linkages between the key partners involved in the project.

The Hamilton Urban Fibre Network (HUFN) is a joint venture company. Shareholders in the HUFN entity are Hamilton City Council, Environment Waikato, the University of Waikato, the Waikato Institute of Technology and a private partner who will operate and manage the network.

The first phase of the network upgrade project will focus on connecting and upgrading existing duct sections within the CBD and extending the network to a small number of selected sites and to nearby commercial and industrial areas. The network will also be extended to take advantage of commercial opportunities where possible.

The urban fibre broadband project offers significant economic development and promotional opportunities for Hamilton as an open access resource for the city.

The Creative Hub

Employment in the creative industries sector is on average 20% lower in Hamilton and 43% lower in the Waikato Region than for the rest of New Zealand*. This means that many creative industries graduates have to leave the region in order to secure work in the sector. Research indicates that many graduates would prefer to stay in the region if there were job opportunities in the local creative industries sector.

The Creative Hub, which will be located on the top floor of The Meteor, will enable new creative start-up businesses to co-locate in one central CBD hub. The businesses that tenant the Creative Hub will be housed within a supportive environment for entrepreneurs, who will help grow the creative industries economy in Hamilton.

This project, which closely aligns with the Creativity and Identity Strategy's goal of attracting and growing talent in the city, is a partnership between Council, Wintec and local industry. Council completed the physical upgrade for the Creative Hub in November 2007 and Wintec will undertake the fit-out and operation of the Hub. The exact investment of each party is still to be confirmed, however Council has agreed to provide the space at The Meteor free of charge, with this arrangement to be reviewed annually.

The Creative Hub is due to be launched in August 2008.

* NZ Statistics 2001

Events

Major events remain the fundamental strategy for attracting visitors and promoting Hamilton. The city already boasts an impressive list of hallmark events including the Hamilton 400 (V8 Supercars event), World Rally Championships, World Rowing Championships 2010, the National Fieldays, Balloons Over Waikato, The Great Race and Great Race Ball, Parachute Music Festival, test rugby and international cricket, the Fuel Festivals of New Zealand Theatre and Music and the Hamilton Summer Arts Festival. Hamilton's events strategy is still in its early years and Council is committed to the development of significant event infrastructure to ensure that more world-class events will be staged in the city.

Visitor Attraction

Council will continue to work with tourism operators within Hamilton and the region to build a comprehensive visitor offering for the city. The Visit Hamilton proposition is driven through the Hamilton I-site which is part of the Communication and Marketing Group of Council.

City Heart Coordination

As part of its City Heart redevelopment, Council is committed to working in the area of 'place management' to ensure that the maximum number of people benefit from public and private central city investment. A dedicated place management/business promotion role has been established to work with retailers and hospitality businesses to ensure a vibrant City Heart.

Replacement of the Waikato Stadium Main Field

Strategic Action Plan # 488.0 (\$478,800 in 2008/09)

The replacement of Waikato Stadium's main field will commence in 2008/09 and will be completed over two financial years. The playing surface has a life expectancy of 10 years and requires the removal of sand back to the Loksand surface and relaying of turf to renew the surface. With the Rugby World Cup in 2011 it is important to have the ground in premium condition.

Claudlands Events Centre Upgrade

Strategic Action Plan # 524.0 (\$13.828m in 2008/09)

Claudlands development and upgrade continues in 2008/09, as year two of the three year project. A total of \$57m (not including inflation) has been allocated over three financial years with expected completion being at the end of 2009/10. 2008/09 will see the completion of the detailed design phase of the Indoor Arena and Conference Centre with construction expected to commence in late 2008. The Claudlands

Grandstand, which was relocated in 2007/08 from Heaphy Terrace to the centre of Claudelands Park is expected to be completed in 2008/09.

Zoo Development

Strategic Action Plan # 310.0 (\$353,200 in 2008/09)

Two exhibits for south-east Asian animals are planned. A redesign of the Zoo's popular Rainforest exhibit will see two of the primate (monkey) enclosures combined to provide an exciting habitat for Siamang Gibbons, a new species for Hamilton Zoo that will be made available through the regionally managed breeding programme. New exhibits provide a focal point for the advocacy of conservation and environmental issues and ways that the Zoo's visitors can be empowered to assist with solutions.

Simple, new enclosures are also planned for South-East Asian cats. Both golden cats and fishing cats will benefit from the new areas, which will focus on animal welfare and breeding these little known animals. Hamilton Zoo recently obtained approval to keep fishing cats and is working on importation of an unrelated pair. These will be the first representatives of this species seen in New Zealand.

8.4 Protecting Our Future

Wastewater Treatment Plant Upgrade

Strategic Action Plan # 238.0 (\$6.4m in 2008/09)

The Wastewater Treatment Plant upgrade programme has been developed over a number of years and focuses primarily on increasing the capacity of the plant to cater for growth, construction of new components, and process improvements to ensure compliance with conditions from the recently renewed resource consents.

The upgrade works include the construction of a new digester, clarifier and aeration basin, as well as multiple process enhancements. The construction work is programmed to occur over a five-year period, commencing in 2008/09.

Rototuna Wastewater Trunk Pipelines

Strategic Action Plan # 242.0 (\$1.293m in 2008/09)

This project provides for extensions to wastewater trunkmains to service urban growth in Rototuna. In 2008/09 trunk pipelines will be extended in conjunction with the construction of Borman Road and with development in the North City Road area.

Refurbishment of Wastewater Interceptors

Strategic Action Plan # 247.0 (\$851,200 in 2008/09)

This project involves the refurbishment of deteriorating concrete pipelines, which is a cost effective means of extending their service lives. In 2008/09 refurbishment of wastewater interceptors will be undertaken in Rifle Range Road.

Upgrade of Stormwater Capacity

Strategic Action Plan # 172.0 (\$532,000 in 2008/09)

This programme provides for additional capacity in the stormwater network that is required as a result of zone changes in the Proposed District Plan. More extensive site

coverage with impermeable surfaces in high density development zones causes increased stormwater flows. The programme provides increased stormwater drainage capacity to cope with the more intensive land development. In 2008/09 an upgrade of stormwater capacity is planned for the Lorne Street area.

Upgrade of Stormwater Pipes

Strategic Action Plan # 176.0 (\$595,800 in 2008/09)

Upgrades of the stormwater network are necessary to lessen the effects of flooding on streets and private property. Stormwater pipe upgrades are identified as a result of studies, flooding or customer complaints. The 2008/09 upgrade programme includes the stormwater outfall near Fairfield Bridge, Pinfold Avenue and the Bolmuir Road — Steele Road area.

Willoughby Closed Landfill Gas Mitigation Measures

Strategic Action Plan # 563.0 (\$893,800 in 2008/09)

Council manages closed landfills at Willoughby Street, Rototuna and Cobham Drive. Works at the Willoughby closed landfill in 2008/09 will include improvements to the landfill gas barrier, building gas alarms and an extension to active gas extraction.

Water Network Mains Renewals

Strategic Action Plan # 269.0 (\$1.17m in 2008/09)

The purpose of this programme is to maintain the operation of the water supply network by replacing existing "at risk" water mains, increase the security of supply to customers, maintain the current "a" network rating by the Ministry of Health and meet the current level of service. Watermain renewals in 2008/09 are planned for a number of streets throughout the city, including Dey Street, Rata Street and Lake Domain Drive.

Water Supply Security to Temple View

Strategic Action Plan # 477.0 (\$1.138m in 2008/09)

Temple View is currently serviced by only one water supply pipeline. The pipeline in Tuhikaramea Road is vulnerable as it is constructed of asbestos cement (a brittle material) and laid in unstable soils (the roadway is formed over soft peat lands). Works will be undertaken in 2008/09 to provide a more secure supply by constructing an additional pipeline along an alternative route utilising Wallace Road, Deseret Street and unformed road reserve, to form a ring main.

Citywide Backflow Device Installation

Strategic Action Plan # 565.0 (\$266,000 in 2008/09)

The purpose of this programme is to install a water backflow device on all residential, commercial and industrial properties that currently do not have one. This will increase the level of public health protection by minimising the chances of water backflowing from private properties into the public water supply network. The 2008/09 programme will focus on ensuring adequate backflow prevention in commercial and industrial areas of the city.

Water Network Upgrades for Infill Development

Strategic Action Plan # 595.0 (\$319,200 in 2008/09)

This programme provides funding for additional water capacity (including adequate fire fighting capacity) as a result of zone changes in the Proposed District Plan. The increased density of development in some areas of Hamilton raises the demand above that in standard residential development. The programme for 2008/09 includes upgrades in Blackburn Street, Palmerston Street and Hammond Street.

Carriageway Reseals

Strategic Action Plan # 44.0 (\$2.046m in 2008/09)

This is an ongoing programme of road resurfacing work required to maintain the existing network in accordance with the Road Resurfacing Strategy approved by Council in April 2003. The following areas are planned: Aberfoyle Street, Maynard Place, Taniwha Street, Thode Place, Wedgewood Place, Beadle Place, Brough Place, Minnie Place, Epsom Place, Hume Place, Balfour Crescent, Riro Street, Anthony Crescent, Horsham Downs Rotary, areas of River Road, Wairere Drive (Eastbound), Cambridge Road, areas of Te Rapa Road and Bridge Street.

School / Business Travel Plans

Strategic Action Plan # 741.0 (\$393,700 in 2008/09)

The purpose of this programme is to develop and promote the introduction and use of school and business travel plans in the city. A pilot School Travel Plan Project for selected schools in Hamilton East began in 2006/07 and will continue during 2008/09. There are currently nine schools in the pilot, with eight of the schools new to school travel planning (one has an existing plan that is continuing with support). Resources and initiatives are currently being developed to encourage the use of active transport modes.

Walkway and Cycleway River Crossing to Day's Park

Strategic Action Plan # 772.0 (\$106,400 in 2008/09)

A shared cycling and walking bridge from a location near to Day's Park/Swarbrick Landing to a suitable location on the St Andrews side of the Waikato River is being considered. A feasibility study is being undertaken in the 2007/08 financial year. Assuming the project is feasible, funding for the design of the bridge will be carried out in 2008/09, with construction anticipated in 2009/10.

Environmental Education — Waste Smart Street Challenge

Strategic Action Plan # 203.0 (\$50,000 in 2008/09)

The "Waste Smart" Street Challenge aims to capture the attention of a broad cross-section of the community through a high profile and positive multi-media campaign. The programme will be rolled out over a six month period with 10 streets across Hamilton competing against each other to see which is most effective at reducing the amount of waste sent to landfill each week. The main target areas for the campaign are kitchen and garden waste, paper and junk mail, glass (recyclables) and nappies. Participants will have the opportunity to attend workshops in their street to learn first hand the most effective ways to reduce waste.

Waste Management Plan Initiatives

Part of Strategic Action Plan # 501.0 (\$10,000 in 2008/09)

HCC will continue to support the role of a Sustainable Business Advisor for the Waikato for its fourth year. The Advisor assists businesses to integrate environmentally sustainable business practices into their operations to minimise waste, optimise resource efficiency and mitigate carbon emissions. Continued support will also be given to the Waikato Waste Exchange (through Council's Water and Waste Services Unit) - a service that helps businesses connect their unwanted materials and recyclables with new owners through a web-based and free phone forum. In addition, the ongoing Hamilton solid waste monitoring programme will continue to collect data on waste behaviours of Hamilton's residents and businesses.

Gully Restoration Programme

Strategic Action Plan # #208.0 (\$10,600 in 2008/09)

The Gully Restoration Programme is an initiative that has been running for 6 years and aims to encourage private gully owners to undertake restorations on their own gully sections and to contribute to the overall vision of ecological restoration for Hamilton.

9.0 Council's Significant Services

(NGA RATONGA KAHA NUI O TE KAUNIHERA)

9.1 Introduction to the Significant Services

There are 25 significant services that are the primary mechanism for ensuring the delivery of Council's key activities. The significant services are made up of activities that have similar functions or roles.

To ensure alignment with the City Strategic Framework (as outlined in Section 5.1), Council has grouped each of its significant services under the framework's three statements of strategic intent (*Investing in Our People, Creating Identity and Prosperity and Protecting Our Future*).

A brief description of each of the 25 significant services is outlined in the following table.

City Strategic Framework A: Investing in Our People	
<ul style="list-style-type: none"> Community Development 	Coordinates, manages, operates and funds a range of community-based programmes and initiatives. Often involves Council working in partnership with community organisations, government agencies and various services in Hamilton to benefit a number of sectors of the community.
<ul style="list-style-type: none"> Community Facilities 	Provides and maintains affordable housing for older people. Manages two large community centres and provides and maintains cemeteries and cremation services, public toilets, and community halls and leased buildings for community groups.
<ul style="list-style-type: none"> Emergency Management 	Prepares strategies, programmes and plans that minimise, reduce or eliminate the impact of the consequences of a major disaster in Hamilton and the Waikato Region.
<ul style="list-style-type: none"> Partnership with Maori 	Maintains a relationship with the Waikato Raupatu Trustee Company (Tainui). Also covers the partnerships with Nga Mana Toopu O Kirikiriroa (on natural and physical resource management issues) and Te Runanga O Kirikiriroa (which includes discussing relevant partnership issues, administration of Council's Maori project fund and the provision of services and policy advice on urban Maori issues).
<ul style="list-style-type: none"> Representation and Civic Affairs 	Provides services to enable democratic local decision-making, including elected member's remuneration, meetings, public consultation, communication and civic functions. Also covers elections and maintenance of the electoral roll.

<ul style="list-style-type: none"> • Environmental Health 	Protects and promotes public health by undertaking monitoring, inspection and enforcement of various activities using relevant legislation and national standards. Also covers central city safety initiatives and activities.
<ul style="list-style-type: none"> • Parks and Gardens 	Provides open space for passive and general active recreation including parks, walkways and playgrounds. Also maintains plantings within open spaces, parks, streets and traffic islands.
<ul style="list-style-type: none"> • Sports Areas 	Provides developed open spaces with facilities for specific active leisure needs and general public use.
<ul style="list-style-type: none"> • Swimming Facilities 	Funds and operates public swimming facilities throughout the city.
City Strategic Framework B: Creating Identity and Prosperity	
<ul style="list-style-type: none"> • Environmental Services 	Provides for management of the built environment primarily through consent, enforcement of relevant legislation and education techniques. Comprises Animal Care and Control, Building Control, Parking Enforcement and Planning Guidance.
<ul style="list-style-type: none"> • Economic Development 	Communicates, markets and supports Hamilton's economic development activities through partnerships and financial support (including the partnership with the economic development agency The Katolyst Group).
<ul style="list-style-type: none"> • City Promotion 	Communicates to local residents and those living outside the city the points of difference and advantages that Hamilton has to offer. Also includes news media relations, Council's participation in a Sister Cities Programme and providing support to key events.
<ul style="list-style-type: none"> • Hamilton City Theatres 	Provides theatre facility management and associated event support, ticketing agency services, specialised theatre equipment and services for events at three Hamilton theatres and within the community.
<ul style="list-style-type: none"> • Hamilton City Libraries 	Manages and operates five community libraries and the central library in Garden Place.
<ul style="list-style-type: none"> • Waikato Museum of Art and History 	Encourages, supports and promotes Hamilton's art and history (including Tainui iwi history), which includes operating a community arts group venue and managing exhibitions. Science and technology are also promoted through Excite. Beale Cottage and the Rangiriri are also managed by the Museum.
<ul style="list-style-type: none"> • Event Facilities 	Operates and maintains Waikato Stadium, Seddon Park, Waikato Events Centre and the Hamilton City Leisure Centre.

<ul style="list-style-type: none"> • Hamilton Zoo 	Operates and maintains Hamilton Zoo for conservation, education, recreation and scientific purposes.
City Strategic Framework C: Protecting Our Future	
<ul style="list-style-type: none"> • Wastewater Management 	Contributes to the protection of public health and the environment through the collection and treatment of urban wastewater.
<ul style="list-style-type: none"> • Stormwater Management 	Operates and maintains the stormwater network to ensure community safety and the protection of property by draining stormwater from roadways and public land through pipes and open watercourses to the city's streams, lakes and the Waikato River.
<ul style="list-style-type: none"> • Refuse/Recycling Collection 	Provides for the weekly collection of household recyclables and refuse from residential properties in the city. Manages the Refuse Transfer Station (including the Recycling Centre), the Horotiu Landfill, three closed landfills and also provides a composting facility at the Hamilton Organic Centre.
<ul style="list-style-type: none"> • Water Supply 	Provides for water treatment, storage and distribution in Hamilton City. Raw water is drawn from the Waikato River into the Hamilton City Water Treatment Station where it is treated to provide a high standard of drinking water.
<ul style="list-style-type: none"> • Sustainable Environment 	Provides leadership for sustainable living and works to engage and support the different sectors of the Hamilton community (including schools, householders and community groups) to achieve positive environmental outcomes for the city.
<ul style="list-style-type: none"> • Transport: Road Network Management 	Provides for the ongoing management of the operation, maintenance, growth and development of the city's transportation network.
<ul style="list-style-type: none"> • Transport: Access Hamilton 	Provides a sustainable, integrated transport system for the city through infrastructure improvements and incentives to encourage the use of alternative travel modes. Also increases public awareness of the options and effects of travel behaviour and travel choices.
<ul style="list-style-type: none"> • Endowment and Investment Property Portfolio Management 	Manages two funds: the Domain Endowment Fund and the Municipal Endowment Fund. Both funds are required by legislation to be invested in property, in order to maximise the financial return to the city.

9.2 Guide to Reading this Section

GROUPING OF COUNCIL'S SIGNIFICANT SERVICES

The following section is grouped under the three City Strategic Framework areas — *Investing in Our People, Creating Identity and Prosperity, Protecting Our Future*. Each of Council's 25 significant services are then grouped according to the Strategic Framework area they most closely align with.

COST OF SERVICE

Projected Cost of Service for the Year Ended 30 June 2009

The cost of service table (provided at the start of each City Strategic Framework area) shows the costs for each significant service for 2008/09. The table shows how much operating revenue and operating expenditure is budgeted for Council's significant services.

The table also illustrates the net cost of service (operating expenditure minus operating revenue) for the significant services.

Also included in the table is how the net cost of service is funded for 2008/09. The split of funding is shown between operating revenue and rates.

The capital expenditure table shows the costs for each significant service. It shows how the total capital expenditure is funded and includes the following:

- Reserves
- Loans (Development Contributions Levy, reserves, rates and Access Hamilton)
- Subsidies
- Revenue
- Rates.

SIGNIFICANT SERVICES⁴

Service Level Provision

Provides an explanation of what the significant service does as well as the key outputs it provides.

2008/09 Performance Measures and Targets

Shows the objective, performance measures and targets for the significant service for 2008/09.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Includes the key variations (including reasons for the variations) to the projects and programmes shown in year three (2008/09) of Council's 2006-16 Long-Term Plan. (Refer Section 6.2 for the definition of a variation).

⁴ Section 85(2)(a) of the Local Government Act 2002 requires the service level provision and performance measures and targets for 2008/09 that are shown in Council's 2006-16 Long-Term Plan to be included in the Annual Plan. Section 85(2)(b) also requires Council to outline in its Annual Plan any key variations (including reasons for the variations) to that shown in year 3 (2008/09) of the 2006-16 Long-Term Plan.

City Strategic Framework A: Investing In Our People

Projected Cost of Service for the Year Ended 30 June 2009

	LTP 2007/08 \$000	Annual Plan 2008/09 \$000
OPERATING EXPENDITURE		
Community development	3,267	3,673
Community facilities	5,809	5,862
Emergency management	828	781
Partnership with maori	282	265
Representation and civic affairs	5,407	6,456
Environmental health	1,619	1,838
Parks and gardens	14,043	13,057
Sports areas	3,250	3,105
Swimming facilities	6,492	6,356
Total Operating Expenditure	40,997	41,393
Less OPERATING REVENUE		
Community development	408	504
Community facilities	2,834	2,959
Emergency management	339	331
Representation and civic affairs	27	24
Environmental health	544	624
Parks and gardens	828	899
Sports areas	136	134
Swimming facilities	2,167	2,124
Total Operating Revenue	7,283	7,599
Net Cost of Service	33,714	33,794
Total operating expenditure funded by:		
Operating revenue	7,283	7,599
Rates	33,714	33,762
Reserves	0	32
Total Operating Expenditure	40,997	41,393
CAPITAL EXPENDITURE		
Community facilities	2,429	312
Parks and gardens	3,062	2,354
Sports areas	53	186
Swimming facilities	1,335	1,332
Total Capital Expenditure	6,879	4,184
Total capital expenditure funded by:		
Loans (DCL)	1,968	1,762
Loans (rates)	883	511
Other Reserves	77	237
Subsidies	1,077	0
Other Revenue	1,225	64
Depreciation (rates)	1,649	1,610
Total Capital Expenditure	6,879	4,184

Community Development⁵ **(NGAA HAAPORI WHAKATUPU)**

(Page 84 of Council's 2006-16 Long-Term Plan and page 42 of Council's 2007/08 Annual Plan)

Contact: Community Development

☎ 838 6626

📠 838 6751

@ CommunityDevelopment@hcc.govt

Service Level Provision for Community Development

Community Development contributes towards building strong, inclusive and supportive communities within Hamilton to meet identified community needs through the provision of a diverse range of programmes and services.

Council employs a number of staff who work collaboratively within the community and with other support service agencies to provide employment programmes, implement social strategy and policy, and develop and support community capacity building for people in Hamilton. Community Development encompasses:

- Social Development (Social Development Advisors)
- Neighbourhood Development (Neighbourhood Development Advisors)
- Youth Development (Youth Development Advisors)
- Employment Development (work experience programmes).

The Social Development Advisors' function includes monitoring of Council's social strategies and policies, administration of funding for community groups and providing funding information through the annual Funding Handbook publication. The team also works to promote the awareness of cultural diversity and to enhance the well-being of ethnic communities and coordinate the Youth Council. In addition, Council provides funding and support for a number of other community houses/centres throughout the city.

Council's Neighbourhood Development and Youth Development Teams include four Neighbourhood Development Advisors and five Youth Development Advisors who are situated in various localities throughout Hamilton.

The Employment Preparation Team provides work experience programmes in partnership with the Ministry of Social Development and Work and Income New Zealand. This team also coordinates Council's graffiti removal functions.

The unit works collaboratively with community organisations, government agencies and various services in Hamilton on a range of projects and committees.

2008/09 Performance Measures and Targets

Objective:

To foster community strength and well-being through the provision of programmes and services to increase the capacity of community organisations and meet the needs of the community.

⁵ The Community Development significant service is shown in Council's 2006-16 Long-Term Plan as Community Support. The name of this significant services was changed to better reflect the key services delivered by the Community Development Unit. The name change was recorded as a variation in Council's 2007/08 Annual Plan.

Performance Measure		Target 2008/09
1.	Administer the following funding for projects and programmes that contribute to the well-being of people in Hamilton: <ul style="list-style-type: none"> • Recurring Community Grants • The Community Assistance Fund. 	✓
2.	Maintain partnerships with key organisations to provide sustainable funding for employment programmes.	✓
3.	Achieve effective monitoring and evaluation of Community Development services, projects and activities.	✓
4.	Achieve all projects in the action plans for the: <ul style="list-style-type: none"> • Older Person's Policy • Youth Policy • Child and Family Policy • Disability Strategy. 	✓
5.	Complete ongoing/regular consultation to identify community needs and inform decision-making with: <ul style="list-style-type: none"> • Older persons • Youth • Ethnic groups. 	✓
6.	Review and update the Community Profiles of the five neighbourhood areas in Hamilton.	✓
7.	Council receive and consider six-monthly reports, detailing operational costs and performance outcomes, from community houses/centres that receive Council funding.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Social Well-Being Strategy Flagship Projects Support (Strategic Action Plan # 859.0)	This new project makes funding provision of \$100,000 for initiatives to support the implementation of Council-led flagship projects for the Social Well-Being Strategy.	Hamilton's Social Well-Being Strategy was adopted on 2 October 2007. The strategy is based on tangible, on-the-ground results delivered through a suite of eight joint flagship projects. This strategic action plan is part of Council's commitment to supporting these joint flagship projects and the social priorities for the city that they address.
Graffiti Removal Programme (Strategic Action Plan # 843.0)	This new project makes funding provision of \$100,000 for a graffiti removal programme.	Graffiti is an increasing issue in the city. This ongoing operational funding will enable an increased level of eradication and education functions.

Community Facilities

(NGAA WHARE-AA-IWI)

(Page 87 of Council's 2006-16 Long-Term Plan and Page 44 of Council's 2007/08 Annual Plan)

Contact: Community Development

☎ 838 6626

✉ 838 6751

@ CommunityDevelopment@hcc.govt.nz

Service Level Provision for Community Facilities

Council aims to provide affordable facilities for the residents of Hamilton that meet the needs of a wide range of people and groups. Community Facilities encompasses:

- Cemeteries and crematorium
- Community centres
- Housing for older people
- Public toilets
- Community halls and leased buildings for community groups.

The cemeteries and crematorium service provides burial and cremation facilities for the deceased and appropriate environments for memorialisation. Facilities include the Hamilton West Cemetery, Hamilton East Cemetery and Hamilton Park Cemetery.

Housing for the Older Person provides suitable, affordable, self-contained housing to target groups within Hamilton who meet the eligibility criteria. There are 442 units in 25 locations throughout the city. Proactive management of these facilities ensures that costs are recovered and properties are maintained to a level fit for purpose for the target group.

Council provides 17 community halls and leased buildings as both short and long-term facilities for indoor recreation and groups and organisations. These facilities provide for a wide range of recreation, leisure and community activities.

Council owns and manages three community centres (Enderley Park Community Centre, Te Rapa Sportsdrome and the Celebrating Age Centre). Council provides public toilet facilities in areas where people are likely to visit or gather. Fifty-five public toilets are provided in total throughout the city, with 31 in sports areas, 16 in parks and gardens and eight in other locations.

2008/09 Performance Measures and Targets

Objective:

To provide a burial and cremation service, housing for older people, community houses/centres, community halls and leased buildings, and public toilets that meet legislative requirements and community needs and expectations.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores for the cemeteries and crematorium as measured by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> • Stakeholder groups • Next of kin. 	92 CSI 92 CSI
2.	Stocks of cemetery plots on hand cater for a minimum of five years usage based on current consumption.	✓

Performance Measure		Target 2008/09
3.	Achieve the following CSI score for housing tenants, as measured every two years by Council's customer satisfaction survey programme.	No target for 2008/09*
4.	The booking system for the hireage of all halls and leased buildings is clear and efficient.	✓
5.	All requirements for halls and leased buildings (license requirements, warrant of fitness, fire protocols) are met.	✓
6.	Achieve the following CSI score for public toilets, as measured by Council's Annual Residents Survey.	73 CSI

* The next Customer Satisfaction Survey is scheduled for 2009/10.

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Housing Upgrade Programme (Strategic Action Plan # 654.0)	\$3.662m was budgeted for 2008/09 to refurbish Council's Sullivan Crescent housing units. The upgrade programme has been deferred and will be re-assessed as part of the 2009-19 Long-Term Plan process.	The housing upgrade programme was approved on a cost neutral basis and funded from the sale of three Council assets, and was subject to Housing New Zealand Corporation (HNZC) funding. HNZC's funding allocation was reduced in 2006/07 as a result of the national budget report. Consequently, funding available to Council was withdrawn.

Emergency Management

(ROOPUU WHAKAHAERE OHORERE)

(Page 91 of Council's 2006-16 Long-Term Plan and page 46 of Council's 2007/08 Annual Plan)

Contact: City Safe Unit

☎ 838 6699

📠 838 6599

@ EmergencyManagement@hcc.govt.nz

Service Level Provision for Emergency Management

Emergency Management focuses on developing and maintaining an appropriate level of planning and support to ensure that both the Waikato Region and the Waikato Valley Emergency Operating Area (WVEOA) can respond to and recover from any disaster event.

A cluster of neighbouring local authorities comprising Waikato, Waipa, Otorohanga, Waitomo and Hamilton City form the WVEOA. Hamilton City is the administering authority for the combined area and coordinates the response for any significant

regional emergency events. The Emergency Operations Centre is located at Council's Duke Street Depot in Hamilton.

Staff work with many sectors of the community to develop and implement public awareness programmes, training and welfare systems that underpin and support the community's response to disasters. Close links are maintained with other emergency response agencies such as the Police, Fire Service and Red Cross.

2008/09 Performance Measures and Targets

Objective:

To maintain a fully integrated, comprehensive emergency management system and continue to develop partnerships with all other emergency response agencies that will support response and recovery from any declared emergency event.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores from key stakeholders, as measured by Council's Customer Satisfaction Survey Programme.	78 CSI
2.	Assist with the review and ongoing development of the Civil Defence Emergency Management (CDEM) Group Plan (every five years).	No target for 2008/09*
3.	Annually review the Waikato Valley Emergency Operating Area (WVEOA) Service Level Agreement.	✓
4.	Develop in 2006/07 and then review annually, a service level agreement for the regional support and coordination role.	✓
5.	Volunteer training programme and mock exercise undertaken annually to continually assess preparedness for a disaster event.	✓
6.	Develop a contingency plan for the city in 2006/07 to prepare for the possibility of a pandemic and review every three years.	No target for 2008/09**

* The next five-yearly review of the CDEM Group Plan is scheduled for 2009/10.

** The next review of the contingency plan is scheduled for 2009/10.

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Emergency Management significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Partnership with Maori **(HONONGA KI TE IWI MAORI)**

(Page 94 of Council's 2006-16 Long-Term Plan and page 48 of Council's 2007/08 Annual Plan)

Contact: Strategic Group

☎ 838 6810

📠 838 6464

@ Strategic@hcc.govt.nz

Service Level Provision for Partnership with Maori

Council is committed to the principles of the Treaty of Waitangi and its partnership relationship with Maori. Council also recognises the importance of Kingitanga in the Waikato, and values the distinctive contribution and complementary roles of both mana whenua⁶ and maataa waka⁷ within the city.

Council, through comprehensive consultation, seeks to grow and strengthen its emerging strategic relationship with Waikato Raupatu Trustee Company (Tainui) as the iwi authority representing the views of Waikato-Tainui across the Waikato and King Country region. Council recognises Tainui's guardianship role over the Waikato River and acknowledges Tainui as a significant player in the future development of the city. Council has also established partnerships and service contracts (as outlined below) with two organisations that assist Council in ensuring that Hamilton is a city where people from differing cultures work together and respect each others' views, heritage, culture and strengths.

Council recognises Nga Mana Toopu o Kirikiriroa (NaMTOK) as the representative of iwi and hapu (mana whenua) for the Hamilton/Kirikiriroa area. NaMTOK works with Council on natural and physical resource management issues under the Resource Management Act 1991 and contributes significantly to Council's resource consent and planning decision-making processes.

Council's service partnership with Te Runanga o Kirikiriroa (TeROK) embodies a commitment by both parties to work towards a stronger community for all people. This relationship is realised through the operation of a service contract with the two organisations and results in close working relationships between a range of staff in both organisations. TeROK also administer Council's Maori and Pacific Project Fund on behalf of Council. This fund is used to support community initiatives that specifically seek to improve well-being in Maori and Pacific Island communities.

2008/09 Performance Measures and Targets

Objective:

To maintain processes that provide opportunities for Maori to contribute to Council's decision-making processes and foster the development of Maori capacity to contribute to these processes.

6 Mana whenua: Maori who are tied to the area/land by whakapapa (genealogy) whose ancestors have lived and died there. As a result they are kaitiaki (guardians) of that area of land.

7 Maataa waka: Maori of different tribal affiliations who are living within the area/land of the mana whenua group, i.e., Maori living outside their own tribal boundaries. Te Runanga o Kirikiriroa also represents Pacific Island people in Kirikiriroa/Hamilton under a broad application of this concept.

Performance Measure		Target 2008/09
1.	Achieve all performance targets set in annual service level agreements between TeROK, NaMTOK, and Hamilton City Council.	✓
2.	Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee meetings held on a regular basis and reported to Council.	✓
3.	NaMTOK advice incorporated into notified resource consent applications.	✓
4.	Undertake annually the following number of bicultural workshops for Council staff.	2
5.	TeROK prepare and undertake a Treaty training programme for the elected members and senior management staff following each triennial election.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Partnership with Maori significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Representation and Civic Affairs (MANATUU MAANGAI WHAKATINANA)

(Page 97 of Council's 2006-16 Long-Term Plan and page 50 of Council's 2007/08 Annual Plan)

Contact: Finance and Administration

☎ 838 6742

☎ 838 6616

@ FinanceandAdministration@hcc.govt.nz

Service Level Provision for Representation and Civic Affairs

Representation and Civic Affairs enables democratic local decision-making in order to promote the current and future social, cultural, economic and environmental well-being of Hamilton and its residents.

The elected wing of Council comprises the mayor and 12 councillors and operates under a two ward system, i.e. East Ward (6 councillors) and West Ward (6 councillors). A referendum conducted on 13 May 2006 determined that the First Past the Post voting system would be used for the 2007 and 2010 Council triennial elections.

Elected members make decisions on policy contained in the organisation's umbrella documents, e.g., Council's Long-Term Plan, Annual Plan and District Plan. The mayor and councillors are also responsible for monitoring Council's performance and representing the interests of Hamilton.

Representation and Civic Affairs provides for the costs of Council's democratic and decision-making processes, including elected members' remuneration, meetings, public consultation, communication and civic functions. Funding provision is also made for conducting elections and maintaining the electoral roll.

2008/09 Performance Measures and Targets

Objective:

To maintain the democratic processes of local government that comply with legislation and meet community expectations.

Performance Measure		Target 2008/09
1.	Council, committee and subcommittee meetings are held in accordance with the provisions of the Local Government Official Information and Meetings Act 1987.	✓
2.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Opportunities Council provides for community involvement in decision-making • Residents' contact with elected members. 	60 CSI 76 CSI
3.	Council meets legislative requirements and receives an unqualified audit report from Audit New Zealand for the Long-Term Plan, Annual Plan and Annual Report.	✓
4.	No complaints received under the Local Government Official Information Meetings Act 1987 are upheld.	✓
5.	Council submissions prepared in response to key issues/proposals that could significantly impact on Council's operations and/or the city's development.	✓
6.	Triennial election results are confirmed as follows: <ul style="list-style-type: none"> • Preliminary results are declared on polling night • Final results (including special votes) are confirmed one week later. 	No target for 2008/09*

* The next triennial election will be held in October 2010.

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Representation and Civic Affairs significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Environmental Health (TE WHAIAO HAUORA)

(Page 100 of Council's 2006-16 Long-Term Plan and page 52 of Council's 2007/08 Annual Plan)

Contact: Environmental Health

☎ 838 6633

☎ 838 6458

@ EnvironmentalHealth@hcc.govt.nz

Service Level Provision for Environmental Health

Environmental Health provides protection and promotion of public health by undertaking the monitoring, inspection, registration and enforcement of standards in relation to food businesses, premises licensed for the sale of liquor, hairdressers and other regulated businesses (under the Health Act 1956) and the monitoring of

recreational water quality (including public swimming pools). The Environmental Health Unit is a registered ISO 17020 Inspection Body.

This significant service also investigates reported cases of communicable disease in order to identify the source and prevent the further spread of infection, provides a service for responding to complaints in relation to excessive noise, investigates complaints in relation to unreasonable noise (industrial and commercial), carries out an environmental noise monitoring programme, controls the use of contaminated land for specific uses and monitors and undertakes a range of central city safety initiatives.

Under the Central City Safety function, Council engages with crime prevention partners to develop and implement initiatives that effect a reduction in crime and improve people's safety in the central city. Council manages the central city crime prevention camera network, the City Safe Patrol Team and a youth-at-risk initiative. A Liquor Control Bylaw is in effect in the central city and in the Te Rapa straight area 24 hours a day, seven days a week.

2008/09 Performance Measures and Targets

Objective:

To protect and promote public health and safety through legislative requirements, education and/or enforcement techniques.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores, as measured every two years by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> • Food Safety • Liquor Licensing • Noise Control. 	No targets for 2008/09*
2.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Residents' perception of safety in central city area at night • Night patrol in the central city. 	68 77
3.	Complete 1500 inspections of food premises per year in accordance with regulations under the Health Act 1956 and monthly inspection schedules.	✓
4.	Complete 200 inspections of licensed premises per year in accordance with regulations under the Sale of Liquor Act 1989 and monthly inspection schedules.	✓
5.	Investigate 100% of the complaints received regarding excessive noise within 30 minutes.	✓
6.	City Night Patrol Team to achieve 1 business contact per hour per team and 10 public contacts per hour per team.	✓

* The next Customer Satisfaction Surveys are scheduled for 2009/10.

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Transport Centre Crime Prevention Strategy (Strategic Action Plan # 853.0)	This new project provides funding of \$10,000 to conduct a safety audit and develop a crime prevention strategy for the Hamilton Transport Centre. Fifty% of this project is funded by Environment Waikato.	This project is directly linked to the community safety priority for action within the Social Well-Being Strategy. It will provide the long-term direction for establishing a safer environment for public transportation patrons and the staff that service them.
Transport Centre Security (Strategic Action Plan # 854.0)	This new project provides funding of \$70,000 to form a new City Safe Patrol Team with prime responsibility for the Hamilton Transport Centre. Fifty% of this project is funded by Environment Waikato.	This project is directly linked to the community safety priority for action within the Social Well-Being Strategy. The City Safe Patrol Team will patrol the Transport Centre and the surrounding area, including Garden Place in off-peak periods. The monitoring times of the City Safe Crime Prevention Cameras will also be extended.

Parks and Gardens**(WAAHI PAAKA ME NGAA MAARA)**

(Page 104 of Council's 2006-16 Long-Term Plan and page 53 of Council's 2007/08 Annual Plan)

Contact: Parks and Gardens

☎ 838 6622

📠 838 6651

@ ParksAndGardens@hcc.govt.nz

Service Level Provision for Parks and Gardens

Parks and Gardens provide open space for recreation (ranging from small neighbourhood parks to key city parks such as Hamilton Gardens and Hamilton Lake Domain) and enhance Hamilton's urban ecology through the development of a green network, city beautification areas, trees and fountains.

Council maintains 139 parks and gardens totalling approximately 652.4 hectares. Provided within this area are:

- 55.5 kilometres of paths (which include pedestrian and cycle paths)
- 94 playgrounds (including those in sports areas)
- 21 Waahi Tapu (sacred) sites
- other assets including jetties, boat ramps and car parks.

Parks and Gardens also maintains plantings within open spaces, parks, streets and traffic islands.

2008/09 Performance Measures and Targets**Objective:**

To provide parks and gardens that meet the passive and active recreational needs of the community and enhance urban ecology through city beautification.

Performance Measure		Target 2008/09
1.	Provide 8 hectares of open space per 1000 residents.	✓
2.	Provide one neighbourhood playground within 500m of every home.	✓
3.	Provide one walkway within 500m of every home.	✓
4.	Achieve the following number of out-of-city visitors to Hamilton Gardens, as measured by annual visitor surveys and vehicle counts.	370,000
5.	Achieve the following CSI Scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Parks and Gardens • Hamilton Gardens • Hamilton Lake Domain • Neighbourhood Parks • Children's Playgrounds • City Beautification • Walkways. 	85 CSI 92 CSI 88 CSI 85 CSI 79 CSI 79 CSI 82 CSI

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Land Purchase for Reserves (Strategic Action Plan # 118.0)	The purchase of land for a neighbourhood reserve in Rototuna North has been deferred. As a result, funding has been reduced in 2008/09 from \$1.424m to \$611,800. The remaining funds are allocated for various land purchases in growth areas of the city including Te Awa O Katapaki.	Land purchases in Rototuna are pending the finalisation of new reserves within the Rototuna Structure Plan.

Sports Areas

(WAAHI HAAKINAKINA)

(Page 108 of Council's 2006-16 Long-Term Plan and page 55 of Council's 2007/08 Annual Plan)

Contact: Parks and Gardens

☎ 838 6622

✉ 838 6651

@ ParksAndGardens@hcc.govt.nz

Service Level Provision for Sports Areas

Sports areas in Hamilton are developed and maintained to meet the community's active leisure needs. There are 57 sports areas in Hamilton comprising 432.9 hectares. Sports areas fit into three broad levels:

- The national level venues (including Seddon Park and Waikato Stadium — refer to the Event Facilities Significant Service in Strategic Framework B: Creating Identity and Prosperity).
- Senior code headquarters parks such as Minogue Park, Innes Common, Galloway Park, Resthills Park, Gower Park and Porritt Stadium. Porritt Stadium (which seats around 600 people) is an athletics stadium which caters for club, regional and national athletics events. It has an eight-lane, 400-metre running track and a 100-metre sprint track. There is also a soccer field inside the running track.
- Community parks such as Grosvenor Park, Kahikatea Park and Bremworth Park. These parks cater predominantly for lower grade and junior sport and are located around the city to make them accessible to the community.

All sports areas provide an informal open space function as well as catering for a wide range of sports at all levels. Sports areas are complemented by participant and public facilities such as grandstands, clubrooms, changing rooms and public toilets.

2008/09 Performance Measures and Targets

Objective:

To provide sports areas that are sufficient for the active recreational needs of the city's residents.

Performance Measure		Target 2008/09
1.	Provide a ratio of one playing field per 2,000 residents.	✓
2.	Achieve the following CSI score for sports areas, as measured by Council's Annual Residents Survey.	79 CSI
3.	Achieve the following usage for sports areas, as measured by Council's Annual Residents Survey.	47%
4.	The amount of time each sports field is unable to be used due to inclement weather totals no more than six times per season.	✓
5.	Achieve the following CSI score for Porritt Stadium, as measured by Council's Annual Residents Survey.	69 CSI

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Sports Areas significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Swimming Facilities**(WAAHI KAUKAU)**

(Page 112 of Council's 2006-16 Long-Term Plan and page 57 of Council's 2007/08 Annual Plan)

Contact: Waterworld

☎ 849 4389

📠 838 3510

✉ Waterworld@hcc.govt.nz

Service Level Provision for Swimming Facilities

Council provides swimming facilities for the community at Waterworld and the Gallagher Aquatic Centre.

Waterworld is a large indoor/outdoor aquatic centre, providing a wide range of facilities and services that includes five pools (50 metre, 25 metre, toddlers pool, deep water pool and outdoor 50 metre pool), two hydroslides, dive towers, learn to swim classes, BBQs and a picnic area, a crèche and a children's playground.

The Gallagher Aquatic Centre has an indoor 25 metre pool and toddlers pool, BBQs and a picnic area, learn to swim classes and a children's playground.

In addition, the Municipal Pool (at the southern end of Victoria Street) is operated under contract to the Hamilton Amateur Swimming Club, and partner pool grants are also provided to:

- The University of Waikato — Campus Pool
- Hillcrest Normal School
- Te Rapa Primary School
- Fairfield College.

Swimming Facilities encourages an appreciation of water safety education through Swim Safe programmes, while also addressing intergenerational needs through related health and fitness programmes. Swimming Facilities cater to the needs of the general community, clubs, sporting groups, societies and schools for water recreation.

2008/09 Performance Measures and Targets**Objective:**

To ensure that Council's swimming facilities meet community expectations, attain optimum use, and comply with legislation.

Performance Measure		Target 2008/09
1.	Achieve a CSI score for usage of Waterworld and the Gallagher Aquatic Centre of 80, as measured by Council's customer satisfaction survey programme.	✓
2.	Achieve a usage measure for: <ul style="list-style-type: none"> • Waterworld of 50% • Gallagher Aquatic Centre of 20% as measured by Council's Annual Residents Survey.	✓

Performance Measure		Target 2008/09
3.	Achieve 800,000 visits annually across all of the Council funded pools.	✓
4.	Achieve no non-compliances at Waterworld and Gallagher Aquatic Centre, to Pool Safe Audits conducted by New Zealand Recreation Association.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Car Park Extension at Gallagher Aquatic Centre (Strategic Action Plan # 712.0)	Funding of \$111,700 for an extension to the current car park at Gallagher Aquatic Centre has been deferred and will be reconsidered as part of the 2009-19 Long-Term Plan process.	Council has reviewed its 2008/09 work programme. As a result, this work has been deferred due to the non-urgent nature of the project relative to other priorities for 2008/09.
Waterworld Point of Sale System (Strategic Action Plan # 855.0)	This new project provides for funding of \$108,500 for new computer software at Waterworld.	The existing electronic system used for customer transactions is now out of date and is unable to cope with the increase in patronage and additional data processing and storage requirements.

Strategic Framework B: Creating Identity and Prosperity**Cost of Service for the Year Ended 30 June 2009**

	LTP 2007/08 \$000	Annual Plan 2008/09 \$000
OPERATING EXPENDITURE		
Environmental services	9,554	11,862
Economic development	1,141	2,163
City promotion	2,633	3,211
Hamilton city theatres	3,159	3,109
Hamilton city libraries	7,944	8,214
Waikato museum of art and history	4,910	5,258
Event facilities	10,298	9,414
Hamilton zoo	2,797	2,913
Total Operating Expenditure	42,436	46,144
Less OPERATING REVENUE		
Environmental services	9,745	11,797
Economic development	0	1,410
City promotion	0	357
Hamilton city theatres	1,154	1,108
Hamilton city libraries	806	748
Waikato museum of art and history	469	375
Event facilities	4,130	3,405
Hamilton zoo	738	887
Total Operating Revenue	17,042	20,087
Net Cost of Service	25,394	26,057
Total operating expenditure funded by:		
Operating revenue	17,042	20,087
Rates	25,394	25,823
Reserves	0	234
Total Operating Expenditure	42,436	46,144
CAPITAL EXPENDITURE		
Environmental services	21	21
Economic development	53	2,453
Hamilton city theatres	334	334
Hamilton city libraries	1,305	1,287
Waikato museum of art and history	178	178
Event facilities	30,090	14,676
Hamilton zoo	881	882
Total Capital Expenditure	32,862	19,831
Total capital expenditure funded by:		
Loans (DCL)	1,756	830
Loans (rates)	27,516	15,877
Other revenue	0	0
Depreciation (rates)	3,590	3,124
Total Capital Expenditure	32,862	19,831

Environmental Services

(NGAA RATONGA TAIAO)

(Page 121 of Council's 2006-16 Long-Term Plan and page 60 of Council's 2007/08 Annual Plan)

Animal Care and Control

(MANA WHAKAHAERE KARAREHE)

(Page 122 of Council's 2006-16 Long-Term Plan and page 60 of Council's 2007/08 Annual Plan)

Contact: Animal Care and Parking Enforcement

☎ 838 6632

📠 838 6915

@ AnimalCare@hcc.govt.nz

Service Level Provision for Animal Care and Control

Animal Care and Control contributes to making Hamilton a safe city by ensuring dog owners comply with dog legislation and by promoting responsible dog ownership through education initiatives.

Animal Care and Control is based at the Animal Centre in Ellis Street, Frankton. In their day to day operations, staff ensure that the number of dogs registered is maximised, investigate complaints, provide public education on dog ownership responsibilities and control and provide for the impounding of stray and seized dogs. They also deliver a range of additional functions and services, including a dog adoption programme and managing requirements for dogs classified as dangerous and menacing.

A number of education initiatives are undertaken, including presentations to schools and community groups, production of the 'Dog's Life' booklet — a handbook for responsible dog ownership — and the annual Dog Day Afternoon event.

2008/09 Performance Measures and Targets

Objective:

To protect and promote public safety in relation to animal control through legislative requirements, education and/or enforcement techniques.

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for the dog control service, as measured by Council's Annual Residents Survey.	76 CSI
2.	To complete a minimum of 40 community presentations per year in accordance with the Dog Control Policy.	✓
3.	100% of known dogs on record registered before the close of the registration year.	✓
4.	Respond to urgent requests for service involving public safety within 1 hour of receipt.	80%
5.	Respond to routine requests for service within 48 hours of receipt.	90%

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Animal Care and Control significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Building Control**(MANA WHAKAHAERE WHARE)**

(Page 124 of Council's 2006-16 Long-Term Plan and page 61 of Council's 2007/08 Annual Plan)

Contact: Building Control

☎ 838 6677

📠 838 6684

@ Building@hcc.govt.nz

Service Level Provision for Building Control

Building Control works with people to ensure that buildings meet the requirements of the Building Act 2004, the Building Regulations (which include the New Zealand Building Code) and Acceptable Solutions⁸ during their plan approval and construction phases. This is achieved by ensuring that the health and safety of building users is maintained through application of the following processes:

- The processing of project information memoranda (PIMs) and building consents to check for compliance with the New Zealand Building Code. Around 3,000 PIMs and building consents are processed each year.
- Undertaking inspections of buildings during their construction to check for compliance with the approved building consent documents. Approximately 32,000 inspections are undertaken each year.
- The monitoring of building warrant of fitness records for 1,800 buildings in the city containing essential health and safety systems such as lifts, air conditioning, sprinkler systems and emergency lighting.

The Building Control Unit works closely with customers and the general public in an advisory and education role and uses a number of ways to keep people informed, including pamphlets, seminars, awareness campaigns, customer advisory groups, the Waikato Building Consent initiative and their website www.BuildHamilton.co.nz.

2008/09 Performance Measures and Targets**Objective:**

To protect and promote public safety relating to the construction and maintenance of new and existing buildings and to educate people to comply with relevant legislation.

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for overall customer satisfaction with the building consent process, as measured every two years by Council's customer satisfaction survey programme.	80 CSI

⁸ Acceptable Solutions are approved by the Department of Building and Housing (DBH). They contain building methods, which are intended to assist people to comply with the Building Code. Acceptable Solutions are not mandatory; alternative ways of building can also be used, provided these also come up to the required performance standards stipulated in the Building Code. These other methods are known as Alternative Solutions.

Performance Measure		Target 2008/09
2.	Process 100% of all building consents and project information memoranda in less than the 20-day timeframe set out in the New Zealand Building Regulations.	✓
3.	Inspect all buildings that are subject to a building consent within timeframes set out in the New Zealand Building Regulations (48 hours for the initial inspection, 24 hours for all subsequent inspections).	✓
4.	Audit 100% of the building warrant of fitness records for buildings subject to a compliance schedule.	1,900
5.	Process 100% of all Land Information Memoranda (LIMs) in accordance with timeframes set out in the Local Government Official Information and Meetings Act 1987.	✓
6.	Run a public awareness campaign to educate swimming pool owners on the pool fencing requirements and ongoing maintenance.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Building Control significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Parking Enforcement

(URUHI (NA) WAAHI TUU O NGAA WAKA)

(Page 127 of Council's 2006-16 Long-Term Plan and page 63 of Council's 2007/08 Annual Plan)

Contact: Animal Care and Parking Enforcement

☎ 838 6888

☎ 838 6429

@ ParkingEnforcement@hcc.govt.nz

Service Level Provision for Parking Enforcement

Parking Enforcement manages the turnover and availability of on-street and Council operated off-street parking spaces in Hamilton. This service also helps to ensure that vehicles in the city are safe for the roads by monitoring warrants of fitness and vehicle licenses.

In addition, parking officers enforce heavy motor vehicle parking regulations, abandoned vehicle removal and give aid and assistance to the public in the course of their duties. They also monitor compliance with the city's Public Places and Signs, Trading in Public Places and Skating Bylaws, ensuring that the footpaths are safe for pedestrians to use.

2008/09 Performance Measures and Targets

Objective:

To ensure maximum availability of parking spaces within the city and that motor vehicles have a current warrant of fitness and vehicle license.

Performance Measure		Target 2008/09
1.	Achieve the following coverage of parking officer patrols on a continuous scheduled basis throughout the central business district and suburbs.	76%
2.	Achieve a turnover of parking spaces in the city that is equal to or less than the time limits set for those areas.	75%
3.	100% of abandoned vehicle complaints and responses to suburban complaints are actioned within 2 hours of any working day.	✓
4.	100% of bylaws complaints and requests for service are actioned within 2 hours of any working day.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Parking Enforcement significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Planning Guidance

(HANGA TIKANGA AARAHITANGA)

(Page 130 of Council's 2006-16 Long-Term Plan and page 64 of Council's 2007/08 Annual Plan)

Contact: Planning Guidance

☎ 838 6800

📠 838 6819

@ PlanningGuidance@hcc.govt.nz

Service Level Provision for Planning Guidance

Good city planning has many benefits for the city. It not only supports growth and development, but also protects the environment and residents' quality of life, now and in the future.

This service ensures that development is consistent with the intention of the District Plan(s), particularly in terms of the spatial distribution of activities and ensuring that activities are undertaken in a way that avoids, mitigates or remedies adverse effects on the environment.

The Planning Guidance Unit provides planning advice and processes applications for resource consents and subdivision consents in accordance with the District Plan(s) and the Resource Management Act 1991 (RMA). They also monitor and investigate compliance with resource consent conditions, the District Plan(s), the RMA, the Prostitution Bylaw 2004 and Gambling Venue Policies 2004.

Each year the Planning Guidance Unit issues approximately 950 consents and certificates, approves around 1,000 scheme lots and issues around 400 certificates for approval of Land Transfer Survey Plans.

As part of the city's urban design strategy — CityScope, pre-application meetings will be held with developers at the pre-design stage to foster more collaboration between Council and developers. The focus of these meetings is to promote the principles of good urban design and sustainability.

2008/09 Performance Measures and Targets

Objective:

To administer the District Plan(s) and Resource Management Act 1991 in relation to development within the city in a consistent, accurate and timely manner.

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for overall customer satisfaction, as measured every two years by Council's customer satisfaction survey programme.	75 CSI
2.	All resource consent applications and certificates processed within the statutory time limits of the Resource Management Act 1991 and Hamilton City District Plan(s).	✓
3.	Non-notified resource consent customers refunded 100% of application fees if the consent is not issued within the statutory timeframes.	✓
4.	90% of all staff recommendations for notified resource consent applications are supported by Council's Statutory Management Committee.	✓
5.	95% of cases taken to the Environment Court and supported by staff are successful.	✓
6.	Inspect and effectively monitor at least 65 resource consents per month.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Planning Guidance significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Economic Development (RATONGA PUTEA)

(Page 134 of Council's 2006-16 Long-Term Plan and page 66 of Council's 2007/08 Annual Plan)

Contact: Strategic

☎ 838 6810

📠 838 6464

@ Strategic@hcc.govt.nz

Service Level Provision for Economic Development

Council plays a crucial role in ensuring a citywide collaborative approach to fostering economic development in and around Hamilton. While many aspects of economic development in the city are a function of the whole of Council (e.g., provision of infrastructure, facility and amenity development, city planning, city promotion and events, and major shareholding in assets such as Hamilton International Airport),

Council recognises the growth of key city partnerships is important for economic development. With this consideration, Council funds and supports the economic development agency The Katolyst Group, which comprises:

- The Business Development Centre
- Waikato Innovation Park.

The relationship between Council and these organisations is managed through the Communication and Marketing Group of Council.

Hamilton's current Economic Development Strategy (2005), which provides the framework and guidance for economic development priorities in and around the city, is currently being reviewed and is anticipated to be completed by July 2008.

Council also provides a range of economic data about the city and its performance that is relevant for Hamilton's development.

2008/09 Performance Measures and Targets

Objective:

To support and promote organisations and initiatives that contributes to the city's ongoing sustainable economic development.

Performance Measure		Target 2008/09
1.	Develop sustainable industry cluster(s) in Hamilton's key industry sectors in conjunction with Katolyst, chiefly: ag-bio, light aviation, transport logistics and light engineering.	✓
2.	Key information about Hamilton's economic performance is distributed quarterly through the publication of Hamilton Economic Update and Hamilton Quarterly Review.	✓
3.	Complete ongoing annual funding of the Katolyst Group, including six-monthly reviews of The Katolyst Group's key performance indicators.	✓
4.	Support development of Waikato Innovation Park, ensuring ongoing building occupancy of 90% minimum.	✓

Performance Measure		Target 2008/09
5.	As a 50% shareholder in Waikato Regional Airport Limited, support ongoing infrastructure development, chiefly: <ul style="list-style-type: none"> • extension of runway to 2500m (06/07) • terminal upgrade (2006/07) • sealing car park (2007/08). 	✓
6.	Manage City Development Committee funding to a minimum of three projects per year to support economic development in Hamilton.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Economic Development Strategy (NEW Strategic Action Plan)	Council has made funding provision of \$100,000 towards the development of Hamilton's Economic Development Strategy.	The funding will focus on progressing a practical response to the Strategy, with the first component being the development of a Digital Strategy for the city.
Investment in Innovation Park (NEW Strategic Action Plan)	Council will invest \$2.4m in Innovation Park to enable development of at least one new building on the site. This investment is also supported by funding contributions from the Ministry of Economic Development's Enterprise Partnership Fund (\$2m towards the new building and \$2m towards operating expenditure) as well as debt funding from Innovation Waikato. There are still conditions to be met before Council's funding allocation is released. Negotiations and discussions around this proposal with key stakeholders are currently underway, and the final proposal will be determined in 2008/09.	Council's contribution towards the total investment injection will mean that the Park will increase its economic contribution to Hamilton and the national economy. The increased significance of the Park may in turn attract businesses on a global scale.

City Promotion

(NGAA RATONGA WHAKAPIKI)

(Page 137 of Council's 2006-16 Long-Term Plan and page 68 of Council's 2007/08 Annual Plan)

Contact: Communication and Marketing

☎ 838 6679

✉ 838 6761

@ CommunicationAndMarketing@hcc.govt.nz

Service Level Provision for City Promotion

City Promotion is about communicating to local residents and those living outside the city the points of difference and advantages that Hamilton has to offer. Council is committed to ongoing investment in the Hamilton brand as a crucial promotional mechanism. The communication reflects the substance of key Council strategies and projects that, when developed, contribute to a better quality of life in the city. Council uses www.hamilton.co.nz and City News to communicate and market the city to a variety of audiences. News media relations are also an important function of City Promotion.

The attraction and support of events is a key strategy in city promotion. Council is a strong supporter of events through its Event Sponsorship Fund. In particular, Council is seeking to establish and support icon events (e.g., V8 Supercars Street Race, World Rally Championship, The Gallagher Great Race, Balloons Over Waikato, Hamilton Gardens Summer Festival) that add to the vibrancy of the city. Through the event strategy Council also supports the attraction of conventions and conferences as a key mechanism for bringing visitors to Hamilton.

The operation of the i-SITE Visitor Information Centre formed part of Council's direct service delivery from 1 July 2006. i-SITE had been run under contract by Tourism Waikato but now forms part of Council's Communication and Marketing Group. As well as offering a travel and accommodation booking service, i-SITE will also be a 'shop window' for the promotion of the city and be heavily involved in events and the leverage of the Hamilton brand.

Council participates in a Sister Cities Programme and has links with three cities (Saitama in Japan, Wuxi in China and Sacramento in the United States) as a way of promoting the city internationally.

Council is committed to ongoing investment in the Hamilton brand as a crucial promotional mechanism. The communication reflects the substance of key Council strategies and projects that, when developed, contribute to a better quality of life in the city.

2008/09 Performance Measures and Targets

Objective:

To provide a high level of city promotion through a variety of communication and marketing mechanisms.

Performance Measure		Target 2008/09
1.	Attain the following average number of monthly visits to the website www.hamilton.co.nz .	60,000 visits

Performance Measure		Target 2008/09
2.	Achieve the following CSI score for City News, as measured by Council's Annual Residents Survey.	78 CSI
3.	Increase the annual number of events held in and around Hamilton that bring \$1m or more in new money to the city economy.	6 events
4.	Increase the annual number of event listings on www.WhatsOnHamilton.co.nz .	1,000 listings
5.	Establish the following number of months of media time on central city billboards promoting events, Hamilton city and facilities	18 months
6.	Update 10% of the 100 promotional images of Hamilton city available for free download from www.hamilton.co.nz .	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the City Promotion significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Hamilton City Theatres⁹

(NGAA WHARE TAPERE O KIRIKIROA)

(Page 140 of Council's 2006-16 Long-Term Plan and page 69 of Council's 2007/08 Annual Plan)

Contact: Hamilton City Theatres

☎ 838 6600

📠 838 6601

✉ HamiltonCityTheatres@hcc.govt.nz

Service Level Provision for Hamilton City Theatres

Hamilton City Theatres facilitates theatre experiences and provides facility management and associated event support, ticketing agency services, specialised theatre equipment and services for events at Hamilton theatres and within the community. Council provides three performance venues in the city:

- Founders Memorial Theatre (large scale professional theatre and events)
- The Meteor (contemporary professional theatre)
- Clarence St Theatre (professional theatre).

Each performance venue provides a distinctive yet complementary range of performance experiences.

The management of Hamilton City Theatres is provided through the following functions: venue management, event management, box office management and presenter programme.

⁹ The Hamilton City Theatres significant service is shown in Council's 2006-16 Long-Term Plan as Performing Arts. The name of this significant service was changed to better reflect the current branding of Council-owned theatres (Founders Memorial Theatre, The Meteor and Clarence Street Theatre). The name change was also recorded as a variation in Council's 2007/08 Annual Plan.

Council also provides financial assistance to the WEL Energy Trust Academy of Performing Arts at the University of Waikato.

2008/09 Performance Measures and Targets

Objective:

To provide exciting theatre experiences to the people of Hamilton and the Waikato region.

Performance Measure		Target 2008/09
1.	Achieve an annual utilisation of: <ul style="list-style-type: none"> • Founders Theatre • The Meteor • Clarence St Theatre as measured by the percentage of available time each facility is hired for use.	65%
2.	Achieve the following percentage of available seats booked for shows at: <ul style="list-style-type: none"> • Founders Theatre • The Meteor • Clarence St Theatre 	45%
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Founders Memorial Theatre • The Meteor • Clarence St Theatre 	74 CSI 65 CSI 70 CSI

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Hamilton City Theatres significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Hamilton City Libraries

(TE WHARE PUKAPUKA O KIRIKIROA)

(Page 143 of Council's 2006-16 Long-Term Plan and page 71 of Council's 2007/08 Annual Plan)

Contact: Hamilton City Libraries

☎ 838 6826

📠 838 6858

@ Libadmin@hcc.govt.nz

Service Level Provision for Hamilton City Libraries

Council provides library services across the city through a central library in Garden Place and five community libraries at Chartwell, St Andrews, Dinsdale, Hillcrest and Glenview. The objective of the Hamilton City Libraries service is to assist in meeting the changing aspirations and expectations of an emerging knowledge society.

The library service reflects community values and provides an increasing range of electronic information and media in addition to traditional hard copy reading and research material. Free membership is offered to the city's residents. Hamilton City Libraries has a collection of 380,000 items and has 1.1 million visits per year.

Floating collections ensure clients can borrow and return from any library of their choice, while online databases allow web-based access to reference databases and catalogues.

Examples of items available from all Hamilton City Libraries include books, DVDs and CDs, magazines, newspapers and archives, e.g., digital historic photographs.

Library resources can be viewed and ordered from the library website www.HamiltonLibraries.co.nz.

2008/09 Performance Measures and Targets

Objective:

To provide a customer-focused library service that supports and enables the expectations of a knowledge community.

Performance Measure		Target 2008/09
1.	Achieve the following active registered borrowers as a percentage of city residents.	62%
2.	Achieve the following number of visits to the Hamilton City Libraries web site per year.	260,000
3.	Achieve the following number of issues per 1000 of the population each year.	13,000
4.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Central Library • Community libraries 	85 CSI 80 CSI

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Hamilton City Libraries significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Waikato Museum of Art and History

(TE WHARE TAONGA O WAIKATO)

(Page 146 of Council's 2006-16 Long-Term Plan and page 73 of Council's 2007/08 Annual Plan)

Contact: Waikato Museum

☎ 838 6606

📠 838 6571

@ WaikatoMuseum@hcc.govt.nz

Service Level Provision for Waikato Museum of Art and History

The Waikato Museum of Art and History (Te Whare Taonga o Waikato) provides a cultural and artistic showpiece for the people of Hamilton and the region. The Museum's collections are focused on the Waikato Region and cover the four key areas of social history, visual arts, tangata whenua and sciences, constituting a major resource and asset for the city and region. The Waikato Museum of Art and History is located at the southern end of Hamilton's Central Business District.

ArtsPost, a heritage building adjacent to the Museum, houses an art school, gallery and shop. Its purpose is to encourage, support and promote the arts in Hamilton.

Beale Cottage in Hamilton East, one of Hamilton's longest surviving examples of colonial architecture, and the historic vessel Rangiriri on the riverbank of Memorial Park (which represents the arrival of founding militia settlers to Hamilton) are also managed by the Museum.

The Museum manages four pieces of public art in the city: The Farming Family, Ripples, Riff Raff and Nga Hinetuparimaunga (earth blanket) at Hamilton Gardens.

2008/09 Performance Measures and Targets

Objective:

To provide a museum that creates a difference in our community by making the Waikato region renowned for its rich cultural heritage and artistic vibrancy.

Performance Measure		Target 2008/09
1.	Achieve the following number of visitors, as measured by attendance records: <ul style="list-style-type: none"> • Waikato Museum of Art and History • ArtsPost 	185,000 40,000
2.	Achieve a 25% exhibition balance for each of the following at the Waikato Museum of Art and History: <ul style="list-style-type: none"> • Art • History • Maori Culture • Science. 	✓
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Waikato Museum of Art and History • ArtsPost 	85 CSI 85 CSI
4.	Achieve the following CSI score for Museum visitors, as measured by Council's Customer Satisfaction Survey Programme.	85 CSI

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Waikato Museum of Art and History significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Event Facilities

(WAAHI TAIWHANGA)

(Page 149 of Council's 2006-16 Long-Term Plan and page 75 of Council's 2007/08 Annual Plan)

Contact: Waikato Stadium

☎ 958 5800

📠 958 5815

✉ Admin@waikatostadium.co.nz

Service Level Provision for Event Facilities

Waikato Stadium, Seddon Park, Claudelands Events Centre and the Hamilton City Leisure Centre are event facilities that host local, national and international sporting and special events, exhibitions and functions.

Waikato Stadium has established itself as one of New Zealand's finest 'boutique' venues, hosting high profile sporting fixtures such as All Black internationals, National Rugby League (NRL), Super 14 and NPC Rugby. It has also hosted a wide range of other sporting and cultural events. A superbly equipped, modern venue with a capacity of 26,800, including 10,000 covered seats, the stadium has earned its reputation for providing quality events. Waikato Stadium also has a number of lounges for conferences, corporate functions, private banquets, seminars, product launches, receptions and weddings.

Claudelands Events Centre is a versatile events complex that caters for a wide range of events and functions ranging from indoor and outdoor expos, cultural shows and rallies to festivals, music performances and sporting fixtures.

Seddon Park is a purpose-built international quality cricket facility with a seating capacity of 11,500. With a village green setting and picnic like atmosphere, it is utilised for one day and test cricket internationals, domestic cricket, concerts, live outdoor productions, exhibitions, festivals and cultural events.

The Hamilton City Leisure Centre facility is owned by Council and leased to the YMCA (Metro Y) for provision of indoor sporting activities. The Leisure Centre is available to a broad cross-section of the community with a wide range of cost effective, affordable health and fitness, sport and leisure programmes and activities that make best use of the leisure centre facilities.

2008/09 Performance Measures and Targets

Objective:

To ensure that Waikato Stadium, Seddon Park, Claudelands Events Centre and the Hamilton City Leisure Centre meet community expectations and attain optimum use.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores, as measured annually by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> • Waikato Stadium • Seddon Park • Claudelands Events Centre. 	86 CSI 77 CSI 75 CSI
2.	Achieve the following CSI score for Waikato Stadium venue hirers, as measured annually by Council's customer satisfaction survey programme.	88 CSI
3.	Achieve the following CSI score for the Hamilton City Leisure Centre, as measured by Council's Annual Residents Survey.	68 CSI
4.	Achieve optimum utilisation of the facilities, as measured by the annual number of event days for: <ul style="list-style-type: none"> • Waikato Stadium • Seddon Park • Claudelands Events Centre. 	32 32 51
	Facilities are at a standard that attracts international and national events, as measured by the annual number of national and international events held at the facilities: <ul style="list-style-type: none"> • Waikato Stadium • Seddon Park • Claudelands Events Centre. 	17 6 7

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Claudelands Indoor Stadium and Events Centre Upgrade (Strategic Action Plan # 524.0)	Although the project remains on target within the original budget, the 2008/09 budget will decrease to \$13.828m, and the 2009/10 budget will increase to \$39.762m.	The timetable and phasing of costs for this project has been revised following a revision of budget estimates.

Hamilton Zoo (TE WHARE KARAREHE)

Contact: Hamilton Zoo

(Page 153 of Council's 2006-16 Long-Term Plan and page 77 of Council's 2007/08 Annual Plan)

☎ 838 6720

📠 838 6960

@ zooinfo@hcc.govt.nz

Service Level Provision for Hamilton Zoo

Hamilton Zoo is committed to the delivery and further development of a high quality, modern zoo that emphasises conservation, education, recreation and scientific study, while progressively encouraging an understanding and appreciation of the living world.

The zoo is home to over 400 native New Zealand and exotic animals in 25 hectares of tranquil surroundings, with the largest walk-through aviary in Australasia. It is renowned for its generous habitats and a New Zealand approach to conservation. The zoo offers beautiful garden settings, paved pathways and boardwalks, and guided tours. Facilities also include a café, souvenir shop, barbeques and wheelchair access.

Hamilton Zoo is committed to worldwide conservation programmes designed for the long-term protection and preservation of threatened and endangered species. The zoo takes part in breeding programmes for native and exotic endangered species, is a member of the Australasian Regional Association of Zoo Parks and Aquaria and participates in Australasian Species Management Programmes. It was the first zoo in Australasia to achieve ISO 9001 and ISO 14001 quality management certifications.

With fully qualified teaching staff on site, the zoo provides resources and lessons for school students and community education for all. Other initiatives include Club Zoo (a zoo membership for children) holiday programmes, activity days and eye-to-eye encounters where visitors get a 'behind the scenes' animal experience which allows them to meet the animals and support the conservation programme at the zoo.

2008/09 Performance Measures and Targets

Objective:

To ensure that Hamilton Zoo complies with legislation, meets community expectations and attains optimum use.

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for user satisfaction with Hamilton Zoo, as measured by Council's customer satisfaction survey programme.	92 CSI
2.	Achieve the following usage of Hamilton Zoo, as measured by Council's Annual Residents Survey.	55%
3.	Achieve the following number of visits to Hamilton Zoo annually.	150,000
4.	No non-compliance reports received from audits carried out by the Ministry of Agriculture and Forestry and license status maintained.	✓
5.	Achieve the following number of education visits to the zoo per year (including real or virtual visits).	20,000

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Hamilton Zoo significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Strategic Framework C: Protecting Our Future**Cost of Service for the Year Ended 30 June 2009**

	LTP 2007/08 \$000	Annual Plan 2008/09 \$000
EXPENDITURE		
Wastewater management	14,416	16,370
Stormwater management	7,321	8,075
Recycling/refuse collection	5,861	5,881
Water supply	13,869	14,847
Sustainable environment	713	791
Transport: Road network management	29,748	30,433
Transport: Access Hamilton	4,333	3,795
Endowment and investment property portfolio	2,078	2,677
Total Expenditure	78,339	82,869
Less REVENUE		
Wastewater management	2,179	3,348
Stormwater management	11	12
Recycling/refuse collection	1,102	1,048
Water supply	4,596	5,133
Transport: Road network management	4,225	4,144
Transport: Access Hamilton	275	619
Endowment and investment property portfolio	5,268	5,474
Total Revenue	17,656	19,778
Net Cost of Service	60,683	63,091
Total operating expenditure funded by:		
Operating revenue	17,656	19,778
Rates	60,683	61,220
Reserves	0	1,120
Subsidies	0	751
Total Operating Expenditure	78,339	82,869
CAPITAL EXPENDITURE		
Wastewater management	11,668	11,112
Stormwater management	4,257	5,073
Recycling/refuse collection	41	935
Water supply	7,926	5,205
Transport: Road network management	44,744	10,294
Transport: Access Hamilton	24,647	6,126
Endowment and investment property portfolio	0	0
Total Capital Expenditure	93,283	38,745
Total capital expenditure funded by:		
Loans (reserves & Access Hamilton)	8,473	4,515
Loans (DCL)	37,670	14,164
Loans (rates)	19,722	4,282
Other reserves	112	133
Subsidies	15,395	4,343
Other revenue	660	819
Depreciation (rates)	11,251	10,489
Total Capital Expenditure	93,283	38,745

Wastewater Management (TE ROOPUU WHAKAHAERE PARAWHAKAKINO)

(Page 162 of Council's 2006-16 Long-Term Plan and page 81 of Council's 2007/08 Annual Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Service Level Provision for Wastewater Management

Wastewater Management contributes to the protection of public health and the environment through the collection and treatment of urban wastewater.

Wastewater is piped to the Wastewater Treatment Plant where it is treated to a high standard, including nutrient removal and disinfection, prior to the wastewater being discharged into the Waikato River. Solids are disposed of to ensure that there is no degradation of soils.

An average of 40 million litres of wastewater is treated by the Wastewater Treatment Plant on a daily basis. The wastewater network includes:

- 761km of pipes ranging from 100mm to 1800mm in diameter
- 14,304 manholes
- 129 pumping stations
- Five major wastewater pipe bridges
- One wastewater treatment plant.

2008/09 Performance Measures and Targets

Objective:

To provide a wastewater network that caters for Hamilton's ongoing development, complies with legislative requirements, and is consistent with the principles of Kaitiakitanga (stewardship).

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for the wastewater system, as measured by Council's Annual Residents Survey.	75 CSI
2.	Achieve a high level of compliance for the Wastewater Treatment Plant's resource consents reported to and audited by Environment Waikato annually.	✓
3.	The annual number of wastewater blockages per 100km of network is limited to the following.	45
4.	No wastewater overflows from pump stations due to mechanical or electrical equipment failure.	✓
5.	100 % of urgent works responded to within 1 hour.	✓
6.	Cost of service is less than the median cost when compared with five other similar New Zealand local authorities.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Wastewater Treatment Plant Upgrade (Strategic Action Plan # 238.0)	Funding for the Wastewater Treatment Plant Upgrade is proposed to increase in 2008/09 from \$4.135m to \$6.4m.	The cost and timetable for this project has been revised, based on resource consent discharge requirements to meet more stringent conditions within 36 months of the consent being granted (the consent was granted in August 2007).
Peacocke Wastewater Trunkmains (Strategic Action Plan # 581.0)	This project (with funding allocation of \$1.016m) has now been deferred by one year (i.e. from 2008/09 to 2009/10). This project provides for the extension of wastewater trunkmains to enable urban growth in the Dixon Rd area of the Peacocke growth area.	Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009.
Peacocke Stage 1 (Strategic Action Plan # 797.0 and 797.1)	This project (with funding allocation of \$3061.1m) has now been deferred by one year (i.e. from 2008/09 to 2009/10). This project provides for wastewater disposal from a limited area of the Peacocke growth cell.	Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009.
Temple View Wastewater Upgrade (Strategic Action Plan # 857.0)	This new project provides funding of \$50,000 in 2008/09 for an upgrade to the wastewater network in the Temple View suburb.	This is the first year of a programme of work needed to upgrade wastewater capacity in the Temple View suburb to facilitate infill housing development.

Stormwater Management

(TE ROOPUU WHAKAHAERE WAI-AAWHA)

(Page 166 of Council's 2006-16 Long-Term Plan and page 83 of Council's 2007/08 Annual Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Service Level Provision for Stormwater Management

The stormwater network ensures community safety and the protection of property by draining stormwater from roadways and public land through pipes and open watercourses to the city's streams, lakes and the Waikato River.

The stormwater network comprises:

- 617km of piping (ranging from 225mm to 2300mm in diameter)
- 11,640 manholes
- 85km of open drains and natural watercourses.

2008/09 Performance Measures and Targets

Objective:

To provide a stormwater network for Hamilton that provides for community safety and the protection of property, minimises flooding and complies with legislative requirements.

Performance Measure		Target 2008/09
1.	Achieve the following CSI score for the stormwater system, as measured by Council's Annual Residents Survey.	70 CSI
2.	No major concerns raised by Environment Waikato for stormwater consent compliance.	✓
3.	100% of urgent stormwater works responded to within 1 hour.	✓
4.	The cost of providing the service is less than the median cost when compared with five other similar New Zealand local authorities.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Secondary Flowpath Citywide Assessment (Strategic Action Plan # 570.0)	Funding of \$133,000 has been deferred to the 2009/10 financial year.	Council has reviewed its 2008/09 work programme. As a result, this work has been deferred due to the non-urgent nature of the project relative to other priorities for 2008/09.

Project/Programme	Variation	Reason for the Variation
Peacocke Catchment Management Plan (Strategic Action Plan # 575.0)	This new project provides funding of \$26,600 in 2008/09 to develop a Stormwater Catchment Management Plan for the Peacocke catchment.	This project will support the Stage 1 development in the Peacocke area. A Catchment Management Plan is required to confirm how to manage stormwater runoff from the urban environment.
Peacocke Mitigation Wetlands (Strategic Action Plan # 574.0)	This project (with funding allocation of \$573,500) has now been deferred by one year (i.e. from 2008/09 to 2009/10) This project provides for the detention component of the stormwater network in the Peacocke growth area.	Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009.

Recycling / Refuse Collection

(WHAKAHOU (TIA) KOOHINGA RAAPIHI)

(Page 170 of Council's 2006-16 Long-Term Plan and page 85 of Council's 2007/08 Annual Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

✉ WaterAndWasteServices@hcc.govt.nz

Service Level Provision for Recycling/Refuse Collection

Recycling and Refuse Collection provides for the weekly collection of household recyclables and refuse from over 51,000 residential properties in the city. Refuse and Recycling Collection also manages and operates the Refuse Transfer Station (including the recycling centre) and the Horotiu Landfill.

This significant service ensures that closed landfills (Rototuna, Cobham and Willoughby) are managed to minimise adverse effects on public health and the environment and provides a composting facility at the Hamilton Organic Centre as a means of sustainably disposing of garden waste.

2008/09 Performance Measures and Targets

Objective:

To ensure that adequate and appropriate waste collection and reduction, re-use, recycling, recovery, treatment and disposal services are provided for the city in order to protect public health and the environment.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> Household Recyclable Collection Household Refuse Collection 	83 CSI 83 CSI

Performance Measure		Target 2008/09
	<ul style="list-style-type: none"> • Refuse Transfer Station • Hamilton Organic Centre. 	80 CSI 84 CSI
2.	Percentage of requests relating to non-collection of household refuse resolved within 24 hours.	90%
3.	Percentage of requests relating to non-collection of household recyclables resolved within 24 hours.	90%
4.	Achieve a high level of compliance for the Horotiu Landfill resource consents as reported to and audited by Environment Waikato and Waikato District Council annually.	✓
5.	Closed landfills comply with resource consent conditions.	✓
6.	Achieve the following tonnes of waste diverted for recycling through kerbside recycling, recycling centre operations, and greenwaste composting at the Hamilton Organic Centre.	25,000
7.	Achieve all waste reduction targets in Council's Waste Management Plan within agreed timeframes.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Closed Landfill Consent Requirements (Strategic Action Plan # 563.0)	Additional funding of \$893,800 has been provided for in 2008/09 for reconstruction of the Willoughby closed landfill gas curtain and other gas control measures.	In granting resource consent for the closed landfill site near Willoughby Street, Environment Waikato imposed conditions requiring that a physical barrier has to be constructed to mitigate the underground gas migration that is occurring. Although a number of aspects of the decision have been appealed, it is anticipated that the gas curtain will remain as a requirement.

Water Supply**(TUKUA WAI)**

(Page 173 of Council's 2006-16 Long-Term Plan and page 87 of Council's 2007/08 Annual Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Service Level Provision for Water Supply

The Water Supply service provides for water treatment, storage and distribution in Hamilton City. Raw water is drawn from the Waikato River into the Hamilton City Water Treatment Station where it is treated to provide a high standard of drinking water. Hamilton's water supply was graded by the Waikato District Health Board's Public Health Unit (on behalf of the Ministry of Health) in 2006. The outcome of the assessment was the retention of the 'Aa' grade for the treatment plant and source and the majority of the Hamilton distribution zone. The Temple View distribution zone is graded 'Ac' and an action plan is in place to improve this over time. The 'A' grades the water treatment process and the 'a'/'c' grades the water reticulation (distribution) network.

An average of 50 million litres of water is produced by the Water Treatment Station on a daily basis. The system services over 138,000 Hamilton residents through more than 51,000 household connections and over 4,000 commercial and industrial properties in Hamilton. Residential properties account for approximately 70 per cent of the city's water usage, and commercial and industrial properties are provided water on a user-pays basis. Water conservation programmes are also in place to encourage the efficient use of water and minimise wastage.

The water supplied complies with standards set out in the Drinking-Water Standards for New Zealand 2005, the New Zealand Fire Service Code of Practice for Firefighting Water Supplies, the Hamilton City Water Supply Bylaw 1999 and the Hamilton City Development Manual.

The water supply network includes:

- One water treatment station
- Seven reservoirs
- Two pump stations
- 1,035km of pipes ranging from 20mm to 620mm in diameter.

2008/09 Performance Measures and Targets**Objective:**

To provide a continuous supply of high quality water that caters for Hamilton's ongoing development, meets community expectations and complies with legislative requirements.

Performance Measure		Target 2008/09
1.	Retain the Ministry of Health's grading of the city's water treatment operation at 'A' and the city's water reticulation network at 'a'.	✓
2.	100% of flow and pressure tests comply with the standards set out in the Hamilton City Development Manual.	✓

Performance Measure		Target 2008/09
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Water pressure • Clarity of water • Taste and odour • Continuity of supply. 	82 CSI 76 CSI 68 CSI 84 CSI
4.	Average water supply interruptions are no more than: <ul style="list-style-type: none"> • 7 minutes per connection (unplanned shutdowns) per year • 4 hours per shutdown per year. 	✓
5.	100% of urgent works responded to within 1 hour.	✓
6.	Cost of service is less than the median cost when compared with five other similar New Zealand local authorities.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Bulkmain Augmentation and Extension (Strategic Action Plan # 277.0)	Funding for this project has decreased in 2008/09 from \$2.383m to \$63,800.	Construction of this bulk water main should occur in conjunction with construction of the expressway between Carrs Road and Ruakura Road, which has also been deferred until 2009/10. \$63,000 has been retained in 2008/09 for the design and construction contract documents required for this project.
Peacocke Water Supply Trunkmains (Strategic Action Plan # 593.0)	This project (with funding allocation of \$258,600) has now been deferred by one year (i.e. from 2008/09 to 2009/10). This project provides for the extension of water reticulation trunkmains and ridermains to enable urban growth in the Peacocke growth area.	Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009.
Network Upgrades for Infill Development (Strategic Action Plan # 595.0)	Funding provision of \$319,200 has been made in 2008/09 for water supply network upgrades in Frankton (south of Killarney Road), Hamilton West and Hamilton East.	The programme of works for water supply network upgrades in high density housing zones has been allocated annually, rather than occurring in alternate years.

Project/Programme	Variation	Reason for the Variation
Water Demand Management (Strategic Action Plan # 858.0)	This new project provides funding of \$130,000 for implementation of Council's Water Demand Management Plan (WDMP) for the city.	The WDMP provides background information and an analysis of water consumption in Hamilton, and presents options for improved water demand management. Council is required to have in place a WDMP as part of its water abstraction consent.

Sustainable Environment (TAUTOKO TE TAIAO)

(Page 177 of Council's 2006-16 Long-Term Plan and page 90 of Council's 2007/08 Annual Plan)

Contact: Strategic

☎ 838 6810

📠 838 6464

@ Sustain@hcc.govt.nz

Service Level Provision for Sustainable Environment

Through creative partnerships and the delivery of a wide range of environmental education programmes, Sustainable Environment raises awareness about urban sustainability and the principles of Agenda 21. This significant service provides leadership for sustainable living and works to engage and support different sectors of the Hamilton community (including schools, householders and community groups) to achieve positive environmental outcomes for the city.

Projects and programmes include:

- The Envirofund — financial assistance for individuals, groups and community agencies for projects which encourage sound environmental improvement in Hamilton and contribute to the sustainability of the city.
- The 'Know it?...Live it!' Community Environmental Education Programme.
- The Gully Restoration Programme — raising an awareness and appreciation of Hamilton's gully systems. Promotes and enables the restoration of gullies.
- The Enviroschools Programme — a whole school approach to environmental education where staff, students and the wider school community work together to integrate sustainability into key areas of school life.
- Waste Management Plan development.
- Addressing corporate sustainability issues.

2008/09 Performance Measures and Targets

Objective:

To increase community knowledge and awareness of environmental issues and empower people to take environmental action in their daily lives.

Performance Measure		Target 2008/09
1.	'Know It?...Live it!' community environmental education programme database membership increased by 10% annually.	907

Performance Measure		Target 2008/09
2.	Gully Restoration Programme membership increased by 10% annually.	798
3.	Achieve the following number of schools participating in the EnviroSchools programme.	28
4.	Review and implement components of the 10-year Waste Management Plan.	Gaseous component of plan implemented
5.	Achieve the following weights for Council's internal daily waste stream.	38kg
6.	Administer and distribute the Envirofund to groups undertaking projects and programmes that contribute to environmental sustainability in the city.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Sustainable Environment significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

Transport: Road Network Management (NGA WHAKAHAERE O NGA HARI WAKA)

(Page 182 of Council's 2006-16 Long-Term Plan and page 92 of Council's 2007/08 Annual Plan)

Contact: Roads and Traffic

☎ 838 6868

📠 838 6440

@ RoadsAndTraffic@hcc.govt.nz

Service Level Provision for Road Network Management

Road Network Management provides for ongoing management of the operation, maintenance, growth and development of the city's transportation network.

The goal is to provide and efficiently manage a safe, effective and sustainable transport system that integrates roads with other forms of transport such as public transport, walking and cycling.

Activities include the general maintenance, rehabilitation and construction of the carriageway component of roading projects, improvement and day-to-day operation and maintenance of the traffic network (including the Road Safety Programme), and maintenance and improvement of the city's footpaths, cycleways, and verges. The road network comprises:

- 586.7km of carriageways
- 1,046km of kerb and channel (excluding state highway)
- 58 traffic bridges, large culverts, pedestrian/cycle bridges and underpasses
- traffic signals at 52 intersections (including state highways)
- Hamilton Transport Centre
- 148 bus shelters
- 13,877 signs
- 14,908 street lights
- 907.5km of footpaths
- 47.3km of on-road cycle lanes and off-road cycle paths
- 1,019 off-street car park spaces
- 830 metered and 490 time-controlled, on-street parking spaces in the CBD.

2008/09 Performance Measures and Targets

Objective:

To operate and maintain a safe, efficient and sustainable transport system that caters for Hamilton's ongoing development, meets the community's needs, and complies with legislative requirements.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Streets throughout the city • Streets around here • Traffic management • Street lighting throughout the city • Street lighting around here • Footpaths in general throughout the city • Footpaths around here • Pedestrian facilities 	70 CSI 73 CSI 70 CSI 70 CSI 68 CSI 70 CSI 70 CSI 70 CSI
2.	Achieve the following satisfaction rating for acknowledgement of, and response to, requests for service, as measured by the Roads and Traffic Unit's monthly feedback surveys (reported six monthly).	80%
3.	Achieve the following percentage of roads defined as smooth by Land Transport New Zealand (in vehicle km travelled).	85%
4.	The number of potholes requiring repair is less than 250 per annum.	✓
5.	The footpath and road resurfacing programmes are achieved to within 2km of the annual target.	✓
6.	The total cost of service per km of road is less than the median cost of seven other selected NZ cities.	✓

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
Carriageways Reseals (Strategic Action Plan # 44.0)	This is an ongoing programme of road resurfacing work required to maintain the existing network in accordance with the Road Resurfacing Strategy approved by Council in April 2003. Funding for 2008/09 is proposed to increase from \$1.514m to \$2.046m.	Council's asset management systems have identified an increase in road kilometres to be resurfaced, in order to meet Council's performance target for road surface condition.

Project/Programme	Variation	Reason for the Variation
Rotokauri Rooding Future Growth (Strategic Action Plan # 554.0)	\$15.464m for the Rotokauri growth cell construction programme has been deferred.	The construction programme has been deferred pending the adoption of the Rotokauri Structure Plan by Council.
Rototuna Rooding Growth (Strategic Action Plan # 555.0)	The Resolution Drive land purchase (\$1.3m) for the Rototuna Rooding Growth project has now been brought forward from 2014/15 to 2008/09. This land is available due to Transit New Zealand no longer having a requirement for it.	The Crown is in the process of disposing of this land and there is an opportunity for Council to acquire a corridor that is strategically significant for the city, without the need to deal with multiple private land owners.
Peacocke Rooding Future Growth (Strategic Action Plan # 553.0)	This project (with funding allocation of \$284,100) has now been deferred by one year (i.e. from 2008/09 to 2009/10). This project provides for the designation of new arterials and upsizing of new collector roads within and bounding the Peacocke growth area.	Council has decided that investment related to infrastructure provision in the Peacocke area will not occur until decisions are made on the Peacocke Structure Plan. The hearings for the Peacocke Structure Plan are planned to be held in the first quarter of 2009.

Transport: Access Hamilton (TE ROOPUU TAUTOKO HAPORI)

(Page 187 of Council's 2006-16 Long-Term Plan and page 94 of Council's 2007/08 Annual Plan)

Contact: Roads and Traffic

☎ 838 6868

📠 838 6440

✉ RoadsAndTraffic@hcc.govt.nz

Service Level Provision for Access Hamilton

Access Hamilton is a strategy that addresses Hamilton's increasing traffic congestion and population growth, and aims to create a sustainable, integrated transport system for the city. A work programme (that focuses on 10 years and beyond) has been developed for Access Hamilton, which includes financial contributions from Land Transport New Zealand and Environment Waikato to ensure a coordinated approach to Hamilton's transport system. This programme is based on Hamilton's Growth Strategy and Land Transport Management Act criteria.

Access Hamilton includes both infrastructure improvements and incentives to encourage the use of alternative travel modes. It aims to increase public awareness of transport options and the effects of travel behaviour and travel choices. Access Hamilton focuses on four key areas:

- Key roading projects that will address current traffic congestion and future city growth, including arterial intersection improvements and completion of the ring road and cross-city connector

- Promoting public transport use and improving the priority for buses on our roads so that they become more attractive to commuters
- Encouraging active transport, such as walking and cycling
- Developing travel demand management plans and improving community education and awareness of travel choices.

2008/09 Performance Measures and Targets

Objective:

To develop and support an integrated, safe, efficient and sustainable transport system that provides for ease of access in and around Hamilton City and ensures community awareness around travel choices.

Performance Measure		Target 2008/09
1.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> • Residents' perception of traffic congestion when driving on Hamilton's roads • Cycle facilities throughout the city. 	59 CSI 62 CSI
2.	Achieve the following total number of kilometres of pedestrian and cycle networks in the city.	46 km
3.	Maintain current journey times at 2006 levels, as measured at key intersections in the city.	✓
4.	Achieve the following number of schools participating in the walking school bus initiative.	14
5.	Achieve the following usage of cycling facilities within the city, as measured by Council's Annual Residents Survey.	27%

Note: A CSI (Customer Satisfaction Index) score is a measure of residents' or customers' overall satisfaction with a Council provided service or facility and is obtained through various Council surveys, e.g. Council's Residents Survey.

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

Project/Programme	Variation	Reason for the Variation
E1 East Hamilton Arterial Design and Construction (Strategic Action Plan # 375.0)	\$12.768m has been deferred from 2008/09.	There has been a delay with land purchase and designation that has resulted in the programme timing being re-phased.
Massey Street - Hall Street Minor Works (Strategic Action Plan # 526.0)	Funding of \$159,600 for minor works on the Massey Street to Hall Street link has been deferred.	Initial assessments indicate that no major work is required.
Peachgrove, Hukanui Intersection Upgrades and Minor Improvements (Strategic Action Plan # 528.0)	Funding of \$106,400 for the design of improvements of the road links and junctions along Peachgrove and Hukanui Roads has been deferred.	This project is now coordinated with the E1 East Hamilton Arterial (Strategic Action Plan # 375.0).

Project/Programme	Variation	Reason for the Variation
Peachgrove Road/East Street, Te Aroha Street/ Peachgrove Road Intersections (Strategic Action Plan # 529.0)	Funding provision for this project for 2008/09 has been reduced from \$1.808m to \$678,800.	This project is now coordinated with the E1 East Hamilton Arterial (Strategic Action Plan # 375.0).
Ruakura Road (Peachgrove to E1) (Strategic Action Plan #530.0)	Funding of \$1.289m for this project has been deferred from 2008/09.	This project is now coordinated with the E1 East Hamilton Arterial (Strategic Action Plan # 375.0).
Wairere Drive (Designation, Land, Intersections, four-laning, etc) (Strategic Action Plan # 544.0)	Funding of \$212,800 for this project has been deferred from 2008/09.	Council has reviewed its 2008/09 work programme. As a result aspects of this project have been re-phased. In 2008/09, construction will continue on the Wairere Drive extension from Hukanui Drive to Tramway Road. The design of Wairere Drive four-laning from Pukete Road to Resolution Drive will also be progressed.
Knox Street Carpark Stage 2 (Strategic Action Plan #730.0)	Funding of \$319,200 for the planning and design of two additional floors for the Knox Street car park building has been deferred until demand justifies an addition to the building.	Current car park occupancy levels indicate that the construction of the additional two stories should be deferred, as they are not required at this stage.
Grey/Claudeland Intersection Upgrading (Strategic Action Plan # 735.0)	This project provides for the investigation and redesign of the three intersections of Heaphy Terrace/Brookland Road, Grey Street/Claudelands Road and Grey Street/Te Aroha Street, to improve capacity and reduce congestion, particularly for traffic gaining access/egress to the CBD. Funding of \$2.128m for design and to begin construction has been deferred.	This project has been deferred to enable better integration with the City Heart CBD revitalisation project and the Claudelands Events Centre redevelopment.
Walkway/Cycleway Grandview to Minogue Park (Strategic Action Plan # 744.0)	This project will enable better walking/cycle movement between the schools and public in Nawton and the major recreation facilities in Minogue Park. Funding of \$851,200 for this project has been deferred.	This project has been deferred as Council is awaiting agreement from Rail and Toll New Zealand and detailed design specifications.

Project/Programme	Variation	Reason for the Variation
Infrastructure Commuter Train to Auckland (Strategic Action Plan # 796.0)	This project will provide for two new railway station facilities, for railway passengers/commuters to access the proposed Hamilton-Papakura rail service linking to the Auckland commuter service. Funding of \$266,000 for this project has been deferred.	This project has been deferred until the location of the railway station and type of service to be provided can be agreed with all partners.
Boundary Road — Fifth Avenue Improvements — Designation, Design and Land Purchase (Strategic Action Plan # 803.0)	Funding of \$2.904m has been deferred. The budget has decreased from \$3.192m to \$287,000, which will allow for a study to occur in 2008/09.	The focus of this project has shifted from land purchase for road widening to widening the deck on the Whitiora Bridge. Further work on this project is awaiting the outcome of a road corridor study.
Public Transport Service (Strategic Action Plan # 860.0)	This new project provides for funding of \$150,000 in relation to the possible transfer of the operational management of Hamilton's bus service from Environment Waikato to Hamilton City Council.	Council has signalled that it wishes to manage the operation of the region's bus service. This funding is for due diligence and logistical planning to be undertaken.
Northern Growth Corridor (Strategic Action Plan # 861.0)	This new project makes funding provision of \$5m over two years for arterial roading improvement. \$3m is provided in 2008/09 and \$2m in 2009/10.	This funding is required by the Northern Growth Corridor Memorandum of Understanding.

Endowment and Investment Property Portfolio Management (TE TAIAO WHAI TIKANGA ROOPUU WHAKAHAERE)

(Page 192 of Council's 2006-16 Long-Term Plan and Page 98 of Council's 2007/08 Annual Plan)

Contact: Property Management Unit

☎ 838 6736

📠 838 6612

@ PropertyManagement@hcc.govt.nz

Service Level Provision for Endowment and Investment Property Portfolio Management

Endowment and Investment Property Portfolio Management administers 127 Council owned properties throughout Hamilton.

This significant service manages two funds: the Domain Endowment Fund and the Municipal Endowment Fund. Both funds are required by legislation to be invested in property, in order to maximise the financial return to the city.

The Domain Endowment Fund proceeds are used for the purchase of land for reserves and for the creation, improvement and development of reserves and parks within Hamilton City. The Municipal Endowment Fund is invested in commercial properties and income from the fund is used to reduce the rates requirement of the city.

Other properties include small perpetual leases, Council owned and occupied buildings, Council owned and leased buildings and stakes in significant city development.

2008/09 Performance Measures and Targets

Objective:

To manage Council's property portfolio in a manner that fulfils legislative requirements and ensures returns are in line with the current market average for similar properties.

Performance Measure		Target 2008/09
1.	Achieve an annual gross return on Municipal Endowment Fund investment properties (as assessed by an independent registered valuer) that is typical for the Hamilton property market.	✓
2.	Domain Endowment Fund ground leases achieve a return in line with the average market return of similar properties.	✓
3.	Ensure statutory compliance with the Building Act 2004 and the Health and Safety in Employment Amendment Act 2002, in respect of all Council owned buildings.	✓

Key Variations to Year 3 (2008/09) of Council's 2006-16 Long-Term Plan

There are no major changes to the Endowment and Investment Property Portfolio Management significant service that constitute a variation, as defined in Section 6.2 of this plan (including any budget changes exceeding \$500,000).

10.0 Land Transport Programme for 2008/09

(TE HOKAKA HARI WAKA 2008/09)

10.1 Introduction

Council is required by Section 12 of the Land Transport Management Act 2003 to annually publish and consult on its Land Transport Programme. Section 12 of the Land Transport Management Act 2003 requires Council, in preparing a Land Transport Programme, to take into account how each transport activity or activity class:

- Assists economic development
- Assists safety and personal security
- Improves access and mobility
- Protects and promotes public health
- Ensures environmental sustainability.

Council's Land Transport Programme for 2006/07 is included in the 2006-16 Long-Term Plan (page 180, Volume I) and comprises:

- the preamble entitled 'Transport: Introduction'
- the significant service activity statements entitled 'Transport: Road Network Management' and 'Transport: Access Hamilton'
- the information contained in Council's 2006-16 Long-Term Plan - Volume II that relates to the 'Transport: Road Network Management' and 'Transport: Access Hamilton' significant services.

The Land Transport Programme for 2007/08 is contained in Council's 2007/08 Annual Plan (page 100).

This section (Section 10.0) outlines Council's Land Transport Programme for 2008/09. Other sections in this 2008/09 Annual Plan also form part of the 2008/09 Land Transport Programme, i.e.:

- The significant service activity statements entitled 'Transport: Road Network Management' and 'Transport: Access Hamilton' (refer Section 9.0)
- The information contained in Section 11.0 (the Financial Section) that relates to the 'Transport: Road Network Management' and 'Transport: Access Hamilton' significant services.

The sections noted above should be read in conjunction with the relevant parts of Council's 2006-16 Long-Term Plan and 2007/08 Annual Plan.

In line with best practice, Council has grouped linked transport projects into packages of work to achieve an integrated, safe, responsive and sustainable land transport system. Packages of work (as defined by Land Transport New Zealand) are a means of combining two or more projects which:

- Address a common transport issue, problem or opportunity, and
- Collectively deliver a better outcome than would be achieved if they were developed and implemented independently. Packages are **not** collections of independent

activities, even where these are of the same work type (e.g. a programme of unrelated seal extensions is not a package).

An example of a transport package that Council has planned for is the Wairere Drive corridor (Te Rapa Road to Cobham Drive). This package comprises a number of distinct components of work, i.e. the:

- Four-laning of the existing corridor
- Extension of Wairere Drive (Hukanui Road to Tramway Road)
- Extension of the Wairere Drive corridor along the eastern side of the city (the Hamilton Eastern Arterial).

10.2 Council's Land Transport Programme

This section outlines Council's Land Transport Programme for the 2008/09 financial year. As noted previously, Council contributes to meeting the transport needs of the community by providing two complementary significant services:

- Transport: Road Network Management
- Transport: Access Hamilton.

Collectively these services reflect the purpose of the Land Transport Management Act 2003 of achieving an integrated, safe, responsive and sustainable land transport system. Council's two transport significant services move beyond the provision and maintenance of a traditional roading network to include projects that aim to provide increased travel choices, manage travel demand for better lifestyle options, and assist with community awareness and education.

In setting the strategic direction for transportation in the city, Council considers a wide range of inputs from legislation and national and regional strategies, including the following:

- Land Transport Management Act (2003). Note: The Land Transport Management Amendment Bill 2007 is currently being considered by central government.
- Local Government Act 1974 and 2002
- Waikato Regional Land Transport Strategy 2006-16 (Operative)
- New Zealand Transport Strategy (2002). Note: This strategy is currently being updated and is anticipated to be in force by mid 2008.
- Transport Sector Strategic Directions Document (2006/07)
- National Land Transport Programme Guidelines: 2008/09 Land Transport Programmes
- Getting There - On Foot, By Cycle: A Strategy to Advance Walking and Cycling in New Zealand Transport (2005)
- Road Safety to 2010
- National Energy Efficiency and Conservation Strategy (2001)
- Hamilton City Proposed District Plan (November 2001, References Version).

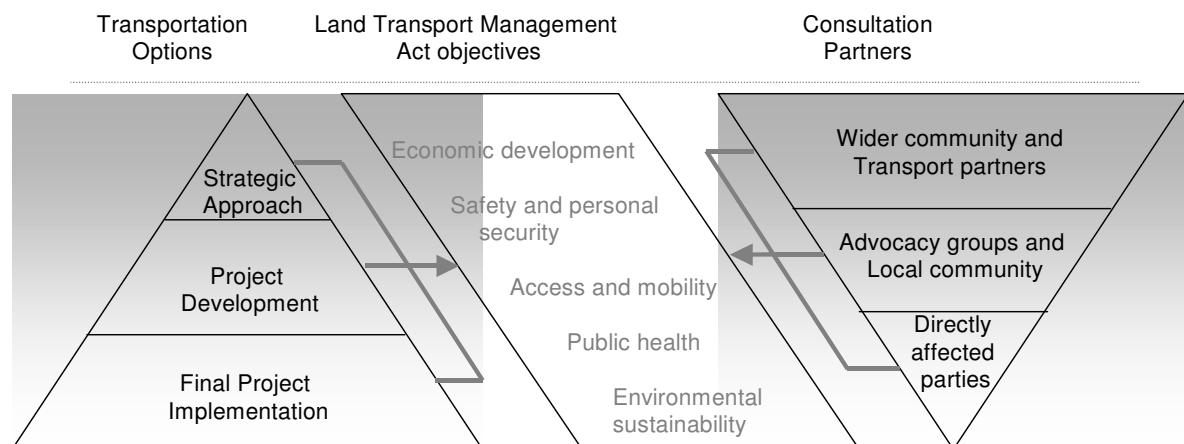
In considering and developing transport packages and individual transport projects and programmes, Council also takes into account a number of local strategies and studies. Key inputs that inform Council's project development processes include:

- Hamilton Integrated Transportation Study 1999
- Hamilton Alternatives to Roding Transportation Study (HARTS) (2005)

- Hamilton Park and Ride Study (2005)
- Hamilton Urban Growth Strategy (2005)
- Access Hamilton Strategy (2005)
- Hamilton City Safety Management System (2004)
- Hamilton's Community Outcomes (2005)
- Hamilton Cycling Policy (1995)
- Hamilton City Council Disability Strategy (2006)
- Hamilton — Auckland Commuter Rail Service Feasibility Study (2006)
- Report of the Waikato Region Joint Officials Group on Land Transport (2006)
- CityScope (Hamilton's Urban Design Strategy) (2006)
- Vista (Hamilton City Design Guide) (2007).

The diagram below outlines how consultation with the community, transport partners, advocacy groups and directly affected persons assists Council to set the city's strategic approach for transportation, develop projects and implement finalised project plans. Input is gained at each stage of this process to assist Council in considering various options to ensure that Council's transportation programme is integrated and consistent with the five objectives of the Land Transport Management Act 2003.

Council's Strategic Approach to Transportation Packages Development and Implementation



Council's Transport Committee oversees Council's provision of transportation services in the city. Transport partner organisations (including Environment Waikato, Transit New Zealand, Land Transport New Zealand and the New Zealand Police) regularly attend Council's Transport Committee meetings, as well as one-on-one meetings with Council staff and the Transport Committee Chairperson. Ongoing collaboration with these organisations helps to ensure that Council's transportation programme is integrated, responsive, sustainable, and achieves successful outcomes for the city.

In addition, at the time that Council prepares a funding application for Land Transport New Zealand, a full assessment of how the project contributes to the Land Transport Management Act's five objectives is provided.

10.3 Subsidised Projects and Programmes

The table below details Council's land transport activities for which subsidy funding has been or is anticipated to be sought from Land Transport New Zealand in 2008/09. For an overall understanding of Council's contribution to transportation in the city, the full list of packaged projects and programmes detailed in the relevant Strategic Action Plans in Volume II of Council's 2006-16 Long-Term Plan should be considered, along with the variations contained in the 2007/08 Annual Plan and this 2008/09 Annual Plan (i.e. the variations shown in the significant services entitled 'Transport: Road Network Management' and 'Transport: Access Hamilton').

Financial information for each subsidised project is also included in the relevant project or programme details contained in Volume II of Council's 2006-16 Long-Term Plan, as well as Section 8.0 (Financial Section) of the 2007/08 Annual Plan and Section 11.0 (Financial Section) of this 2008/09 Annual Plan. The table below also includes a high level assessment of how each subsidised activity contributes to the objectives of the Land Transport Management Act 2003. Projects and programmes are presented using the prescribed Land Transport New Zealand Activity Structure.

Land Transport New Zealand Activity	Gross Expenditure 2008/09 (\$)	Anticipated Land Transport New Zealand Subsidy (\$)	Land Transport Management Act Objectives				
			Assists Economic Development	Assists Safety and Personal Security	Improves Access and Mobility	Protects and Promotes Public Health	Ensures Environmental Sustainability
Activity Class 1 - Maintenance and Operation of Local Roads							
Sealed Pavement Maintenance	1,294,667	582,600		+	+		
Routine Drainage Maintenance	394,243	177,410		+		+	+
Structure Maintenance	131,595	59,218		+			
Environmental Maintenance	676,646	304,491				+	
Traffic Services Maintenance	2,212,290	995,530	+	+	+		+
Operational Traffic Management	650,698	292,814	+	+	+	+	
Cycle path Maintenance	90,013	40,506		+	+	+	+
Level Crossing Warning Devices	11,800	11,800		+			
Network and Asset Management	403,462	181,558	+	+	+		
Activity Total	5,865,414	2,645,926					
Activity Class 3 - Renewal of Local Roads							
Sealed Road Resurfacing	2,046,072	920,732		+	+		
Drainage Renewals	1,127,840	507,528		+		+	+
Pavement Rehabilitation	1,161,888	522,850		+	+		
Structures Component Replacement	26,600	11,970		+		+	+
Traffic Services Renewals	690,536	310,741	+	+	+		+
Activity Total	5,052,936	2,273,821					
Activity Class 5 - Improvement of Local Roads							
Road Studies	325,584	179,071	+	+	+	+	+
New Roads and Bridges	3,245,200	1,784,860	+	+	+	+	+
Minor Improvements	893,760	491,568	+	+	+		

Land Transport New Zealand Activity	Gross Expenditure 2008/09 (\$)	Anticipated Land Transport New Zealand Subsidy (\$)	Land Transport Management Act Objectives				
			Assists Economic Development	Assists Safety and Personal Security	Improves Access and Mobility	Protects and Promotes Public Health	Ensures Environmental Sustainability
Traffic Management	30,000	16,500		+			
Activity Total	4,494,544	2,471,999					
Activity Class 8 - Use of the Land Transport System							
System Use Studies	21,280	11,704		+	+	+	
Community Programmes	866,744	650,058		+	+		+
Cycle Facilities	2,072,672	1,139,970		+	+	+	+
Activity Total	2,960,696	1,801,732					
Activity Class 9 - Passenger Transport							
Bus and Ferry Infrastructure	266,000	146,300			+	+	+
Activity Total	266,000	146,300					
Total	18,609,590	9,323,278					

+ Denotes the activity's primary contribution to the objectives of the Land Transport Management Act.

11.0 Financial Section

(WAHANGA MONI AAWHINA)

11.1 Statement of Accounting Policies

Reporting Entity

Hamilton City Council is a territorial local authority governed by the Local Government Act 2002.

The financial statements cover all the activities of Hamilton City Council and its 100 per cent owned Council-Controlled Organisation (CCO), Hamilton Properties Ltd. As this CCO is non-trading, Council and consolidated figures have not been disclosed separately in the financial statements.

Under New Zealand International Financial Reporting Standards (NZ IFRS), Hamilton City Council is a public benefit entity (PBE) and will be subject to policies and exemptions that may not apply to Hamilton Properties Ltd. Where PBE treatment of specific issues differs from the usual treatment, this fact is noted in each policy.

The financial statements of Hamilton City Council are for the year ended 30 June 2009.

Basis of Preparation

The financial statements of Hamilton City Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property and financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of financial performance.

Standards and interpretation issued and not yet adopted -

There are no standards, interpretations, and amendments that have been issued, but are not yet effective, that Council has not yet applied.

1. Basis of Consolidation

Subsidiaries

The results of Hamilton Properties Ltd have been consolidated using the purchase method. The company's balance date is 30 June. The company is inactive.

Associate Companies

These are entities which the Council has significant influence, but not control, over operating and financial policies.

The results of Waikato Regional Airport Ltd and Hamilton Riverview Hotel Ltd have been reflected in the financial statements on an equity accounting basis. This method shows the share of surpluses/deficits in the Statement of Financial Performance and the original investment updated for the share of post-acquisition changes in net assets of the associates, in the Statement of Financial Position.

2. Revenue Recognition

Revenue is measured at the fair value of consideration received.

Rates Revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Other Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Traffic and parking infringements are recognised when tickets are issued.

Land Transport New Zealand roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council (with or without conditions) are recognised as revenue when control over the assets is obtained.

Interest income is recognised as it accrues, using the effective interest method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

Dividend income is recognised when the right to receive payment is established.

Development and Financial Contributions are recognised in the Statement of Financial Performance on the date the contributions are invoiced, on the basis these contributions relate to projects within the 2006-16 Long-Term Plan, and contributions have been taken in anticipation of these projects being undertaken.

3. **Borrowing Costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

4. **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

5. **Income Tax**

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

6. Property, Plant and Equipment

- (i) (a) Property, plant and equipment consists of:

Operational Assets

These include land, buildings (which includes cultural assets, community and leisure facilities), improvements, non-restricted parks and gardens, plant and equipment, vehicles, sports areas and library books.

Zoo Animals

Zoo animals are held primarily for a social and recreational purpose. The capital cost consists of the actual expense incurred in acquiring the Zoo animals.

Restricted Assets

These are parks and reserves owned by Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

Heritage Assets

These are museum collections and library collections (New Zealand Room).

Infrastructural Assets

These are the fixed utility systems owned by Council. Each asset type includes all items that are required for the network to function.

- (b) Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential

associated with the item will flow to Council and the cost of the item can be measured reliably.

(ii) Valuation

Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out with sufficient regularity to ensure that the carrying value does not differ materially from that which would be determined using fair value at balance date.

Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset.

Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the Statement of Financial Performance to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the Statement of Financial Performance.

A net revaluation decrease for a class of assets is recognised in the Statement of Financial Performance, except to the extent that it reverses a revaluation increase previously recognised in the revaluation reserve provided a credit balance exists for the same class of asset in the revaluation reserve.

Assets have been valued as follows:

- **Operational Buildings** have been valued at fair value as determined from market-based evidence by independent valuers, otherwise depreciated replacement cost. SPM Consultants Ltd performed the most recent valuation and was effective as at 1 July 2006.
- **Parks and Garden Improvements** have been valued at replacement value by MWH and the valuation was effective as at 1 July 2006.
- **Plant and Equipment (excluding Vehicles)** was valued based on market value by Beca and the valuation was effective as at 1 July 2001. Under NZ IFRS, Council has elected to use the fair value of land under roads at 1 July 2001 as deemed cost. Plant and equipment is longer revalued.
- **Zoo Animals** was valued based on estimated replacement cost by the Zoo Manager and the valuation was effective as at 1 July 2001. Under NZ IFRS, Council has elected to use the fair value of land under roads at 1 July 2001 as deemed cost. Zoo animals are no longer revalued.
- **Heritage Assets** have been valued by professionally qualified library staff (library collection) and an independent consultant (museum collection). The most recent valuation was effective as at 1 July 2006.
- **Infrastructural Assets (excluding Land)** have been valued at depreciated replacement cost by independent valuers.

MWH performed the valuations of the Water Treatment Station and Wastewater Treatment Station and the valuations were effective as at 1 July 2006.

MWH performed the most recent valuations of other Infrastructural assets and were effective from as at 1 July 2007.

- **All Land (excluding Land Under Roads)** was valued at fair value as determined from market-based evidence by independent valuers, Quotable Value and the valuation was effective as at 1 July 2006.
- **Land Under Roads** was valued based on fair value of adjacent land determined by Beca and the valuation was effective as at 1 July 2001. Under NZ IFRS, Council has elected to use the fair value of land under roads as at 1 July 2001 as deemed cost. Land under roads is no longer revalued.
- **Work in Progress.** All costs associated with the development of land and buildings and other assets are initially recognised as work in progress. On completion, the total cost of the project is transferred to the appropriate asset class and then depreciated.
- **Vested Assets.** Certain infrastructural assets and land have been vested in Council as part of the sub-divisional consent process. The vested reserve land has been valued at the latest appropriate valuation or at a mutually agreed market value or at a value determined through arbitration. Vested infrastructural assets have been based on the actual quantities of infrastructural components vested and current 'in the ground' cost of providing identical services.

(iii) Depreciation

Depreciation is provided on a straight-line basis at rates, which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

▪ Buildings	40 - 100 years	1%-2.5%
▪ Plant and Vehicles	3 - 15 years	6.6%-33.3%
▪ Furniture, Fittings and Equipment	5 - 10 years	10%-20%
▪ Library Books	14 years	7.1%
▪ Zoo Animal (acquisition costs)	10 years	10%
▪ Roads and Traffic Network:		
top surface (seal)	6 - 18 years	5.5%-16.6%
pavement (basecourse)	25 - 50 years	2%-4%
catchpits	50 years	2%
culverts	60 - 80 years	1.25%-1.6%
footpaths	50 - 70 years	1.4%-2%
kerbs and traffic islands	70 years	1.4%
signs	12 years	8.3%
street lights	25 years	4%
bridges	150 years	0.6%
traffic signals	15 years	6.6%
barriers	25 - 40 years	2.5%-4%
bus shelters and parking meters	4 - 10 years	10%-25%
verge, embankment and retaining walls	60 years	1.6%
▪ Wastewater Reticulation:		
pipes	60 - 100 years	1%-1.6%
manholes	75 years	1.3%

treatment plant	5 - 100 years	1%-20%
bridges	75 - 100 years	1%-1.3%
pump-stations	15 - 100 years	1%-6.6%
▪ Stormwater System:		
pipes	100 years	1%
manholes, cesspits	100 years	1%
service connections and outlets	30 - 100 years	1%-3.3%
▪ Water Reticulation:		
pipes	60 - 80 years	1.25%-1.6%
butterfly valves	50 - 75 years	1.3%-2%
treatment plant	10 - 120 years	0.8%-10%
meters	20 years	5%
hydrants	50 years	2%
reservoirs	30 - 80 years	1.25%-3.3%
▪ Heritage assets are depreciated by a nominal amount to reflect their extremely long life and heritage value.		

Depreciation is not provided in these statements on the following assets:

- Land
- Formation costs associated with roading
- Investment properties
- Properties for resale
- Work in progress and assets under construction

Any work undertaken on infrastructural assets to reinstate (termed 'renewal') or add to the service potential is capitalised.

7. Investment Properties

Investment properties, which are held to earn rental income and/or for capital appreciation, are stated at fair value. These assets consist of investment properties owned by Council, funded either from Corporate Funds, the Domain Sales Endowment Fund or the Municipal Crown Endowment Fund.

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Financial Performance for the period in which they arise.

The investment property portfolio is valued on an annual basis by two independent valuers, Telfer Young (Waikato) Limited and Darroch Valuations.

8. Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and

other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

9. Intangible Assets

Intangible assets comprise:

- Computer software licences. They are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (5 years).
- Resource consents which are not attributed to a specific asset. They are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (7 to 35 years).

10. Impairment of Non-Financial Assets

The carrying amount of the Council's assets, other than investment property and inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of an asset are not primarily dependant on the asset's ability to generate net cash flows, and where the Council, if deprived of the asset, replace its remaining future economic benefits, value in use shall be determined as the depreciated replacement cost of the asset.

Where the Council accounts for revaluations of property, plant and equipment on a class of asset basis, an impairment loss on a revalued asset is recognised directly against any revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

Where the Council accounts for revaluations of property, plant and equipment on a class of asset basis, a reversal of an impairment loss on a revalued asset is credited directly to the revaluation reserve. However, to the extent that an impairment loss on the same class of asset was previously recognised in the Statement of Financial Performance, a reversal of that impairment loss is also recognised in the Statement of Financial Performance.

11. Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any estimated costs of completion and selling expenses.

The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

12. Financial Instruments

Financial assets and liabilities are recognised on the Council's Statement of Financial Position when the Council becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

- **Trade and Other Receivables**

Trade and other receivables are stated at cost less provision for impairment.

- **Investments**

The Council classifies its investments in the following categories:

Loans and Receivables

Loans and receivables, such as general and community loans, mortgages, deposits and term deposits, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are measured at initial recognition, at fair value, and subsequently carried at amortised cost less impairment losses.

Held-to-Maturity Investments

Held-to-maturity investments, such as the Sinking Fund, are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. They are measured at initial recognition at fair value, and subsequently carried at amortised cost less impairment losses.

Other Investments

Investments other than held-to-maturity are classed as either investments held-for-trading or as available-for-sale and are stated at cost less the annual test for impairment. For assets designated as held-for-trading, any resultant gain or loss from changes in the value are recognised in the Statement of Financial Performance. For assets designated as available-for-sale, which are measured at fair value, any resultant gain or loss from changes in the fair value is recognised in equity e.g. the 7.69 per cent share in Local Shared Services Ltd.

- **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(ii) Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Council after deducting all of its liabilities.

- **Bank Borrowings**

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to the Statement of Financial Performance using the effective interest method and are added to the carrying amount of the

instrument to the extent that they are not settled in the period in which they arise.

- **Net Debt**

Net debt will be reported in total (Total Net Debt), as well as under two subtotals:

- Council Net Debt, comprising debt which is to be funded from:
 - Reserves,
 - Access Hamilton, and
 - Rates.
- Development Contributions Net Debt, which is to be funded from:
 - Development and Financial Contributions (DCL)

Refer to Liability Management Policy in Section 5 of Volume II of the 2006-16 Long-Term Plan for more information.

- **Trade and Other Payables**

Trade and other payables are initially measured at fair value, and where appropriate are subsequently measured at amortised cost, using the effective interest rate method.

- **Derivative Financial Instruments and Hedge Accounting**

The Council's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. Council uses foreign exchange forward contracts and interest rate swaps to manage their foreign currency and interest rate exposure. Derivative financial instruments are recognised initially at fair value. The Council has elected not to hedge account for these derivative financial instruments.

Changes in the fair value of the derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Financial Performance.

13. Employee Benefits

Provision is made in respect of the liability for annual leave, long service leave, retirement gratuities and short-term compensated absences.

The provision for annual leave and long service leave has been calculated on an actual entitlement basis at current rates of pay.

The provision for retirement gratuities has been calculated on an actuarial basis bringing to account what is likely to be payable in the future in respect of service that employees have accumulated up until twelve months after balance date.

Payments to defined contribution superannuation schemes are recognised as an expense in the financial statements as incurred.

The provision for short-term compensated absences (e.g. sick leave) has been measured as the amount of unused entitlement accumulated at the pay period ending immediately prior to the balance date, that the entity anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

14. Leases

Leases consist of:

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

15. Provisions

A provision is recognised in the Statement of Financial Position when the Council has a present obligation as a result of a past event, it is probable that an outflow of economic benefits, and the amount of which can be reliably estimated, the Council will be required to settle that obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

16. Landfill Post-Closure Costs

Council, as operator of the Horotiu landfill, which was closed on 31 December 2006, has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to Council.

All subsequent changes in the liability shall be recognised in the Statement of Financial Performance and the periodic unwinding of the discount will also be

recognised in the Statement of Financial Performance as a finance cost as it occurs.

17. Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Revaluation reserves
- Restricted reserves
- Council created reserves

Retained earnings comprise accumulated surpluses over the years.

Revaluation Reserves comprise accumulated revaluation increments/decrements.

Restricted Reserves are those funds subject to external restrictions accepted as binding by Council, which may not be revised by Council without reference to the Courts or a third party.

Council Created Reserves are formally imposed designations of public equity that indicate Council's intention to use a certain level of resources for a special purpose.

18. Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are recorded at the point at which the contingency is evident and if the possibility that they will materialise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

19. Statement of Cash Flows

Cash comprises cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of Council and cash payments made for goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in debt capital structure of Council.

20. Cost of Service Statements

The Cost of Service Statements reports the costs and revenues relating to the significant activities of Council.

Expenditure includes an allocation of support services and an allocation of interest.

- Support services are those activities, which are not considered to be direct services to the public and are allocated across the significant activities on a basis, which reflects usage of the support services. Included in the allocation for support services is an allocation of the business unit surpluses/deficits. These are allocated where possible on a usage basis.
- Interest is allocated to the outcome area on the basis of the book value of land and buildings employed for each item in the Cost of Service Statements except for water, wastewater, stormwater, refuse, transport centre, outdoor stadium, community assistance grants, economic development grants, property improvements and any other specific projects where the interest on the value of loans appropriated for those activities are allocated entirely to the outcome area.

21. Critical Judgements and Estimations in Applying the Council's Accounting Policies

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

Management has made the following judgements and estimations that have the most significant effect on the amounts recognised in the financial statements:

Property Plant and Equipment

As the Council is a Public Benefit Entity, property plant and equipment are valued at depreciated replacement cost that is based on an estimate of either fair value or current gross replacement costs of improvements less allowances for physical deterioration, and optimisation for obsolescence and relevant surplus capacity. There are certain assets such as wastewater or stormwater related assets which may be affected by changes in the measurement of qualitative standards which could affect the results of future periods.

The depreciation method used reflects the service potential of assets and is reviewed each year to ensure that there is no under maintenance of assets which could affect the results of future periods.

Landfill Post-closure Provision

The estimate of the provision for landfill post-closure costs is based on assumptions, which may be influenced by changes in technology and society's expectations and could affect future results.

22. Prospective Financial Information

The purpose for the preparation of the prospective financial statements is to enable ratepayers, residents and any other interested parties, to obtain information about the expected future financial performance, position and cash flows of Hamilton City Council for the year ending 30 June 2009. The information contained in these statements may not be appropriate for the purposes other than as previously described.

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates and the variations may be material.

The financial information contained in this document is prospective financial information. Significant forecasting assumptions are disclosed under Section 8 - Other Financial Policies and 2006-16 Long-Term Plan Assumptions (Volume II of the Funding and Financial Policy).

11.2 Significant Forecasting Assumptions and Risks

Significant forecasting assumptions and risks underlying the financial estimates in the Annual Plan are identified in the 2006-16 Long-Term Council Community Plan. For further details refer to Section 3, Volume 2 of the 2006-16 Long-Term Plan.

Some assumptions have changed and impacted on this Annual Plan. Those changes to assumptions and risks are detailed as follows:

Sale of Assets

The sale of Waiwhakareke Lake subdivision has been deferred from 2007/08 to 2009/10. In the 2006-16 Long-Term Plan, proceeds from this sale were budgeted to repay debt (funded by rates). This debt repayment is now budgeted to occur in 2009/10. No other assets sales are budgeted, apart from the operational replacement of motor vehicles.

Interest Rates on Borrowing

Interest paid on new debt has been budgeted at a rate of 9.05% in 2008/09, before adjustment for existing financial instruments used to manage interest rate risk (e.g. Swaps) in this Annual Plan. In the 2006-16 Long-Term Plan interest paid on new debt was budgeted at 7.53% for 2008/09.

Growth Rates

The projected long-term growth rates for the city have been reviewed as part of the Development and Financial Contributions Policy. This has resulted in some minor adjustments to the growth predictions over the period of the 2006-16 Long-Term Plan and some reductions to population and new units of demand predictions beyond this timeframe, both of which impact on the levies and total revenue forecast to be recovered by the Development and Financial Contributions Policy.

11.3 Financial Statements

Proposed Statement of Financial Performance For the Year Ended 30 June 2009

	Note	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Revenue			
Rates	1	99,347	97,604
Other revenue	2	81,509	77,791
Other gains/(losses)		0	0
Total Operating Revenue		180,856	175,395
Expenditure			
Other expenses	3	94,358	101,397
Finance costs	4	26,316	21,828
Depreciation and amortisation	5	35,300	40,460
Total Operating Expenditure		155,974	163,685
Revaluation of investment properties		1,350	1,350
Share of associate's retained surplus		670	670
Net Surplus		26,902	13,730

Projected Statement of Changes in Equity For the Year Ended 30 June 2009

	Note	LTP 2008/09 \$000	2008/09 \$000
Equity balance at 1 July		1,713,213	2,795,958
Net surplus for the year		26,902	13,730
Net increase in revaluation of assets		66,779	66,779
Total recognised revenue/(expense) for the year		93,681	80,509
Equity at 30 June 2009		1,806,894	2,876,467

The accompanying statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements

Proposed Statement of Financial Position

For the year ended 30 June 2009

	Note	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Equity			
Retained earnings	9	1,399,796	1,623,804
Revaluation reserves	9	391,165	1,241,902
Restricted reserves	9	4,074	4,348
Council created reserves	9	11,859	6,413
Total Equity		1,806,894	2,876,467
Assets			
Current Assets			
Cash and cash equivalents		0	0
Other financial assets	6	0	0
Trade and other receivables		10,640	10,640
Inventories		571	571
Derivative financial instruments		543	113
Total Current Assets		11,754	11,324
Non-Current Assets			
Property, plant and equipment		2,159,527	3,083,841
Investment property		44,902	61,001
Intangible assets		8,149	3,843
Other financial assets	6	564	1,292
Investment in associates	7	15,837	29,491
Derivative financial instruments		0	5,908
Total Non-Current Assets		2,228,979	3,185,376
Total Assets		2,240,733	3,196,700
Liabilities			
Current Liabilities			
Trade and other payables		21,280	21,280
Employee benefits		3,500	3,500
Borrowings	8	19,593	12,832
Finance lease liability		767	700
Derivative financial instruments		506	0
Total Current Liabilities		45,646	38,312
Non-Current Liabilities			
Employee benefits		1,500	1,500
Finance lease liability		2,764	1,196
Borrowings	8	379,597	275,693
Landfill aftercare provision		3,532	3,532
Derivative financial instruments		800	0
Total Non-Current Liabilities		388,193	281,921
Total Liabilities		433,839	320,233
Net Assets		1,806,894	2,876,467

The accompanying statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements

Proposed Statement of Cashflows For the Year Ended 30 June 2009

	Note	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Cash flows from operating activities			
Cash will be provided from:			
Rates revenue	1	99,347	97,604
Fees, rents and charges		34,820	40,231
Petrol tax		1,064	1,064
Government operating subsidies and grants		3,114	3,428
Government capital subsidies and grants	2	16,472	4,343
Other capital contributions	2	17,777	20,440
Interest received	2	10	33
Dividends	2	252	252
		172,856	167,395
Cash will be applied to:			
Salaries and wages		45,657	54,563
Payments for supplies and services		50,767	46,834
Interest paid		25,837	21,828
		122,261	123,225
Net Cash Inflow from Operating Activities		50,595	44,170
Cash flows from investing activities			
Cash will be provided from:			
Sinking funds withdrawn		0	1,526
Sale of assets		0	106
		0	1,632
Cash will be applied to:			
Purchase of fixed assets		148,473	115,186
		148,473	115,186
Net Cash (Outflow) from Investing Activities		(148,473)	(113,554)
Cash flows from financing activities			
Cash will be provided from:			
Loans uplifted		108,809	87,075
		108,809	87,075
Cash will be applied to:			
Loan repayments		10,165	16,006
Finance lease repayments		766	1,685
		10,931	17,691
Net Cash Inflow from Financing Activities		97,878	69,384
Net increase (decrease) in cash held		0	0
Plus opening cash balance 1 July		0	0
Closing Cash Balance 30 June 2008		0	0
Made up of:			
Cash and bank		0	0
Closing Cash Balance 30 June 2008		0	0

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	SAP	LTP 2008/09 \$000		Annual Plan 2008/09 \$000							Funding Source
		No.	Expenditure	Expenditure	FUNDED BY						
					Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	
Investing in our People											
Cemeteries and crematorium											
Hamilton Park Cemetery administration building upgrade	R/D	659.0	56	11							11
Hamilton Park Cemetery ash burial extensions		660.0	64	64							64
Hamilton Park Cemetery chapel audio & visual upgrade		662.0	16	16							16
Hamilton Park cemetery burial lawn extensions	N	844.0		50							50
City beautification											
Asset renewal (city beautification)		65.0	11	11							11
Hamilton Gardens											
Hamilton Gardens development		99.0	133	133							133
Hamilton Gardens vehicle barriers		478.0	36	36							36
Hamilton Gardens infrastructure development programme	R	559.0	242	265		112					153
Asset renewals (structures)-Hamilton Gardens	T	754.0	45								
Housing services PMU											
Housing upgrade programme	D	654.0	2,155								HU/UC
Parks and gardens											
Land purchase for reserves	D	118.0	1,425	612		612					
Land acquisition/development of esplanade programme		120.0	21	21		9		12			
Cultural sites (incl Waahi Tapu) recognition programme		121.0	1	1							1
Gully park development programme		122.0	21	21				21			PW
Passive park programme development		124.0	96	96		96					
Hamilton Lake Domain redevelopment		125.0	10	10							10
Asset renewals (structures)-Parks and Gardens		129.0	39	39							39
Riverbank stability programme		130.0	138	138				138			PW
Pedestrian linkage on parks	R	136.0	128	182		182					
Recreation equipment programme	R	137.0	136	164		65					99
Nursery upgrade		138.0	16	16							16

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000		Annual Plan 2008/09 \$000								Funding Source
	SAP		FUNDED BY								
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	
Carpark maintenance programme	139.0	206	206							206	UC
Parks & Gardens asset renewals	143.0	85	85							85	
Park seats	483.0	11	11							11	
Waiwhakareke Natural Heritage Park funding	609.0	178	178		48		66		64		
Asset renewals (structures)-Hamilton Gardens	T 754.0		45							45	
Land acquisition infill	800.0	85	85		85						
Sports areas											
Asset renewals-Sports Areas	163.0	53	53							53	
Cricket wicket renovations at Jansen & Galloway Parks	N 834.0		132							132	
Swimming facilities											
Asset renewal Waterworld	212.0	117	117							117	
Asset renewal Gallagher Aquatic Centre	213.0	43	43							43	
North east sector new pool	351.0	1,064	1,064		553	511					
Car park extension-Gallagher Aquatic Centre	D 712.0		112								
Waterworld point of sale system	N 855.0		108							108	
Toilets											
Public toilets	R 221.0		137							171	
Total Investing in our people		6,879	4,184		1,762	511	237		64	1,610	

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**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000		Annual Plan 2008/09 \$000								Funding Source
	SAP		FUNDED BY								
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	
Creating Identity and Prosperity											
Economic development											
Christmas decorations		85.0	53	53						53	
Investment in Innovation Park	N	863.0		2,400			2,400				
Libraries											
Library collection purchases		106.0	1,151	1,151						1,151	
Libraries asset renewal		698.0	74	74						74	
Libraries improvement programme		699.0	61	61						61	
Libraries information & communication technology	D	700.0	18								
Parking enforcement											
Parking meter replacement		117.0	21	21						21	
Hamilton City Theatres											
Theatre improvements programme		219.0	85	85						85	
Theatres equipment renewals		220.0	249	249						249	
Claudeland Events Centre											
Claudeland indoor stadium/events centre upgrade	R/T	524.0	29,273	13,828		830	12,998				
Claudeland Event Centre upgrade	T	666.0									
Equipment hire pool		667.0	14	14						14	
Renewals		671.0	117	117						117	
Tiered seating renewal	D	672.0	75								
Telecommunications upgrade	N	684.0		107						107	
Waikato Museum of Art and History											
Museum development fund		708.0	43	43						43	
Museum renewals		710.0	135	135						135	

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000		Annual Plan 2008/09 \$000								Funding Source
	SAP		FUNDED BY								
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	
Waikato Stadium											
Waikato Stadium No.1 ground turf renewal	488.0	479	479			479					
Waikato Stadium asset renewal	531.0	45	45							45	
Rugby goal post replacement	680.0	59	59							59	
Seddon Park											
Seddon Park asset renewals	532.0	11	11							11	
Seddon Park grounds maintenance renewals	650.0	17	17							17	
Zoo											
Zoo development programme No 1	310.0	353	353								353
Renewal animal enclosures	718.0	85	85								85
Renewal buildings structures etc	719.0	96	96								96
Zoo visitor shelters	725.0	64	64								64
Security perimeter fencing	768.0	284	284								284
Creating identity and prosperity		32,862	19,831		830	15,877					3,124

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

		LTP 2008/09 \$000		Annual Plan 2008/09 \$000							Funding Source
		SAP		FUNDED BY							
		No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	
Protecting our Future											
Transport: Access Hamilton											
	D	375.0	12,768								
		457.0	53	53	53						
	D	526.0	160								
	D	529.0	1,915	679	199	107			373		
	D	530.0	1,290								
	D	544.0	213								
	R	545.0	713	1,000	291	159			550		
		728.0	34	34	15				19		
	D	730.0	319								
	D	735.0	2,128								
	D	744.0	851								
		772.0	106	106	48				58		
	R	778.0	463	469	211				258		
	R	780.0	442	497	224				273		
	D	803.0	3,192	287	186	101					
	N	861.0		3,000	3,000						
Carriageways management											
		17.0	122	122		122					
		30.0	53	53							53
		40.0	1,128	1,128					508		621
		41.0	1,162	1,162					523		640
	R	44.0	1,514	2,046					920		1,126
		46.0	53	53					24		29
		553.0	284								
	R/D	554.0	16,927								
	R/D	555.0	20,436	2,152		1,222	930				
		610.0		420		357					63
	R	765.0	11	43					32		11

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

		LTP 2008/09 \$000		Annual Plan 2008/09 \$000								
		SAP			FUNDED BY						Funding	
		No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Footpaths, cycleways and verges												
		92.0	1,325	1,325							1,325	
	R	94.0	21	32							32	
		97.0	60	60							60	
Refuse (excl Horotiu)												
	R	563.0		894			894					
		564.0	27	27							27	
Refuse disposal (Horotiu)												
		746.0	15	15							15	
Stormwater reticulation												
		165.0	266	266						266		
		167.0	122	122							122	
		168.0	53	53		53						
	R	170.0	421	465		465						
		172.0	532	532		532						
		175.0	225	225							225	
	R	176.0	596	381							381	
		178.0	59	59							59	
	D	180.0	32									
		388.0	90	90				90				PW
	R	548.0	997	2,880		2,880						
		573.0	290									
		574.0	573									

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**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000		Annual Plan 2008/09 \$000								Funding Source
	SAP		FUNDED BY								
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Deprn	
Traffic services/street lighting											
Minor safety improvements	222.0	319	320	144				176			
Traffic improvements	223.0	160	160	72				88			
Traffic calming	224.0	160	160	72				88			
Amenity lighting	226.0	37	37							37	
Installation of new street lights	227.0	213	213					117		96	
Bus shelters	229.0	21	43				43				BS
Street furniture	230.0	21	21							21	
Replacement of existing street lights	231.0	354	354					159		195	
Traffic signal renewal	232.0	96	96					43		53	
Street sign renewal	233.0	187	187					84		103	
Traffic signal controller replacement	234.0	53	53					24		29	
Safety barriers renewal	235.0	27	27					13		14	
Electronic traffic information signage	416.0		30					13		17	
Wastewater reticulation											
Customer connections to the network	R 239.0	213	287						287		
Rototuna wastewater trunk mains	R 242.0	920	1,294		1,294						
Network upgrades for infill development (WW)	244.0	106	106		106						
Network upgrade to subdivisional standards	R 245.0	479	100							100	
Refurbishment of interceptors & trunk services	247.0	851	851							851	
Replacement of pumping station SCADA system	R 249.0	266	306							306	
Replacement asbestos cement rising mains	250.0	133	133							133	
Pump station asset management upgrades	251.0	192	192							192	
Pump station storage	R 253.0	128	339							339	
Corrosion venting of interceptors	255.0	74	74							74	
Rotokauri wastewater trunk mains	R 547.0	521	532		532						
Pump station electrical components	577.0	149	149							149	
Pump station standby generator	D 578.0	32									
Peacocke wastewater trunk mains	581.0	1,016									
Peacocke stage 1	R 797.0	6,118									

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**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

		LTP 2008/09 \$000		Annual Plan 2008/09 \$000							Funding	
		SAP			FUNDED BY						Source	
		No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	
Pump station maintenance access	N	812.0		52							52	
Temple View upgrade wastewater	N	857.0		50		10	40					
Wastewater treatment plant												
Wastewater Treatment Plant upgrade	R	238.0	223	6,400		5,120	1,280					
WWTP capital improvements		305.0	74	74							74	
WWTP asset renewals		307.0	171	171							171	
Water reticulation												
Customer connections to the water network	R	261.0	181	266						266		
Rototuna water supply trunk mains	R	262.0	317	339		339						
Water network new mains	R	267.0	585	293							293	
Water network mains renewal	R	269.0	1,170	1,127							1,127	
Water network fitting renewals	R	270.0	288	201							201	
Bulk main valve automation		272.0	85	85							85	
Restricted supply to rural properties		274.0	14	14							14	
Rotokauri reservoir & associated bulk mains	D	276.0	532									
Bulk main augmentation & extension	D	277.0	2,383	64		64						
Water supply emergency plan		280.0	5	5		1					4	
Trunk mains duplication (Temple View)		477.0	1,138	1,138			1,138					
Rotokauri water supply trunk mains	R	549.0	245	348		348						
Installation of new water meters	R	561.0		48							48	
Citywide backflow device installation		565.0	266	266							266	
Peacocke water supply trunk mains	B	593.0	153									
Network upgrades for infill development	R	595.0		319		319						
Water demand management	N	858.0		130							130	

**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000			Annual Plan 2008/09 \$000							Funding Source
	SAP			FUNDED BY							
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	
Water treatment station											
Reservoir asset renewals	278.0	59	59								59
WTS asset renewal	294.0	134	134								134
WTS filter improvements	298.0	239	239								239
Reservoir capital improvements	304.0	90	90								90
WTS capital improvements (resource)	519.0	37	37		33						4
Capital improvements	764.0	2	2								2
Protecting Our Future		93,283	38,745	4,515	14,164	4,282	133	4,343	819	10,489	
Corporate Contribution											
City Parks											
Northern City Parks works depot	D 400.0	292									
Design services											
Survey equipment renewal	546.0	9	9								9
Information management											
Data capture	R 102.0	186									
IT system upgrades	R 444.0	170	580								580
IT system enhancements	R 639.0	667									
Property and risk management (support)											
Vehicles and plant replacement	149.0	1,127	1,127								1,127
Property management capital asset renewal	R/T 150.0	2,360	2,185								2,185
Waterworld Pool concourse re-tiling	646.0	578	578			578					
Pensioner Housing renewals	647.0	546	546								546
Additional Fleet	726.0	176	176								176
Public toilet upgrades	773.0	98	98								98

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**Proposed Capital Expenditure Statement
For the Year Ended 30 June 2009**

	LTP 2008/09 \$000			Annual Plan 2008/09 \$000							Funding Source	
	SAP	Expenditure	Expenditure	FUNDED BY								
	No.			Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn		
Property and risk management (support)												
Vehicles and plant replacement		149.0	1,127								1,127	VR
Property management capital asset renewal	R/T	150.0	2,360	2,185							2,185	
Waterworld Pool concourse re-tiling		646.0	578	578			578					
Pensioner Housing renewals		647.0	546	546							546	
Additional Fleet		726.0	176	176							176	
Public toilet upgrades		773.0	98	98							98	
Strategic												
City Heart revitalisation	R/T	228.0	9,310	7,394			7,394					
Utilities												
Tools of trade		642.0	22	22							22	
Corporate Contribution			15,540	12,715			7,972				4,743	
Total			148,564	75,475	4,515	16,756	28,642	370	4,343	883	19,966	

Variations to LTCCP

B	Bought forward
D	Deleted/Deferred
N	New
R	Revised costing
T	Transfers

Funding Source Key

Vehicle and Plant Reserve	VR
User Charges/Other Contributions	UC
Mighty River Power Reserve	MR
Bus Shelter Reserve	BS
Project Watershed Reserve	PW
Housing Upgrade Reserve	HU

Proposed Financial Statements for the Year ended 30 June 2009

Note 1: Rates Revenue

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
General rates	93,781	93,407
Targeted rates attributable to activities:		
Access Hamilton	5,500	4,000
100% non-rateable land	404	670
50% non-rateable land	43	90
	99,728	98,167
Rates penalties	585	585
Less rates remissions	(252)	(434)
Less rates charged to Council properties	(714)	(714)
Total Rates Revenue	99,347	97,604

Note 2: Other Revenue

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Revenue		
Investing in our people	7,283	7,599
Creating identity and prosperity	17,042	20,087
Protecting our future	17,656	19,778
	41,981	47,464
Less internal revenue	(4,047)	(4,047)
Total Revenue	37,934	43,417
Capital Contributions		
Land Transport New Zealand capital subsidies	15,395	4,343
Housing New Zealand subsidies	1,077	0
Vested assets	8,000	8,000
Contributions to project watershed reserve	641	641
Contributions to DCL reserve/infrastructure reserve	15,191	18,649
Contributions for bus shelter (Adshel) reserve	61	61
Other contributions/grants	1,884	883
Total Capital Contributions	42,249	32,577
Sundry Revenue		
Petrol tax	1,064	1,064
CTC Aviation Training (NZ) Ltd recoveries	0	65
Tainui contribution	0	206
Dividends	252	252
Investment income	10	33
Other income	0	177
Total Sundry Revenue	1,326	1,797
Total Other Revenue	81,509	77,791

Proposed Financial Statements for the Year ended 30 June 2009

Note 3: Other Expenses

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Investing in our people	40,997	41,393
Creating identity and prosperity	42,436	46,144
Protecting our future	78,339	82,869
	161,772	170,406
less Internal expenditure	(4,047)	(4,047)
less Rates charged to Council properties	(714)	(714)
less Interest on internal borrowing	(1,070)	(2,161)
Total external expenses	155,941	163,484
Other expenditure	33	201
	155,974	163,685
less Finance costs	(26,316)	(21,828)
less Depreciation and amortisation	(35,300)	(40,460)
Total Other Expenses	94,358	101,397

Note 4: Finance Costs

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Interest expense		
Interest on bank borrowings	26,200	21,616
Interest on leased assets	116	212
Total Finance Costs	26,316	21,828

Note 5: Depreciation and Amortisation

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Depreciation	34,900	40,060
Amortisation	400	400
Total Depreciation and Amortisation	35,300	40,460

Proposed Financial Statements for the Year ended 30 June 2009

Note 6: Other Financial Assets

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Current portion		
Total current portion	0	0
Non-current portion		
Other Investments		
Shares in Hamilton Properties Ltd	0	0
Shares in Local Authority Shared Services Ltd	0	222
Shares in NZ Local Government Insurance Co Ltd	564	564
Waikato Regional Transport Model	0	506
Total non-current portion	564	1,292

There are no impairment provisions for other financial assets

The fair value of sinking funds are determined by reference to published price quotations in an active market

Sinking fund investments are restricted to the repayment of associated borrowings and are administered by the sinking fund Commissioners

The investment in unlisted shares are initially recognised at cost and the carrying amount is increased or decreased to recognise Council's share of the surplus or deficit after the date of acquisition

Council Investments include 1,000 shares in Hamilton Properties Ltd which are eliminated on consolidation

Other Investments are comprised as follows:

	Number of shares	% Holding
Hamilton Properties Ltd	1,000	100.00
Local Authority Shared Services Ltd		
- Ordinary shares	1	7.69
- Waikato Regional Transport Model	50,625	22.50
NZ Local Government Insurance Co Ltd	202,729	3.17

Note 7: Investment in Associates

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Hamilton Riverview Hotel Ltd (Novotel)	5,223	10,593
Waikato Regional Airport Ltd	10,613	18,631
Local Authority Shared Services Ltd	1	0
Share of movement in asset revaluation reserve	0	0
Hamilton Fibre Network	0	267
Estimated balance at 30 June 2009	15,837	29,491

Investments in Associates are comprised as follows:

	Number of shares	% Holding
Hamilton Riverview Hotel Ltd (Novotel)	6,000,000	41.38
Waikato Regional Airport Ltd	1,430,000	50.00
Hamilton Urban Fibre Network	3,486	34.86

Proposed Financial Statements for the Year ended 30 June 2009

Note 8: Borrowings

The city's debt has been issued in accordance with the Local Government Act 2002. The loans are secured through the debenture trust deed over all rates with one exception. The \$5.204m loan used to purchase Claudelands Park is secured by way of a mortgage .

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Maturity analysis		
Payable no later than one year	21,103	12,832
Later than one, and not later than two years	17,582	33,556
Later than two years and not later than five years	55,034	90,920
Later than five years	305,471	151,217
Net Term Debt (excluding lease liabilities)	399,190	288,525
Payable no later than one year	21,103	14,342
Less renewal loans to be raised	(1,510)	(1,510)
Current	19,593	12,832
Non-current	379,597	275,693
Net Term Debt (excluding Internal Borrowing & Other Debt Adjustments)	399,190	288,525
EECA loans	25	25
WRAL - Airport Land	0	1,750
Internal borrowing	20,000	40,000
Net Term Debt (including Internal Borrowing & Other Debt Adjustments)	419,215	330,300
Overall net debt will be funded in subsequent years as follows:		
Funded by reserves & Access Hamilton (Knox St carpark)	7,380	7,518
Funded by Access Hamilton reserve	29,694	24,005
Funded by rates	188,820	164,049
Closing Balance Council Net Debt	225,894	195,572
Funded by development contributions	193,321	134,728
Closing Balance Total Net Debt	419,215	330,300

DEBT SERVICING PERFORMANCE LIMITS**Policy Limits - Council Net debt**

1. Interest on council debt (excluding interest on DCL debt) as % of total rating income	Max 20%	13.3%	11.4%
2. Net debt (council) as % of total income (excluding total DCL contributions received p.a. in income)	Max 180%	138%	131%
3. Net Debt (Council) per capita	Max \$1800	\$1,509	\$1,374

Policy Limits - Total Net debt

1. Net debt as % of total assets	Max 25%	18%	10%
2. Net debt as % of total income	Max 300%	239%	197%
3. Interest (total) as % of total income (including total DCL contributions received p.a. in income)	Max 20%	15.6%	12.9%
4. Liquidity (on total net debt & working capital)	Min 110%	110%	118.2%

Council uses synthetic instruments (swaps and FRAs) to manage its interest rate risk profile based on independent professional advice

Term debt includes an interest free loan from the Energy Efficiency and Conservation Authority (EECA)

Council has analysed the overall net debt based on the sources of funding used to repay the principal and interest cost for subsequent financial years

The statement of financial performance reflects a net off of internal borrowing interest to eliminate the internal interest charged to the statements of strategic intent

Proposed Financial Statements for the Year ended 30 June 2009

Note 9: Equity

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Retained Earnings		
Opening balance	1,374,864	1,604,848
Net surplus	26,902	13,730
Transfers (to)/from restricted and council created reserves	(1,970)	5,226
Total Retained Earnings	1,399,796	1,623,804
Revaluation Reserves		
General asset revaluation reserves		
Opening balance	324,386	1,175,123
Increase in revaluation of assets including intangible assets	66,779	66,779
Closing Balance	391,165	1,241,902
Restricted Reserves		
Cemetery plot maintenance in perpetuity	1,640	1,603
Domain endowment fund	2,396	2,421
Municipal crown endowment reserve	0	285
Waikato art gallery endowment	38	39
Total Restricted Reserves	4,074	4,348
Council Created Reserves		
Access Hamilton	1,479	1,332
Berm levy reserve	0	10
Bus shelter (Adshel)	180	50
Dame Hilda Ross library memorial	3	3
Disaster recovery	4,315	4,427
Horotiu reserve	114	0
Housing upgrade reserve	0	105
Museum collection	231	226
Peachgrove lounge site development	45	38
Project watershed	474	23
Reserves contribution fund	0	1,637
Roman Catholic schools library	6	6
Rotokauri/Te Rapa land sale	4,618	4,665
Septic tank reserve	4	7
Storm damage reserve	201	240
V8 Event Reserve	0	(6,007)
Waiwhakareke Lake subdivision reserve	0	(525)
WINTEC recreation area development reserve	0	(2)
Zoo animal acquisition	189	178
Total Council Created Reserves	11,859	6,413
Total Restricted and Council Created Reserves	15,933	10,761
Total Equity	1,806,894	2,876,467

Note: The 2007/08 Annual Plan figure for opening equity has been adjusted to agree with the financial statements as at 30 June 2006. Opening balances for reserves have been adjusted to reflect estimated June 2007 balances.

Proposed Financial Statements for the Year ended 30 June 2009

Note 10: Capital Expenditure

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Capital Expenditure disclosed in Statements of Strategic Intent		
Investing in our people	6,879	4,184
Creating identity and prosperity	32,862	19,831
Protecting our future	93,283	38,745
Capital Expenditure incurred by Corporate Business Units and Support Services (detailed below)		
Corporate contribution	15,540	12,715
Total Capital Expenditure	148,564	75,475
Total capital expenditure funded by:		
Loans (Reserves & Access Hamilton)	8,473	4,515
Loans (DCL)	41,395	16,756
Loans (Rates)	57,432	28,642
Other reserves	295	370
Subsidies	16,471	4,343
Other revenue	1,884	883
Depreciation (Rates)	22,614	19,966
Total Capital Expenditure	148,564	75,475
Capital Expenditure incurred by Corporate Business Units and Support Services		
City parks	292	0
Design services	9	9
Information management	1,024	580
Property management	4,883	4,710
Strategic	9,310	7,394
Utilities	22	22
Total	15,540	12,715
Capital expenditure funded by:		
Other reserves	106	
Loans (Rates)	9,310	7,972
Depreciation (Rates)	6,124	4,743
Total	15,540	12,715

Proposed Financial Statements for the Year ended 30 June 2009

Note 11: Transit New Zealand Act Disclosures

This information is presented in accordance with section 31 of the Transit New Zealand Act which requires Council to separately disclose those activities that use their own staff or assets in providing in-house professional services for which funding is received from the Land Transport Disbursement Account. Surpluses or deficits on operation of the business units are transferred to relevant Statements of Strategic Intent.

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Transportation Unit		
Operating costs	1,930	3,141
Less revenue:		
In-house professional services	(1,089)	(1,361)
Other revenue	(1,467)	(1,804)
Net (Surplus) / Deficit	(626)	(24)
Design services business unit		
Operating costs	3,400	3,863
Less revenue:		
In-house professional services	(904)	(1,057)
Other revenue	(2,443)	(2,858)
Net (Surplus) / Deficit	53	(52)

Proposed Financial Statements for the Year ended 30 June 2009

Note 12: Commitments and Contingencies

	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
Commitments		
Capital expenditure commitments	20,640	20,640
Non cancellable operating lease commitments	818	818
Total Commitments	21,458	21,458
Contingencies		
Loan guarantees ¹	372	372
Uncalled capital Waikato Regional Airport Ltd ²	10,800	10,800
Insurance claim excess and other claims	1,228	1,228
Total Contingencies	12,400	12,400

¹ Council is at times requested to act as Guarantor to loans raised by community organisations and sports clubs for the construction of facilities on reserve land.

² During May 2004 the shareholders of Waikato Regional Airport Limited (of which HCC has a 50% shareholding) authorised the company to issue further shares totalling \$21.6m to existing shareholders. This capital restructure is part of the WRAL Airport Development and allows WRAL to borrow at commercially favourable interest rates.

The WRAL Airport Development is estimated to cost \$20.5m over the next 4 years, which is being funded by new external borrowings of \$14.6m and retained earnings. Whilst there are no plans to call up the capital, Council has a contingent liability for \$10.8m for uncalled capital.

11.4 Special and Capital Projects Unfunded

The Special and Capital Projects — Unfunded section of the Annual Plan refers to projects that have merit but Council's financial resources do not allow these projects to proceed. Some unfunded projects will be considered for funding in subsequent years whilst for others, Council will endeavour to find alternative sources of funding.

Annual Plan 2008/09 \$000						
	FUNDED BY					
	SAP No	Expenditure Type	Total Cost	Rates	Loans by Rates	Other Revenue
A - Investing in our People						
Cemeteries and crematorium						
Cemetery road maintenance Hamilton East	56.0	C	404	404	-	-
Parks and gardens						
Donny Park development programme	756.0	C	90	90	-	-
Carpark development unfunded portion	777.0	C	138	138	-	-
Social development						
Celebrating Age Centre airconditioning	655.0	C	16	16	-	-
Celebrating Age Centre airconditioning O&M impact	655.1	M	1	1	-	-
B - Creating Identity and Prosperity						
Economic development						
CBD entertainment fund 1	763.0	M	53	53	-	-
Hamilton city theatres						
Founders Theatre stage enlargement	696.0	C	5,320	-	5,320	-
Founders west foyer development	697.0	C	1,064	-	1,064	-
Waikato museum of art and history						
Museum access	704.0	C	1,809	1,809	-	-
Museum access O&M impact	704.1	M	(5)	(19)	-	14
Beale Cottage building restoration	775.0	C	30	30	-	-
Seddon park						
Catering concession and public toilet block	685.0	C	708	-	708	-
C - Protecting our Future						
Carriageways management						
Powerline undergrounding programme unfunded	395.0	M	322	322	-	-
Corporate Contribution						
Works and services management						
Home energy efficiency measures programme (HEEM)	619.0	M	32	32	-	-
Total			9,982	2,876	7,092	14

11.5 Total Operating Expenditure, Operating Revenue, Net Cost and Recovery Ratios

TOTAL OPERATING EXPENDITURE

ALL FIGURES IN \$000s	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
INVESTING IN OUR PEOPLE		
Community development	3,267	3,673
Community facilities	5,809	5,862
Emergency management	828	781
Partnership with maori	282	265
Representation and civic affairs	5,407	6,456
Environmental health	1,619	1,838
Parks and gardens	14,043	13,057
Sports areas	3,250	3,105
Swimming facilities	6,492	6,356
Subtotal Operating Expenditure	40,997	41,393
CREATING IDENTITY AND PROSPERITY		
Environmental services	9,554	11,862
Economic development	1,141	2,163
City promotion	2,633	3,211
Hamilton city theatres	3,159	3,109
Hamilton city libraries	7,944	8,214
Waikato museum of art and history	4,910	5,258
Event facilities	10,298	9,414
Hamilton zoo	2,797	2,913
Subtotal Operating Expenditure	42,436	46,144
PROTECTING OUR FUTURE		
Wastewater management	14,416	16,370
Stormwater management	7,321	8,075
Recycling/refuse collection	5,861	5,881
Water supply	13,869	14,847
Sustainable environment	713	791
Transport: Road network management	29,748	30,433
Transport: Access Hamilton	4,333	3,795
Endowment and investment property portfolio	2,078	2,677
Subtotal Operating Expenditure	78,339	82,869
Total Operating Expenditure	161,772	170,406

TOTAL OPERATING REVENUE

ALL FIGURES IN \$000s	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
INVESTING IN OUR PEOPLE		
Community development	408	504
Community facilities	2,834	2,959
Emergency management	339	331
Representation and civic affairs	27	24
Environmental health	544	624
Parks and gardens	828	899
Sports areas	136	134
Swimming facilities	2,167	2,124
Subtotal Operating Revenue	7,283	7,599
CREATING IDENTITY AND PROSPERITY		
Environmental services	9,745	11,797
Economic development	0	1,410
City Promotion	0	357
Hamilton city theatres	1,154	1,108
Hamilton city libraries	806	748
Waikato museum of art and history	469	375
Event facilities	4,130	3,405
Hamilton zoo	738	887
Subtotal Operating Revenue	17,042	20,087
PROTECTING OUR FUTURE		
Wastewater management	2,179	3,348
Stormwater management	11	12
Recycling/refuse collection	1,102	1,048
Water supply	4,596	5,133
Transport: Road network management	4,225	4,144
Transport: Access Hamilton	275	619
Endowment and investment property portfolio	5,268	5,474
Subtotal Operating Revenue	17,656	19,778
Total Operating Revenue	41,981	47,464

NET COST

ALL FIGURES IN \$000s	LTP 2008/09 \$000	Annual Plan 2008/09 \$000
INVESTING IN OUR PEOPLE		
Community development	2,859	3,169
Community facilities	2,975	2,903
Emergency management	489	450
Partnership with maori	282	265
Representation and civic affairs	5,380	6,432
Environmental health	1,075	1,214
Parks and gardens	13,215	12,158
Sports areas	3,114	2,971
Swimming facilities	4,325	4,232
Subtotal Net Cost of Service	33,714	33,794
CREATING IDENTITY AND PROSPERITY		
Environmental services	(191)	65
Economic development	1,141	753
City promotion	2,633	2,854
Hamilton city theatres	2,005	2,001
Hamilton city libraries	7,138	7,466
Waikato museum of art and history	4,441	4,883
Event facilities	6,168	6,009
Hamilton zoo	2,059	2,026
Subtotal Net Cost of Service	25,394	26,057
PROTECTING OUR FUTURE		
Wastewater management	12,237	13,022
Stormwater management	7,310	8,063
Recycling/refuse collection	4,759	4,833
Water supply	9,273	9,714
Sustainable environment	713	791
Transport: Road network management	25,523	26,289
Transport: Access Hamilton	4,058	3,176
Endowment and investment property portfolio	(3,190)	(2,797)
Subtotal Net Cost of Service	60,683	63,091
Total Net Cost of Service	119,791	122,942

RECOVERY RATIOS

	LTP 2008/09 %	Annual Plan 2008/09 %
INVESTING IN OUR PEOPLE		
Community development	12%	14%
Community facilities	49%	50%
Emergency management	41%	42%
Partnership with maori	0%	0%
Representation and civic affairs	0.5%	0.4%
Environmental health	34%	34%
Parks and gardens	6%	7%
Sports areas	4%	4%
Swimming facilities	33%	33%
Subtotal Recovery Ratio	18%	18%
CREATING IDENTITY AND PROSPERITY		
Environmental services	102%	99%
Economic development	0%	35%
City promotion	0%	11%
Hamilton city theatres	37%	36%
Hamilton city libraries	10%	9%
Waikato museum of art and history	10%	7%
Event facilities	37%	36%
Hamilton zoo	26%	30%
Subtotal Recovery Ratio	40%	44%
PROTECTING OUR FUTURE		
Wastewater management	15%	20%
Stormwater management	0%	0%
Recycling/refuse collection	19%	18%
Water supply	33%	35%
Sustainable environment	0%	0%
Transport: Road network management	14%	14%
Transport: Access Hamilton	6%	16%
Endowment and investment property portfolio	254%	204%
Subtotal Recovery Ratio	23%	24%
Recovery Ratio	26%	28%

11.6 Fees and Charges

The Council has reviewed fees and charges for the 2008/09 financial year. The changes to fees and charges affect the following services:

- Animal Care and Control
- Building Control
- Cemeteries and Crematorium
- Community Facilities
- Community Halls
- Environmental Health
- Hamilton City Theatres
- Hamilton Gardens
- Planning Guidance
- Recycling and Refuse
- Sports Areas
- Stormwater and Wastewater
- Swimming Facilities
- Waikato Stadium
- Water Supply

Full details of fees and charges are available on request from the Finance Unit, 1st Floor, Municipal Offices, Garden Place.

11.7 Sale of Municipal Endowment Investment Properties

Council holds commercial investment properties listed in the table below, which were acquired by Council with funds from the Municipal Endowment Investment Fund to provide revenue for the general purposes of the district of Hamilton City Council.

Council may dispose of any individual property listed in the table below at any time to take advantage of market conditions or commercial opportunities as and when they may arise and the proceeds shall be reinvested in the Municipal Endowment Investment Fund. Such disposals shall be effected in accordance with the relevant provisions of the Local Government Act 2002 at current market value based on independent valuation.

Municipal Endowment Investment Fund Properties:

Property Reference	Property Address	Legal Description	Land Area
21100	354 Victoria Street BNZ Building	Lot 2 DPS 80554	4459m ²
21300	455 Te Rapa Road National Bank, Te Rapa	Lot 1 DPS 26345	1465m ²
21400	445 Victoria Street Beggs Wiseman Building	Lot 1 DPS 15240	276m ²
21600	32 Kaimiro Street CI Munro	Lot 1 DPS 76960	1.46ha
21700	49 Foreman Road SCA Hygiene Building	Lot 2 DPS 88522	1.7ha
21900	378 Avalon Drive Iron Mountain Building	Lot 4 DPS 91882	7655m ²
20027	58 Masters Avenue Masters Avenue Shops	Lots 11 & 12 DPS 8656	417m ²

11.8 Sale of Council Owned Land

From time to time Council identifies land that no longer supports its business operations and has become surplus to requirements e.g. properties purchased for roading construction where part of the land is subsequently not required.

Where such land is identified, Council may elect to sell the surplus land with any sale proceeds applied to debt repayment or transferred to reserve.

Any surplus land sales that are deemed to be significant as per Council's Significance Policy, are subject to the requirements of that policy with regards to decision-making and public consultation.

11.9 Funding Impact Statement

11.9.1 Introduction

In terms of the Local Government (Rating) Act 2002, and the Local Government Act 2002, each Council is required to prepare a Funding Impact Statement disclosing the revenue and financing mechanisms it intends to use.

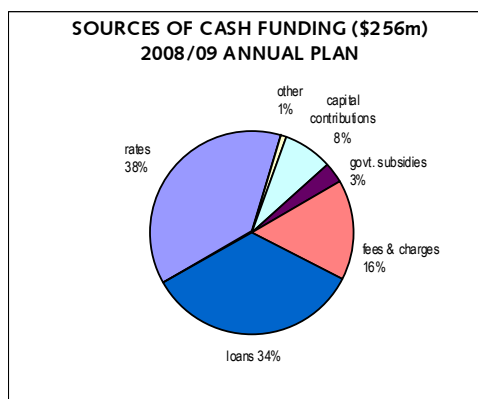
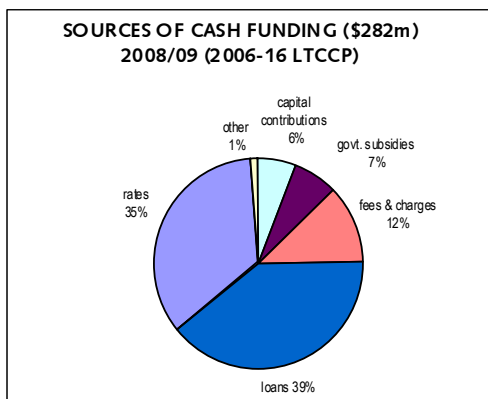
The information in the following sub-sections is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy (Section 2) of Volume II of the 2006-16 Long-Term Plan which sets out Council's policies in respect of each source of funding of operating and capital expenses - i.e. the revenue and financing mechanisms to be used to cover the expenses of the Council.

11.9.2 Summary of Funding Mechanisms and indication of level of funds to be produced by each mechanism

11.9.3 2008/09 Funding Mix

The mix of funding mechanisms for the City as a whole for the 2008/09 financial year is summarised graphically below.



The particular revenue and financing mechanisms selected by Council, including the amount to be produced by each mechanism to meet the budgeted costs (as outlined in the 2008/09 Annual Plan), are set out in the Funding Impact Statement on the following page.

Details of user charges, other funding sources and rating mechanisms, and the proportion applicable to each service are outlined further in the Revenue and Financing Policy (Section 2) and the Appendices (Section 16) to the 2006-16 Long-Term Plan.

FUNDING IMPACT STATEMENT 2008/09

All figures in \$'000s

	LTCCP 2008/09 Yr 3	Annual Plan 2008/09	Difference	Reasons
OPERATING REVENUE				
Fees & Charges	79,817	88,407	8,590	Increase of fees and charges over a range of services and increase internal transfers (refer Note 2 below)
Operating Subsidies	3,876	3,800	(76)	Decrease in subsidies from Land Transport NZ due to re-phasing of projects
Rates Penalty Charges Income	585	585	0	
Capital Contributions				
Development contributions	16,182	19,351	3,169	Review of policy and growth predictions
Financial contributions	1,884	883	(1,001)	External funding for housing upgrade programme and for other capital projects
Subsidies	16,471	4,343	(12,128)	Decrease in subsidies from Land Transport NZ due to re-phasing of projects
Other Income (Interest, Petrol Tax)	1,326	1,903	577	Sale of Domain land and other financial contributions
Total Operating Revenue	120,141	119,272	(869)	
LESS OPERATING EXPENDITURE				
Operational expenditure	145,578	157,911	12,333	Additional resourcing, cost increases recovered by fees and charges, fuel and maintenance charges, increase in internal transfers (refer Note 2 below)
Interest expense	26,942	21,828	(5,114)	Debt servicing reduction due to Rotokauri growth cell projects being deferred, other projects being re-phased and interest rate management programme
Other expenses -rates remission	284	434	150	Increase in rate remissions granted due to change in policy
Total Operating Expenditure	172,804	180,173	7,369	
PLUS OTHER FUNDING				
Loans	107,299	49,913	(57,386)	Loan raising not required due to Rotokauri growth cell projects being deferred and other projects being re-phased
Transfer from special & general reserves	20,748	23,580	2,832	Impact of changes to the timing and cost revision of projects
Total Other Funding	128,047	73,493	(54,554)	
LESS OTHER EXPENDITURE				
Capital expenditure	148,564	75,475	(73,089)	Rotokauri growth cell projects being deferred, wastewater treatment plant upgrade costs revised and other projects
Debt repayments	8,947	16,058	7,111	Increased debt repayment due to projects being re-phased
Transfer to special & general reserves	22,064	24,189	2,125	Increase in development contributions revenue due to projects being re-phased and delay in sale of subdivision
Total Other Expenditure	179,575	115,722	(63,853)	
NET RATES REQUIRED	104,191	103,130	(1,061)	
RATES FUNDED FROM				
General Rate	93,781	93,407	(374)	Net impact of changes in 2008/09 Annual Plan
Targeted Rates				
General rate-50% non-rateable properties	43	90	47	Increase in rates due to policy change
Targeted Rates				
Water supply (metered properties only)	4,463	4,963	500	Increase in rate to recover additional costs of providing service
Targeted Rates				
Access Hamilton	5,500	4,000	(1,500)	Decrease in rate due to projects being re-phased
Targeted Rates				
100% Non-rateable properties (Water/refuse/wastewater)	404	670	266	Increase in rates due to policy change
TOTAL RATES	104,191	103,130	(1,061)	

Note:

1. Targeted Rates-Water Supply (re. water by meter charges) is disclosed separately in the Funding Impact Statement. In the Statement of Financial Performance and in the Protecting our Future Cost of Service, these charges are included as revenue in the water supply service.
2. Internal revenue and expenditure (from internal support services and business units) is included in total operating revenue and total operating expenditure in the Funding Impact Statement. In the Statement of Financial Performance and the Cost of Services Statements, these internal transactions are eliminated and overhead allocation charges included. The increase in internal revenue included in operating revenue and operating expenditure is \$1.85m

11.9.4 Detailed Description of Rate Funding Mechanisms

Council sets the following rates for the year commencing 1 July 2008 and ending 30 June 2009 pursuant to the powers conferred on it by the Local Government Act 2002 and the Local Government (Rating) Act 2002.

11.9.5 General Rate

A general rate set and assessed on the land value of all rateable land in the City.

General rates are set under Section 13 of the Local Government (Rating) Act 2002 on a differential basis on the land value of all rateable properties. The differential basis is based on the use to which the land is put. The different categories of rateable land (differential) are outlined in the table below.

The rate per dollar of land value outlined in the table below for 2008/09 is based on the value of land in the City as at 30 June 2008, and subject to movement of land between rating categories, and the total rate requirement and funding decisions finalised by Council for 2008/09.

This funding mechanism covers all services of Council. The total revenue sought for 2008/09 is \$105.323 million including GST (\$93.621 million excluding GST).

A general rate set and assessed on a differential basis as follows:

Source	Differential Categories	Differential Factor	General Rate in the dollar of Land Value for 2008/09 (GST inclusive)	Revenue (GST exclusive) 2008/09
Rates				
General Rate	Residential	1.0000	\$0.008904	\$58,836,250
	Inner City Residential	0.9570	\$0.008521	\$198,565
	Commercial/Industrial	2.2657	\$0.020174	\$31,562,571
	Multi Unit Residential	1.4314	\$0.012745	\$1,859,046
	Rural Residential	0.4940	\$0.004399	\$56,118
	Rural Small	0.3336	\$0.002970	\$681,397
	Rural Large	0.1666	\$0.001483	\$213,053

11.9.6 Category Definitions - General Rate Differential

Each rating unit is allocated to a differential rating category (based on the land use) for the purpose of calculating the general rate. Set out below are the definitions used to allocate rating units to categories.

Category A - Residential and Other

All rating units -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households which have available the full Council services; excluding properties categorised as Category B, Category C or Category E; or
- (ii) 2,000 square metres or less in area, used solely or principally for rural purposes, which receive full water and wastewater services from the Council; or
- (iii) The residential portion of a property which is used for both residential/commercial use, i.e. small business operated from residential properties; or

- (iv) Land under development for a residential subdivision and no longer used principally for rural purposes; or
- (v) Not otherwise specified in the Category definitions.

Category B - Inner City Residential Apartments

All rating units -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households, excluding properties categorised as Category C; and
- (ii) Located within the CBD where the Council cannot provide a household refuse collection service.

Category C - Commercial/Industrial

All rating units -

- (i) Used solely or principally for commercial or industrial purposes, but excluding properties categorised as Category F or G (note: commercial properties in rural areas will be rated at full commercial and a remission may be applied subject to the Remission of Rates for Commercial Land Use in a Rural Location Policy); or
- (ii) Used solely or principally for commercial residential purposes, including, but not limited to, hotels, boarding houses, resthomes, show homes, motels, residential clubs, hostels; or
- (iii) The commercial portion of the property, which is used for both commercial/residential use, i.e. small business, operated from residential property; or
- (iv) All vacant commercial/industrial land.

Definition

Commercial residential purposes is where a property is being provided for residential accommodation at a fee with the average occupancy period of the property not exceeding three months. Where the average occupancy exceeds three months, the property would be classified under the multi-unit category.

Definition

A hostel is the residence or lodging place for persons.

Category D - Multi-Unit Residential

All rating units used solely or principally for residential purposes as the home or residence of three or more households, but excluding properties categorised as Category C.

Also includes hostels operated by charitable trusts that are not classified as 100% non-rateable - (Schedule 1, Part 1).

Category E - Rural Residential

All rating units -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households; or
- (ii) Receive all the services of a residential property apart from stormwater, footpaths and traffic/streetlighting services.

Category F - Rural Small Holding

All rating units less than 10 hectares in area, used solely or principally for rural purposes, excluding properties categorised under paragraph (ii) of Category A or Category E.

Category G - Rural Large Holding

All rating units over 10 hectares in area, which are used solely or principally for rural purposes.

For categories A, F and G, rural purposes include agricultural, horticultural or pastoral purposes and the keeping of bees or poultry or other livestock.

Note:

Subject to the right of objection in Sections 29 and 39 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of the Council to determine the sole use or principal use of any separately rateable property within the district.

11.9.7 Uniform Annual General Charge

The current policy is that Council will not use a uniform annual general charge.

11.9.8 Targeted Rates**Targeted Rate - Non-Domestic Water Supply**

(a) Pursuant to Section 19(2)(b) and Clause 7 of Schedule 3 of the Local Government (Rating) Act 2002, Hamilton City Council will set and assess a targeted rate on a differential basis to all rating units supplied with non-domestic water supply (as defined by Hamilton City Council's Water Supply Bylaw 2008) as follows:

- (i) a fixed amount on every separately used or inhabited parts of a rating unit supplied with non-domestic water in accordance with the following scale (GST inclusive):
 - \$246 for commercial/industrial properties, non-rateable properties, or other properties with metered supply;
 - \$186 for rural properties receiving a restricted flow supply.
- (ii) a charge per unit of water consumed or supplied on every separately used or inhabited parts of a rating unit in accordance with the following scale (GST inclusive):
 - commercial/industrial properties, non-rateable properties, or other properties with metered supply -
\$1.02 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
 - rural properties receiving a restricted flow supply -
\$0.77 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply.

Properties in the Waikato District Council and Waipa District Council supplied with water under contractual arrangements will be charged at equivalent rates per unit of water, but outside the rating system.

The Targeted Rate - Non-Domestic Water Supply is summarised in the table below.

Summary of Targeted Rate - Non-Domestic Water Supply

Category	Rate per Unit of Water (cost per kilolitre) (GST inclusive)	Minimum Charge (GST inclusive)
Non-Domestic Supply Rateable/Non-Rateable City (Commercial/Industrial Properties and Non-Rateable Properties)	\$1.02 (after the first 240 kilolitres of consumption or supply)	\$246
Non-Domestic Supply Rural - Restricted Flow Supply (Rural Large & Rural Small Properties which receive the service)	\$0.77 (after the first 240 kilolitres of consumption or supply)	\$186
Outside City - (Waipa District Council & Waikato District Council properties)	\$1.02 (after the first 240 kilolitres of consumption or supply)	\$246
Waikato District Council (supply agreement)	\$0.77 after the first 240 kilolitres of consumption or supply)	\$186

(b) General Information - Targeted Rate for Non-Domestic Water Supply:

Each rating unit, or part of a rating unit, assessed a targeted rate for non-domestic water supply will be charged a rate per unit of water supplied in accordance with the scale of charges above. Where the six monthly consumption is less than 50% of the annual minimum charge, a fixed amount of 50% of the annual minimum charge will be charged to every rating unit or every separately used or inhabited part of a rating unit supplied with non-domestic water.

The charge per unit of water consumed or supplied is on a scale that reflects the difference between City full pressure supply and rural restricted flow supply.

Non-Domestic Supply is defined in the Bylaw as any water supplied for all purposes other than domestic supply (domestic supply is generally limited to City based domestic use).

This funding mechanism covers the Water Supply service. The total revenue sought for 2008/09 is \$5.583 million including GST (\$4.963 million excluding GST).

The revenue from this targeted rate will be applied to fund the operation, and maintenance of capital works, depreciation and financing costs of the water supply service.

The meters on properties with a total annual consumption of less than 30,000 kilolitres are read twice during the year. The charges will be due and payable in two instalments per year, on receipt of an invoice from the Council.

Meters on properties with a total annual consumption of more than 30,000 kilolitres are read monthly. These charges will be due and payable in twelve instalments per year, on receipt of an invoice from the Council.

All amounts stated above include Goods and Services Tax and are for the period commencing 1 July 2008 and ending 30 June 2009.

11.9.9 Targeted Rate — Access Hamilton

A targeted rate relating to Access Hamilton set and assessed at a uniform rate per dollar of capital value (GST inclusive) on all categories of rateable property (excluding 100% non-rateable and 50% non-rateable properties).

The amount raised by this targeted rate will be transferred into a special reserve and these funds will be used to fund any of:

- Investigation or associated Access Hamilton capital costs
- Debt servicing of loan funded Access Hamilton capital projects
- Subsidies of transport initiatives, design and feasibility studies and other operational costs linked to the Access Hamilton strategy.

These targeted rates are assessed in accordance with Sections 16(3)(b) & 16(4)(a) and Schedule 2 Clause 1 of the Local Government (Rating) Act 2002.

The targeted rate will be \$0.000221214 per dollar of capital value (GST inclusive). The total revenue sought for 2008/09 is \$4,500,000 including GST (\$4,000,000 excluding GST).

11.9.10 Targeted Rate — 100% (fully) Non-Rateable Properties

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002.

The properties which are 100% (fully) non-rateable (excluding water, refuse and wastewater rates) are:

- Educational Institutions
- Churches (Place of Worship)
- Community Organisations (Needs Based)
- any land which falls within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002, e.g. Health Services (public hospitals and related services).

Where the land is 100% (fully) non-rateable, three targeted rates will be set and assessed on a differential basis for water supply, waste collection (refuse), and sewerage disposal (wastewater), in accordance with Sections 8, 9 & 16(3)(b) and Schedules 2 & 3 (Clauses 3, 7 & 8) of the Local Government (Rating) Act 2002.

These funding mechanisms cover the Water, Refuse and Wastewater services. The total revenue sought for 2008/09 is \$840,941 including GST (\$747,503 excluding GST).

Category Definitions - 100% (fully) Non-Rateable Properties

Educational Institutions

Educational Institutions are defined in Clause 6 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002.

Churches (Place of Worship)

Land and buildings that are to be used as a place of religious worship (Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) not including associated rooms, halls or buildings which are used for meetings, accommodation and preparation of food. These are classified under the Community Organisations' category.

Community Organisations (Needs Based)

Community Organisations (Needs Based) (as defined in Clause 21 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Refer: A Good Practice Guide, LGNZ, January 2000, page 20).

Any land (other than Educational Institutions, Churches (Place of Worship), or Community Organisations (Needs Based)) defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 will be rated the same as a Community Organisation (Needs Based).

Details of Targeted Rates

To give effect to the foregoing policies on the rating of 100% (fully) non-rateable properties, the Council will set and assess the following targeted rates:

Non-Rateable Water Targeted Rate

A targeted rate for refuse on all 100% (fully) non-rateable properties as follows (GST inclusive):

- (a) a fixed amount of \$120 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate in cents in the dollar of land value of the property:
 - Educational Institutions
 - Churches (Place of Worship)
 - Community Organisations (Needs Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002)

The rate per dollar of land value required to meet the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$120 per property) is \$0.000824 (GST inclusive).

Non-Rateable Refuse Targeted Rate

A targeted rate for refuse on all 100% (fully) non-rateable properties as follows (GST inclusive):

- (a) a fixed amount of \$120 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate in cents in the dollar of land value of the property:
 - Educational Institutions
 - Churches (Place of Worship)
 - Community Organisations (Needs Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002)

The rate per dollar of land value required to meet the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$120 per property) is \$0.000813 (GST inclusive).

Non-Rateable Wastewater Targeted Rate

A targeted rate for wastewater on all 100% (fully) non-rateable properties as follows (GST inclusive):

- (a) a fixed amount of \$285 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate per dollar of land value of the property:
 - Educational Institutions
 - Churches (Place of Worship)
 - Community Organisations (Needs Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002)

The rate per dollar of land value required to meet the full cost of the wastewater services (after allowing for the total revenue raised by the fixed amount of \$285 per property) is \$0.001845 (GST inclusive).

Note:

These targeted rates apply only to properties which are 100% (fully) non-rateable in terms of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 and only to those properties supplied with the relevant service.

To calculate each sector's proportion of the cost of each service, the total cost of the service for the relevant year is multiplied by the proportion that the total rateable value of the sector bears to the total rateable value of the City.

11.9.11 Targeted Rates and Activities

The targeted rate for non-domestic water supply funds the operating and depreciation costs of water supplies to Commercial/Industrial, Non-Rateable, Rural properties and other customers outside the City boundary.

The targeted rate for Access Hamilton funds the work programmes and/or financing costs relating to this project.

The targeted rate for Non-Rateable properties for water, refuse and wastewater, represents a charge for the operating, financing and depreciation costs for these activities.

11.9.12 Rating of 50% Non-Rateable Land

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002.

The properties which are 50% non-rateable (excluding water, refuse and wastewater rates if applicable) are:

- Community Organisations (Arts Based)
- Sporting and Cultural Organisations
- any land which falls within Part 2 of Schedule 1 of the Local Government (Rating) Act 2002

Where the land is 50% non-rateable as defined under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002, Council will rate these properties at 50% of the

residential general rate (mandatory rates) in accordance with Section 8(2) of the Local Government (Rating) Act 2002.

This funding mechanism covers all the services of Council. The total revenue sought for 2008/09 is \$108,668 including GST (\$96,594 excluding GST).

11.9.13 Targeted Rate - Rating of Community Organisations (Arts Based) - 50% Non-Rateable

Definition

Community Organisations (Arts Based) (as defined in Clause 3 of Part 2 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Ref: A Good Practice Guide, LGNZ, January 2000, page 20).

Land in the category of Community Organisations (Arts Based) - 50% non-rateable will be rated at the 50% general residential rates, which is a rate per dollar of land value of \$0.004452 (GST inclusive).

Unless otherwise stated, any land:

- which is entitled to a 50% rates exemption under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002; but
- to which the rating policy for Community Organisations (Arts Based); and Sporting and Cultural Organisations do not apply

will be rated in accordance with the rating policy for Community Organisations (Arts Based) - 50% non-rateable.

11.9.14 Targeted Rate - Rating of Sporting and Cultural Organisations - 50% Non-Rateable

Definition

An organisation whose principal object is to promote games, sports, recreation, arts or instructions, for the benefit of residents or any group or groups of residents of the district, not for private pecuniary profit in accordance with the definition provided in Part 2 of Schedule 1 of the Local Government (Rating) Act 2002. If applicable, no commercial rating apportionment will be applied to the liquor licence portion of the premises.

Land in the category of Sporting and Cultural Organisations - 50% non-rateable will be rated at the 50% general residential rates, which is a rate per dollar of land value of \$0.004452 (GST inclusive).

11.9.15 Separately Used or Inhabited Part (SUIP) of a Rating Unit

Definition

Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, but excluding uses of a minor or

incidental nature; for example, including, but not limited to, vending and ATM machines.

To avoid doubt, each use that involves a different activity that is conducted by a person, company, or organisation different to the ratepayer is considered to be a separate use. For example, if a photographic processing franchise operated within a store is operated by the store's staff, it is not a separate use. However if the same franchise is operated by a person, company, or organisation different to the store operator, it is considered a separate use.

11.9.16 Horsham Downs Hall Rate

Council invoices and collects the following rate on behalf of Waikato District Council. For further information refer to their 2008/09 Annual Plan. The 2008/09 rate for the Horsham Downs Hall is \$25.00 (GST inclusive) per property for properties within the Hamilton City boundary within a defined radius of the Hall.

11.9.17 Due Dates for Payment of Rates

The due dates for rates covering the financial period 1 July 2008 to 30 June 2009 are as follows:

INSTALMENTS

Area	1	2	3	4
North East	28 Aug 2008	20 Nov 2008	19 Feb 2009	14 May 2009
South East	04 Sep 2008	27 Nov 2008	26 Feb 2009	21 May 2009
North West	11 Sep 2008	04 Dec 2008	05 Mar 2009	28 May 2009
South West	18 Sep 2008	11 Dec 2008	12 Mar 2009	04 Jun 2009

11.9.18 Penalties

Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002:

- (a) A penalty of 10% of the amount outstanding on each instalment to be added on the day after the due date.
- (b) A penalty of 10% to be added under Section 58(1)(b) to the amount of any rates assessed in any previous year which remain outstanding on 1 September 2008.
- (c) A penalty of 10% to be added under Section 58(1)(c) to the amount of any rates assessed in any previous year which remain outstanding on 1 March 2009.

Note:

The amount of unpaid rates to which any penalty is added includes:

- (i) Any additional charges previously added to the amount of unpaid rates under Section 132 of the Rating Powers Act 1988; and
- (ii) Any penalties previously added to unpaid rates under Section 58 of the Local Government (Rating) Act 2002.

11.9.19 Payment Options

- (a) By pre-arranged automatic payment, direct debit, telephone banking or internet desktop banking - (weekly, fortnightly, monthly or quarterly). Credit card payments via internet only - convenience fee applies - www.hamilton.co.nz
- (b) By post, using the prepaid envelope enclosed with this account.
- (c) At any branch of the Bank of New Zealand within the Waikato.
- (d) In person at our Council Municipal Building, Garden Place, during the hours of 8.00am-4.45pm, Monday to Friday, or Branch Library drop-off boxes. (EFTPOS debit cards accepted, not credit cards).

11.9.20 Inspection of Rating Information Database

In accordance with Section 28 of the Local Government (Rating) Act 2002, the District Valuation Roll and Rates Records are available for public inspection at the Council Offices, Garden Place, Hamilton, between the hours of 8.00am and 4.45pm on all business days of the week. The owners' names and postal addresses of the properties are available for inspection unless Council has received a request in writing withholding the owners' names or postal addresses (or both) from the database.

All requests for suppression of names and postal addresses must be sent in writing to the Revenue Manager, Hamilton City Council, Private Bag 3010, Hamilton.

11.9.21 Funding Rationale

In selecting the rate funding mechanisms outlined in Section 3.3, the Council applied the matters in Section 101 (3) of the Local Government Act 2002 and the funding of each service of Council is further explained in the Revenue and Financing Policy (Section 2) of Volume II of the 2006-16 Long-Term Plan.

11.10 2008/09 Selected Sample of Rates

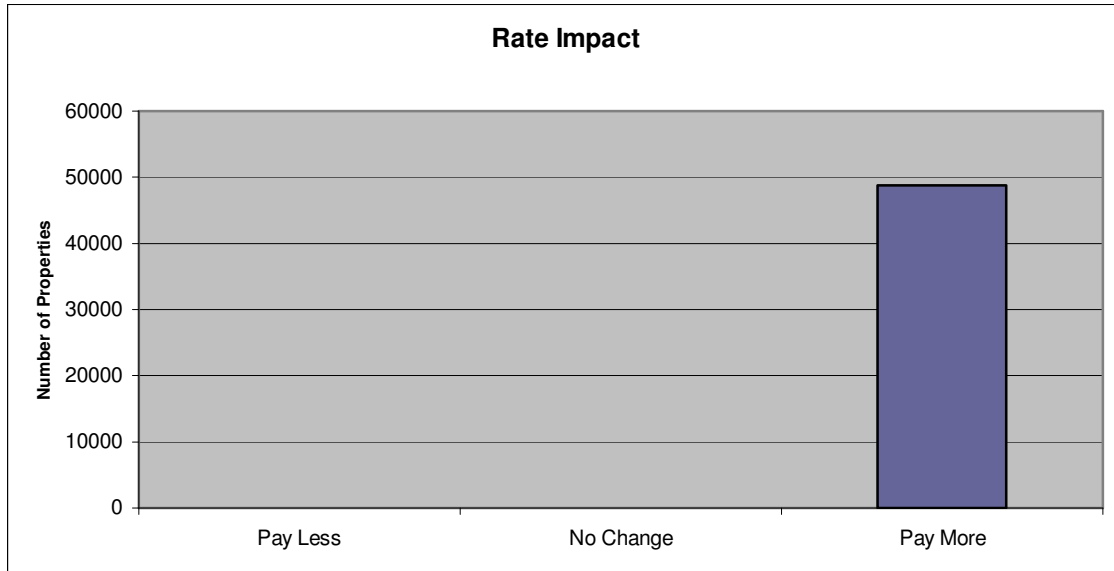
(Excluding Targeted Rate for Non Domestic Water. Including targeted rate for Access Hamilton).

Basket of Properties Category	Land Value	Capital Value	Current Rates 2007/08	Approved Rates 2008/09	Rate Difference	% Rate Change
RESIDENTIAL						
Arcus St	525,000	845,000	4,626	4,862	236	5.10%
Storey Ave	134,000	390,000	1,206	1,279	73	6.08%
Lake Domain Dr	370,000	750,000	3,283	3,460	178	5.42%
Hamilton Parade	765,000	1,275,000	6,747	7,094	347	5.14%
Crowden Plce	275,000	700,000	2,460	2,603	143	5.81%
Munro St	750,000	1,900,000	6,709	7,098	389	5.80%
Wellington St	194,000	515,000	1,739	1,841	102	5.89%
Waimaire St	196,000	405,000	1,740	1,835	95	5.45%
Longwood Plce	275,000	550,000	2,439	2,570	132	5.40%
Pascal Plce	202,000	550,000	1,813	1,920	108	5.94%
Fow St	125,000	190,000	1,100	1,155	55	5.03%
River Rd	1,300,000	1,930,000	11,430	12,002	572	5.00%
Balfour Cres	320,000	585,000	2,830	2,979	149	5.27%
Victoria St	134,000	290,000	1,191	1,257	66	5.52%
Kilmuir Place	174,000	530,000	1,570	1,667	97	6.18%
Anson Ave	340,000	775,000	3,029	3,199	170	5.61%
Ngaio Place	161,000	345,000	1,431	1,510	79	5.51%
Lake Domain Dr	895,000	1,100,000	7,836	8,212	376	4.80%
Jellicoe Dr	220,000	415,000	1,947	2,051	103	5.31%
Casey Ave	207,000	495,000	1,844	1,953	109	5.90%
Chesterman Rd	195,000	450,000	1,736	1,836	99	5.72%
Caversham Drive	161,000	430,000	1,443	1,529	85	5.90%
Temple View Property B	79,000	220,000	710	752	42	5.99%
INNER CITY RESIDENTIAL APARTMENTS						
Collingwood Street	118,000	208,000	999	1,051	53	5.28%
Garden Place	235,000	535,000	2,007	2,121	114	5.69%
INDUSTRIAL						
Te Rapa Industrial	4,000,000	9,500,000	79,110	82,798	3,688	4.66%
Te Rapa Industrial	2,050,000	6,700,000	40,595	42,839	2,244	5.53%
Te Rapa Industrial	2,250,000	4,900,000	44,434	46,475	2,041	4.59%
Te Rapa Industrial	228,000	875,000	4,558	4,793	235	5.16%
Te Rapa Industrial	440,000	1,775,000	8,809	9,269	461	5.23%
Te Rapa Industrial	1,755,000	2,800,000	34,510	36,025	1,515	4.39%
Frankton Industrial	1,335,000	2,100,000	26,247	27,397	1,150	4.38%
Frankton Industrial	170,000	505,000	3,377	3,541	164	4.87%

Basket of Properties Category	Land Value	Capital Value	Current Rates 2007/08	Approved Rates 2008/09	Rate Difference	% Rate Change
COMMERCIAL						
Ward St	1,440,000	2,270,000	28,312	29,553	1,241	4.38%
Victoria St	1,150,000	2,000,000	22,637	23,643	1,005	4.44%
Garden Place Retail	80,000	250,000	1,591	1,669	78	4.92%
Cr Ellis/Killarney Rd	230,000	255,000	4,506	4,696	190	4.22%
Ellis St	415,000	910,000	8,197	8,574	377	4.60%
Grey St	510,000	1,200,000	10,085	10,554	469	4.65%
Te Rapa Rd	4,000,000	9,500,000	79,110	82,798	3,688	4.66%
Suburban Commercial	10,120,000	116,530,000	210,934	229,939	19,005	9.01%
Ward St	1,400,000	7,300,000	28,268	29,858	1,590	5.63%
Victoria St	1,000,000	2,000,000	19,723	20,616	894	4.53%
CBD Car Park	1,025,000	6,075,000	20,803	22,022	1,219	5.86%
CBD Shopping Mall & Carpark	12,000,000	84,200,000	245,452	260,714	15,262	6.22%
London St	477,000	1,270,000	9,454	9,904	450	4.76%
Te Rapa Hotel	1,990,000	12,500,000	40,491	42,911	2,421	5.98%
CBD Medical	3,690,000	12,045,000	73,436	77,107	3,671	5.00%
Te Rapa Commercial	910,000	1,000,000	17,828	18,580	752	4.22%
CBD Retail	5,875,000	21,590,000	117,306	123,298	5,992	5.11%
Government CBD Premises	4,500,000	28,985,000	91,667	97,195	5,528	6.03%
Ulster Street Motel	1,150,000	2,100,000	22,652	23,665	1,013	4.47%
Ulster Street Motel	1,300,000	3,200,000	25,727	26,934	1,207	4.69%
Ulster Street Motel	770,000	1,650,000	15,203	15,899	696	4.58%
CBD Retail	1,180,000	10,370,000	24,441	26,099	1,658	6.79%
Te Rapa Commercial	1,825,000	5,445,000	36,256	38,022	1,766	4.87%
MULTI UNITS						
Charlemont St - 4 Units	425,000	700,000	5,319	5,571	252	4.74%
Firth St - 10 Units	235,000	970,000	3,026	3,210	183	6.06%
RURAL RESIDENTIAL						
Baverstock Rd	520,000	1,220,000	2,381	2,557	176	7.40%
Baverstock Rd	1,970,000	1,970,000	8,634	9,102	468	5.42%
RURAL SMALL (> 0.2 AND < 10 HECTARES)						
Rotokauri Rd - 9.120Ha	3,000,000	3,250,000	9,057	9,629	572	6.32%
Tramway Rd	2,200,000	2,210,000	6,617	7,023	406	6.14%
State Highway 3	515,000	527,000	1,550	1,646	96	6.18%
Weston Lea	310,000	555,000	968	1,043	76	7.81%
RURAL LARGE (> 10 HECTARES)						
Peacockes Rd - 167.89Ha	8,880,000	9,700,000	14,104	15,315	1,211	8.58%
Ohaupo Rd - 23.137Ha	1,400,000	2,060,000	2,301	2,532	231	10.03%
Te Kowhai	5,680,000	6,000,000	8,992	9,751	759	8.44%

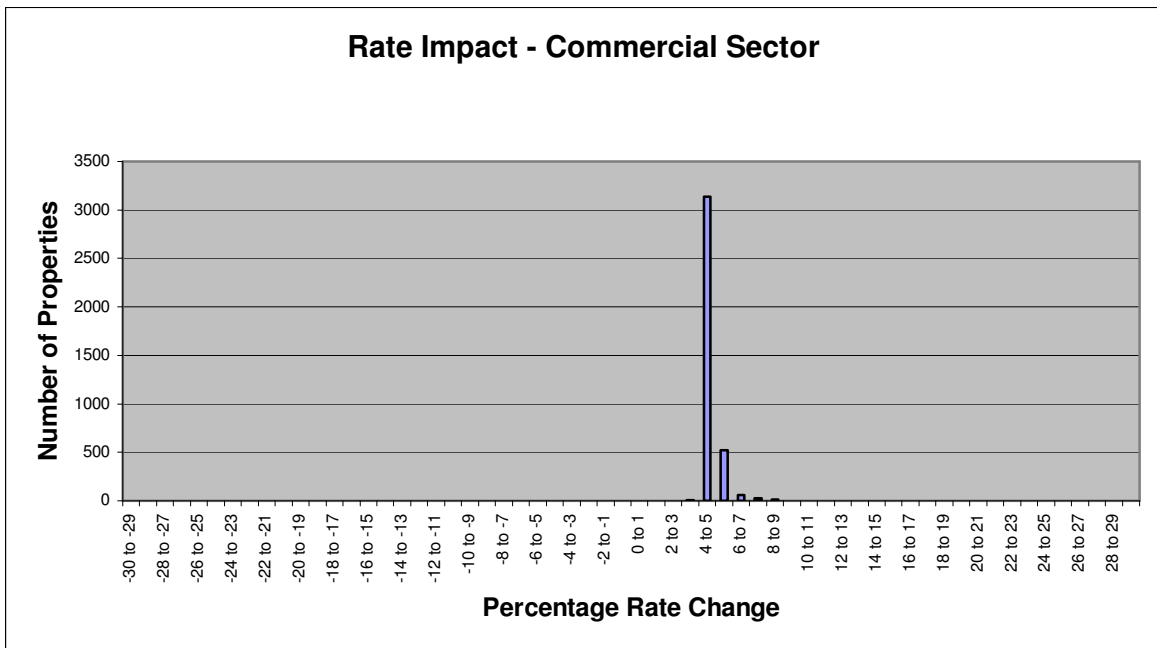
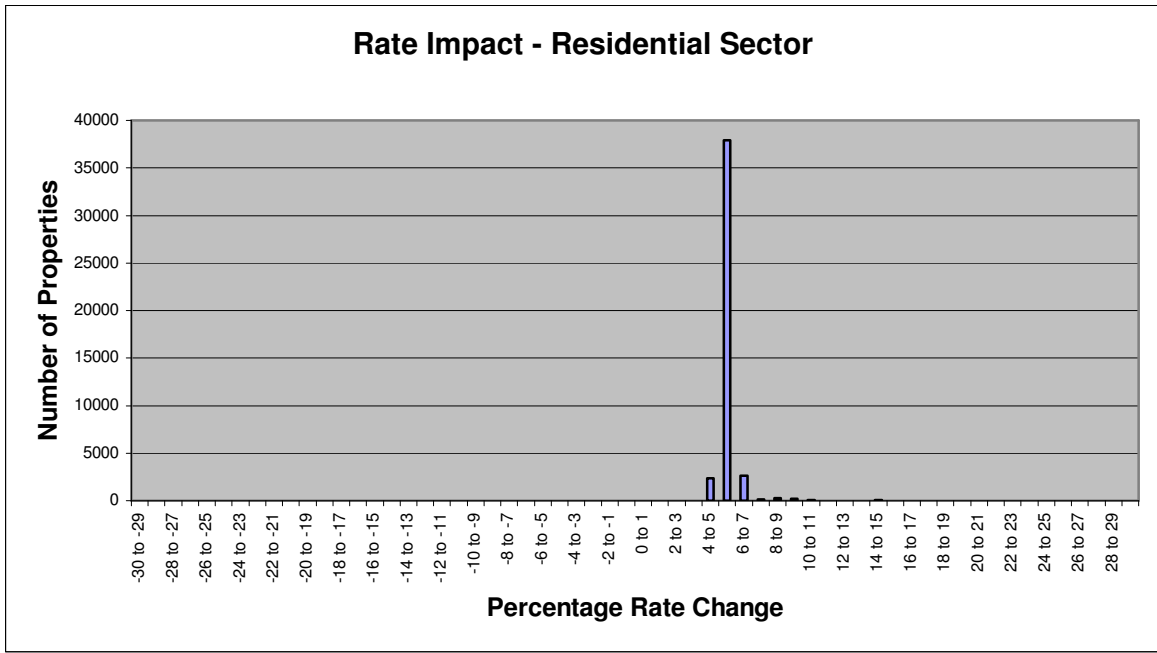
11.11 Indicative Rate Impact

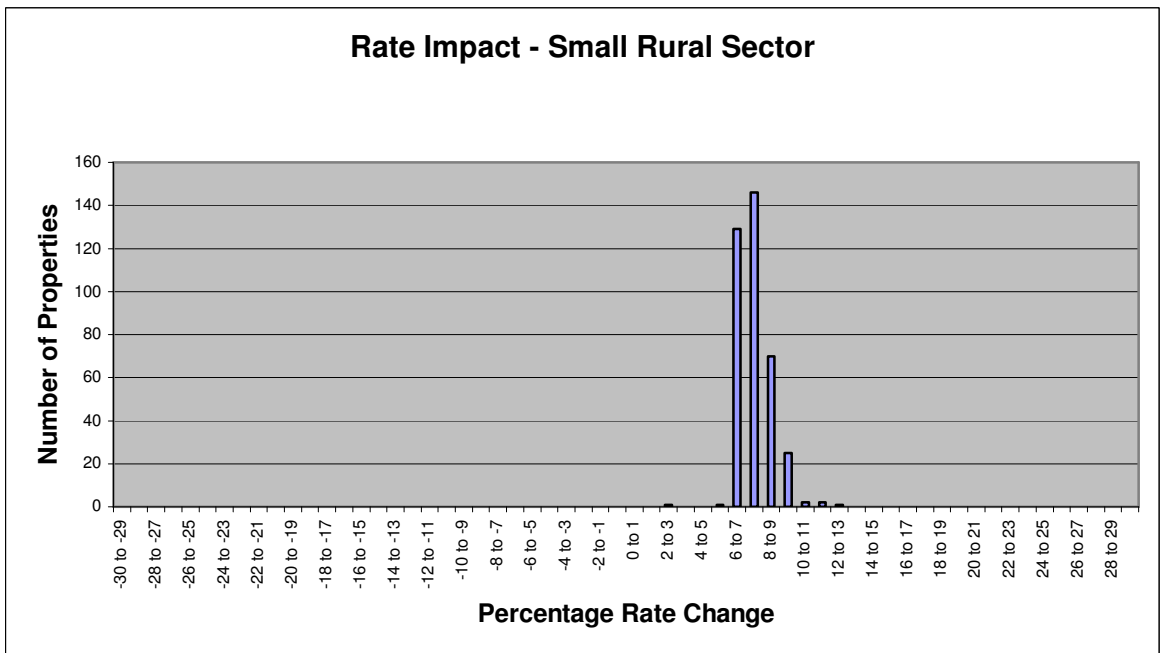
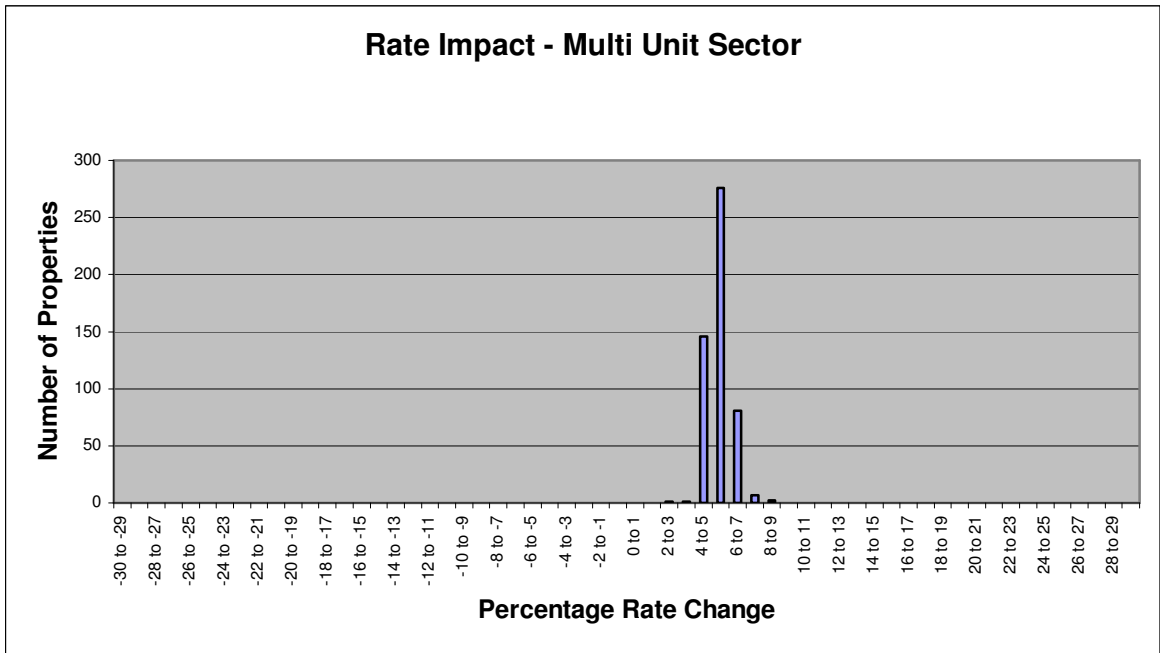
Indicative rate impact of the approved 2008/09 Annual Plan to existing ratepayers for the 2008/09 financial year.

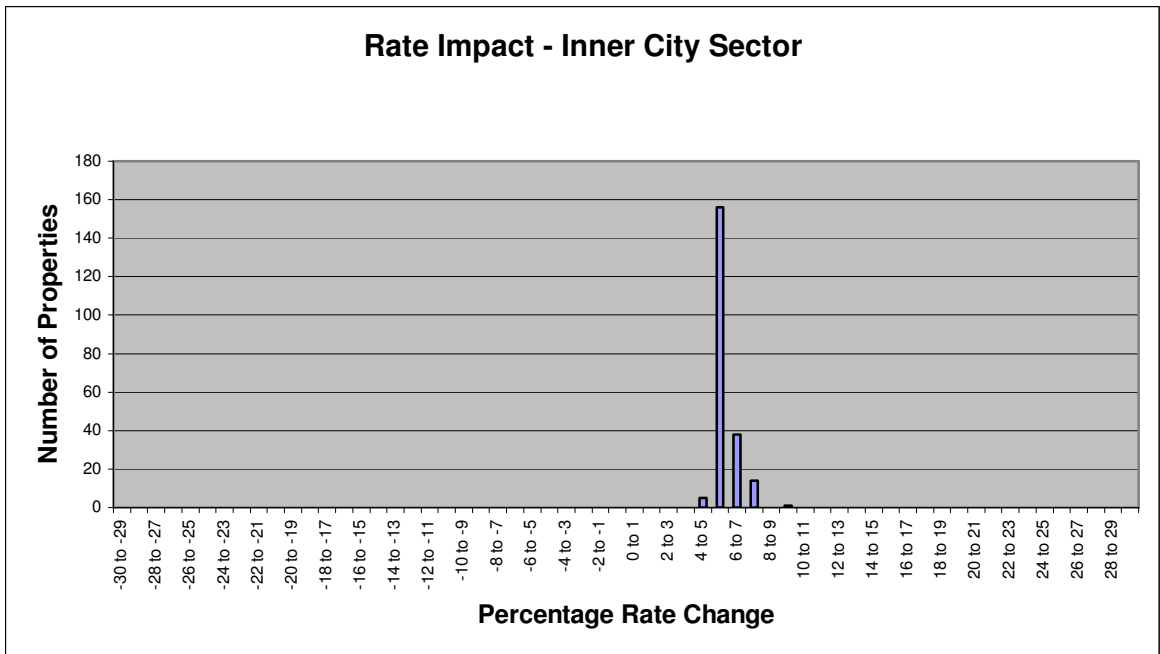
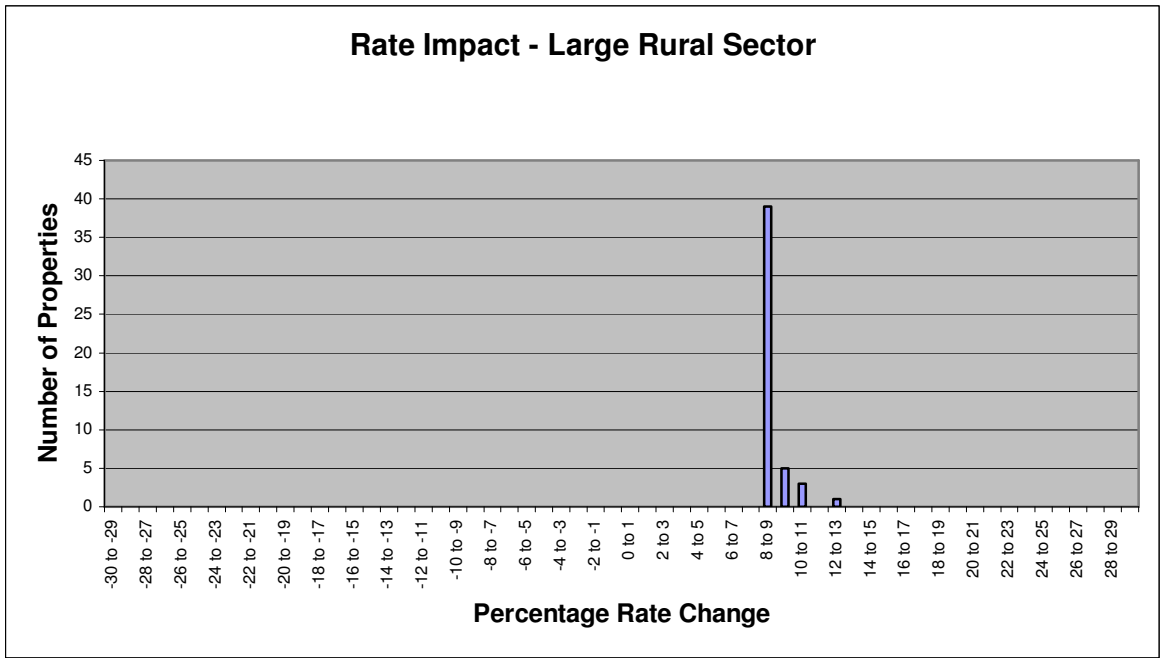


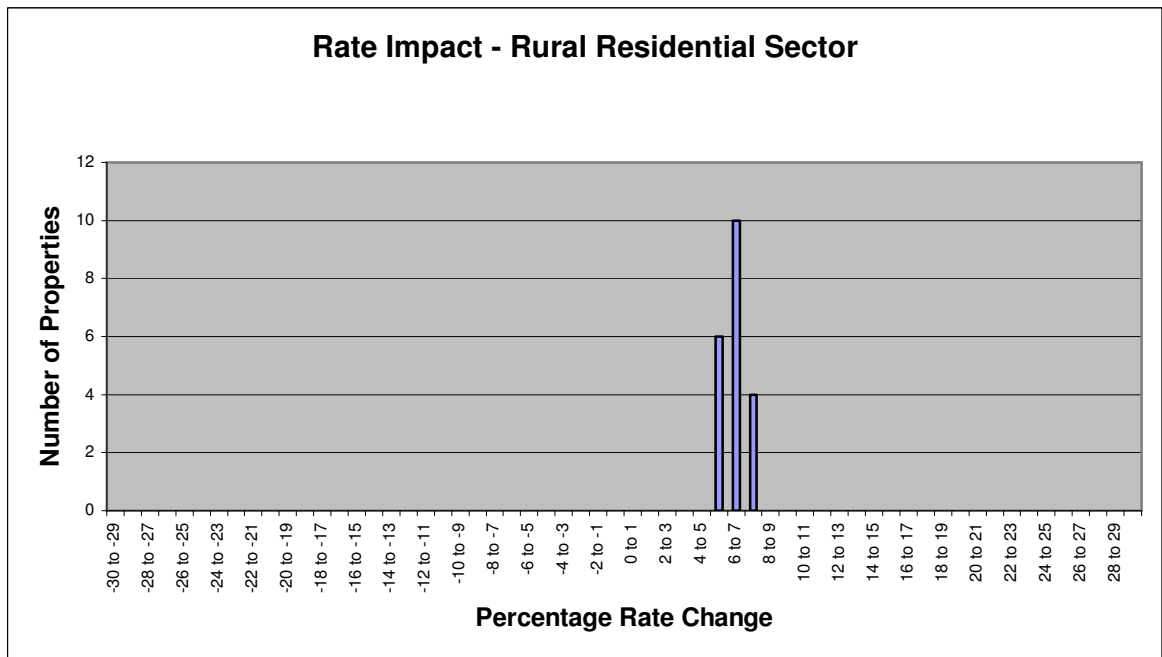
- Properties where rates move within the range of -1% to +1% are categorised as no change.
- Properties where rates decrease greater than -1% are categorised as pay less.
- Properties where rates increase greater than 1% are categorised as pay more.

Property Sector	Pay Less	Average % Decrease	No Change	Pay More	Average % Increase
Residential	0	0.00%	0	43,828	5.38%
Commercial	0	0.00%	0	3,773	4.68%
Multi Unit	0	0.00%	0	514	5.42%
Small Rural	0	0.00%	0	377	7.45%
Large Rural	0	0.00%	0	48	8.73%
Inner City Residential	0	0.00%	0	214	5.85%
Rural Residential	0	0.00%	0	20	6.30%
Total	0	0.00%	0	48,774	5.35%









Part B: Amendments to Hamilton City Council's 2006-16 Long-Term Plan

**Supporting Year 3 (2008/09) of
Council's 2006-16 Long-Term Plan**

1.0 Introduction to the Amendments

(HE WHAKATAKI KI NGAA TIKANGA)

Council has made a number of changes to year three (2008/09) of its 2006-16 Long-Term Plan. While most of these changes are variations to the Long-Term Plan, two changes are regarded as being amendments:

1. Review of Council's Development and Financial Contributions Policy
2. Review of Council's Rates Remission — Hardship Relief Policy.

Section 6.0 in Part A of this document provides detailed information on the difference between an amendment and a variation and how Council defines these changes.

In summary, an amendment is where Council proposes to make a **significant change** to the direction of a project or core policy contained in its Long-Term Plan. An amendment is triggered by three key sections in the Local Government Act 2002 (Sections 97, 102 and 141) and/or Council's Significance Policy.

When an amendment is proposed, Council will ensure that:

- The amendment is clear, including the reasons for and effect of the amendment.
- The community is consulted and has the opportunity to provide feedback.
- Confidence in the integrity and robustness of the Long-Term Plan remains.

Audit Note:

The following amendments to Council's 2006-16 Long-Term Plan are an update of the existing 2006-16 Long-Term Plan. These amendments should be read in conjunction with the 2006-16 Long-Term Plan and the amendments shown in Part B of Council's 2007/08 Annual Plan.

The original audit opinion on Council's 2006-16 Long-Term Plan and the supporting audit statements for the 2007/08 and 2008/09 amendments can be found in Volume 1 of the web version of the 2006-16 Long-Term Plan at www.hamilton.co.nz/LongTermPlan.

2.0 Review of Council's Development and Financial Contributions Policy

(TE KAUNIHERA TIROHANGA ANO KI TE TAHA PUTEA)

2.1 Introduction

Hamilton is a growing city. As the city's residential and business populations increase, greater demands are placed on Council-provided infrastructure such as roads, wastewater and stormwater and amenities such as reserves and public libraries.

In order to maintain appropriate levels of service for existing and future users of public infrastructure, Council has initiated a number of projects that will ensure that the provision of infrastructure is in line with the city's growth. These projects are contained in Council's 2006-16 Long-Term Plan as part of the capital works programme.

A key issue for Council is how to fund this additional infrastructure, while at the same time ensuring an equitable apportionment of costs between developers and existing ratepayers. The Local Government Act (LGA) 2002 makes provision for territorial authorities to recover the growth related proportion of increased infrastructure expenditure from developers through 'development contributions'.

Council's first Development and Financial Contributions Policy was introduced in 2005. Its aim is to:

"Enable financial and development contributions to be taken that ensure that developers make a fair contribution to the development of infrastructure and services to maintain accepted levels of service for infrastructure in response to increasing demand generated by ongoing city growth."

Council reviews its Development and Financial Contributions Policy on an annual basis. Following a review of the 2007/08 policy, Council has made a number of changes for 2008/09. These changes are outlined in the following schedules:

- Schedule 1 — Significant Policy Changes.
- Schedule 2 — Current and 2008/09 Development Contributions Payable.
- Schedule 3 — Revised Development and Financial Contributions Policy for 2008/09.

The policy has also been restructured to improve its user friendliness. This includes providing top-level information on the growth related infrastructure projects to which development contributions will contribute.

Legal advice was sought on the Special Assessment process in the 2007/08 policy. Advice provided through this legal review process has been incorporated into the changes for 2008/09.

2.3 Why the Policy was Reviewed

The LGA 2002 requires Council to review its Development and Financial Contributions Policy as part of each three-yearly Long-Term Plan. However, Council has resolved that the policy will be reviewed annually as this will enable Council to be more responsive to development issues facing the city.

An annual review enables incremental adjustments to be made to the policy and therefore avoids the policy becoming outdated and the need for fundamental changes in policy direction.

2.4 Why this is an Amendment to the 2006-16 Long-Term Plan

The Development and Financial Contributions Policy is one of Council's core Funding and Financial policies in its 2006-16 Long-Term Plan. Revisions to the policy are therefore made as amendments to the Long-Term Plan. Section 102(6) (Funding and Financial Policies) of the LGA 2002 states that:

"A policy described in this section may be amended only as an amendment to the long-term council community plan".

2.5 Consequential Financial Impact of the Amendment on the 2006-16 Long-Term Plan

The following table summarises the overall consequential financial impact of this amendment.

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest Cost								
Amended Long-Term Plan	12,284	13,346	14,886	16,670	17,432	18,394	19,232	20,945
2008/09 Annual Plan	10,895	13,620	16,313	18,829	19,895	21,796	23,282	26,033
Change	(1,389)	274	1,427	2,159	2,463	3,402	4,050	5,088
Principal Repayments								
Amended Long-Term Plan	5,864	14,086	12,696	11,047	13,115	12,341	11,675	11,528
2008/09 Annual Plan	7,359	14,398	12,260	10,294	12,514	11,251	10,401	9,695
Change	1,495	312	(436)	(753)	(601)	(1,090)	(1,274)	(1,833)
Development Contributions								
Amended Long-Term Plan	(18,148)	(27,432)	(27,582)	(27,717)	(30,547)	(30,735)	(30,907)	(32,473)
2008/09 Annual Plan	(18,254)	(28,018)	(28,573)	(29,123)	(32,409)	(33,047)	(33,683)	(35,728)
Change	(106)	(586)	(991)	(1,406)	(1,862)	(2,312)	(2,776)	(3,255)
Change funded from rates	0	0	0	0	0	0	0	0

2.6 Further Information

For further information about the amendment to the Development and Financial Contributions Policy, please contact:

Jim Carter
Development Contributions Officer
Phone: 07 838 6672
Fax: 07 838 6693
Email: james.carter@hcc.govt.nz

2.7 Schedule 1 — Significant Policy Changes

Stormwater Contributions on Industrial and Commercial Sites

Council has revised the policy to allow stormwater charges to be assessed on certain developments that were previously exempt. The following developments will now be assessed for stormwater charges:

- Developments of additional buildings and extensions to existing buildings on industrial or commercial sites that had a resource consent or title granted prior to Council adopting its Development and Financial Contributions Policy (pre 1 July 2005) (refer A below).
- Developments on previously vacant industrial or commercial sites that had a resource consent or title granted prior to Council adopting its Development and Financial Contributions Policy (pre 1 July 2005) (refer B below).

These types of developments are placing demands on Council infrastructure. However, they were not assessed for development contribution charges as an assumption was previously made that Council had an opportunity to request a Financial Contribution for stormwater infrastructure under the Resource Management Act 1991, resulting in no stormwater charges being assessed.

(A) Additional buildings or extensions to existing buildings

A special provision to the policy has been introduced allowing stormwater contributions to be assessed on increased gross floor area that adds to the site coverage of the building/s.

The revised methodology for assessing the stormwater contribution is as follows:

- (i) Where a building consent is granted for additional gross floor area, stormwater contributions will be assessed on the increased site coverage of the additional gross floor area. For example, if the site coverage of an existing building was increased by 100m² of gross floor area, stormwater contributions would be charged on the additional 100m².
- (ii) Additional gross floor area that does not increase site coverage, for example a second storey on an existing building, will not be included in the assessment as it will not increase the site coverage of the building and thus the amount of stormwater generated.

(B) Vacant sites

A special provision to the policy has been introduced to allow stormwater contributions to be assessed on site coverage in excess of 35% of site area on an industrial site and 20% of site area on a commercial site. These exemptions reflect the fact that the developer would not have had an expectation that development contributions would be levied so contributions are only assessed on developments above an average size for industrial and commercial developments. This change will bring the stormwater assessment in line with the assessment for water, wastewater and transport, where the 35%/ 20% credits are also given.

Clarification of Development Contribution Charges on Vacant Residential Sites

Under the 2007/08 policy where the developer had title or a resource consent granted prior to the Development Contributions Policy being adopted a developer is exempt from water, reserve, stormwater, transport and wastewater development contributions for the first residential development on a site. In these instances the developer only has to pay the community infrastructure charge.

These exemptions are considered appropriate as sites such as these were created prior to Council having a Development Contributions Policy and therefore the owners of these sites would not have had an expectation that they would have to pay development contributions upon development of their land.

There are a number of residential lots in Hamilton that existed on or before 30 June 2005 that are smaller than the minimum size required for development under the District Plan. Without a resource consent, these sites can only be developed if they are combined with adjacent sites to create bigger development sites. The policy has been revised to clarify that where sites below the minimum size required for development are combined with larger adjacent sites, the smaller site will not be eligible for separate exemptions other than that granted to the larger site.

Special Assessment Policy

Council has developed a new Special Assessment Policy. This gives the developer the right to request a "Special Assessment" of the applicable development contribution charges should the demand created by the development under a given component (e.g. transport, stormwater) be substantially below the anticipated levels for a development of this type (i.e. commercial, industrial, residential). Under the revised policy the developer will be required to provide information as to why the development will have a lower demand on Council infrastructure.

Interest Paid on Refunded Development Contribution Charges

In accordance with the LGA 2002, Council is required to refund development contributions in the following circumstances:

- If a subdivision, resource or building consent lapses or is surrendered and development or building does not proceed.
- If Council does not provide the infrastructure for which the contribution was collected within 10 years of that contribution being received.

The current policy states that Council will refund the development contributions paid plus "any interest accrued". Council has revised the policy to remove the requirement

to refund interest on the development contributions received. This brings the policy in line with the requirements of the LGA 2002.

2.8 Schedule 2 — 2007/08 and 2008/09 Development Contributions Payable

Council has reduced development contribution charges for residential, commercial and industrial developments on both Infill and Greenfield sites. This is due to:

- Slower expenditure on some growth related projects than previously budgeted.
- Some growth related projects have been delayed. The effect of this has been to delay the development contribution funded loan requirements and therefore reduce the financing costs in the short term.

Partially offsetting the impact of these changes is an increase in the interest rate assumed in the financing component of the charge.

The impact of the above changes on the development contribution charges is as follows:

	2007/08 (excl. GST)	2008/09 (excl. GST)
Greenfield		
Residential	\$26,005	\$25,142.40
Commercial (per 100m ²)	\$7,345.39	\$6,581.73
Industrial (per 100m ²)	\$5,710.98	\$5,005.21
Infill		
Residential	\$9,620.74	\$9,440.38
Commercial (per 100m ²)	\$5,707.42	\$4,946.32
Industrial (per 100m ²)	\$4,653.73	\$3,942.08

2.9 Schedule 3 — Revised Development and Financial Contributions Policy for 2008/09

Note: For referencing purposes, the 2008/09 Development and Financial Contributions Policy retains the numbering as shown in Volume II of Council's 2006-16 Long-Term Plan (pages 157 — 176) and in Part B of Council's 2007/08 Annual Plan (pages 173 — 200).

10.1 Policy Objective and Rationale

10.1.1 Hamilton is a growing city. As the city's business and residential populations increase this places greater demands on Council provided infrastructure such as roads, waste water and stormwater facilities and public amenities such as reserves and public libraries.

10.1.2 In order to maintain excellent levels of service for existing and future users of public infrastructure, Council has initiated a number of infrastructure

projects to increase the provision of infrastructure in line with the growth of the city. These are set out in Council's Capital Programme in the Long Term Council Community Plan (LTCCP) 2006-2016.

- 10.1.3 A key issue for Council is how to fund this growth in infrastructure, ensuring an equitable apportionment of costs between existing and future users. The Local Government Act (LGA) 2002 makes provision for territorial authorities such as Hamilton City Council to recover a proportion of increased infrastructure expenditure from developers through "Development Contributions".
- 10.1.4 From 1 July 2006 Council determined that costs associated with new or upgraded infrastructure and reserves required to meet city growth would be funded by development contributions collected under the LGA. This will ensure that developers make a contribution to additional infrastructure required in the city, helping to spread the costs of increased infrastructure between developers and existing ratepayers to ensure that developers make a fair contribution to the demand on infrastructure their developments create, whilst balancing the benefits that existing ratepayers will receive.
- 10.1.5 The Development Contributions policy relates only to the growth related cost component of Council's capital expenditure that would otherwise have had to be funded by ratepayers. Development contributions will not be taken to address service enhancements, historical capacity shortfalls, or remedial action.

10.2 Definitions

In this policy, unless otherwise stated the following definitions will be used:

Commercial development	The use of premises (land and buildings) for the display and retail of goods and services, administration or professional activities, leisure and recreation activities for which a charge is applied, restaurants, bars and those residential activities excluded from the definition of a residential dwelling.
Community infrastructure	As defined in the LGA (2002); <ul style="list-style-type: none"> • Land, or development assets on land, owned or controlled by the territorial authority to provide public amenities; and • Includes land that the territorial authority will acquire for that purpose. Examples of community infrastructure include, but are not limited to, facilities such as libraries, leisure centres and community centres.
Developer	The applicant for, or holder of, a subdivision or land use resource consent, a building consent or an authorisation for a service connection whether this is a person or some other legal or accounting entity.
Granted	In relation to consents and authorisations means the date at which the application for a consent or service connection is approved by the Council.

Gross floor area (GFA)	<p>The sum of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings. Gross floor area shall:</p> <ul style="list-style-type: none"> • Include car parking provided on a commercial basis, elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies; • Exclude car-parking provided to meet the operational needs of the principal activity, including loading and servicing areas and access thereto, and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants.
Industrial development	The use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities.
Issued	In relation to consents and authorisations, the date at which the consent or service connection granted is uplifted, i.e. picked up, from the Council by the applicant.
Mobile accommodation	Caravans or other forms of mobile accommodation, unless used as a sole residence for a period of more than six months in any one calendar year.
Non-permanent accommodation	Premises that provide visitor or other short-term accommodation on a commercial basis. This includes but is not limited to hotels, motels and short-term rental apartments.
Network Infrastructure	Water, stormwater, wastewater and transport projects as defined in the LGA 2002.
Producers Price Index (Outputs) — Construction (PPI)	An index of capital goods prices produced by Statistics New Zealand. PPI adjustments will relate to the percentage change in the PPI for the 12 months to 31 March in the year that the adjustment is to be made.
Residential Dwellings	Buildings or parts of buildings designed to be used by persons living alone, or as a family or as a non-family group, that include but are not limited to apartments, semi-detached and detached houses, ancillary flats, units, town houses, units within retirement villages and all self-contained accommodation. This excludes buildings that provide for permanent accommodation (which include but are not limited to hospices, houses for the aged and infirm, residential centres and hostels), non-permanent accommodation and mobile accommodation.
Reserves contributions -	A contribution towards the purchase and development of reserves.
Retail development -	The use of lands or buildings where goods and services are offered or exposed to the general public for sale, hire or utilisation but excludes restaurants, licensed premises, offices or drive-through services.

10.3 Statutory Requirements

- 10.3.1 The Local Government Act 2002 (LGA) requires Council to adopt a policy on development contributions and financial contributions. Once adopted, the policy can only be altered as part of annual amendments to Council's LTCCP under the Annual Plan process. Where amendments to the development contributions are proposed, this requires use of a Special Consultative Procedure, a consultative process that is required by the LGA).¹⁰
- 10.3.2 This policy outlines the circumstances in which Council intends to require development or financial contributions. This is a statutory requirement of the LGA. This policy also sets out the amounts that will be charged for different types of development, the methodology by which the development contributions have been calculated, the instances where special provisions will apply and the Special Assessment and Appeals processes that has been put in place.
- 10.3.3 This policy was adopted as an amendment to the Council's first LTCCP covering the period 2006-16 and becomes operative on 1 July 2008. It will affect all resource consents, building consents and authorisations for service connection that:
- Are granted on or after that date: and
 - Meet the criteria set out in Section 10.8
- 10.3.4 Any application for consent or authorisations lodged with Council but not granted at the time the policy came into force will be considered to be within the scope of this version of the policy not the previous version of this policy.
- 10.3.5 In accordance with Sections 209 and 210 of the LGA, development contributions will be refunded to the consent holder in the following circumstances:
- If subdivision, resource or building consent lapses or is surrendered and development or building does not proceed
 - If Council does not provide the infrastructure for which the contribution was collected within 10 years of that contribution being received.
- 10.3.6 As the LTCCP is subject to periodic review, specific projects may be subject to alteration or deletion. For the avoidance of doubt a refund will only be made where the level of service that a project was intended to provide for is not provided.

¹⁰ For further information on the statutory requirements affecting this Policy refer to Section 106 of the LGA.

10.4 Policy Benefits

Community Outcomes

- 10.4.1 This policy will help Council deliver its seven Community Outcomes for Hamilton. These were drawn up as part of the LTCCP process following extensive consultation with the city's residential and business communities. Council's ability to achieve these Community Outcomes will be taken into consideration at all times when administering this policy.¹¹

Community Outcome 1 — Sustainable and Well-Planned - "An attractive city that is planned for the well-being of people and nature, now and in the future"

Community Outcome 2 — Vibrant and Creative — "A city that encourages creativity for a vibrant lifestyle"

Community Outcome 3 — Unique Identity — "A city with a strong identity that recognises the significance of its river and history"

Community Outcome 4 - Safety and Community Spirit — "A safe, friendly city where all people feel connected and valued"

Community Outcome 5- Healthy and Happy -"Active and healthy people with access to affordable facilities and services"

Community Outcome 6- Intelligent and Progressive City - "Business growth that is in harmony with the city's identity and community spirit"

Community Outcome 7- Working Together -"Collaborative decision-making and planning are common place"

Integrated Approach

- 10.4.2 Growth-related capital works are seldom isolated within Council's capital works programme rather they are embedded in much larger projects that cater for a number of different users. The use of development contributions to fund the growth components of infrastructure projects not only improves equity, but also transparency and accountability. It enables Council to allocate the shared costs of capital works between various project drivers and recover costs according to the relative pressure that each driver exerts.
- 10.4.3 Council's approach also recognises the clear distinction between the separate purposes of financial contributions under the Resource Management Act 1991 (RMA) and development contributions under the LGA and the direct link of the latter to projects that will provide capacity for growth. This relationship provides certainty that capacity will be provided to support continued development. This clarity will assist the market in pursuing development opportunities.

¹¹ For more information on the Community Outcomes please see Volume 1 of the 2006-16 LTCCP

- 10.4.4 The collection of development contributions is directly responsive to development trends and will assist Council in its project planning and financial planning for growth. This will remove the cost burden from existing ratepayers, who have already paid for existing service capacity, and will ensure that Council is able to maintain existing and accepted levels of service consistently across the community as the growth of the city continues. As such it provides a more equitable basis for sharing the costs of growth.
- 10.4.5 The policy will allow Council to provide network infrastructure in an efficient manner reducing the need for developers to provide for their own needs or to rely on Advance Funding agreements to accelerate planned infrastructure. It therefore provides a reliable income stream to support sustained growth.
- 10.4.6 In the absence of this policy, infrastructure provision would continue to be constrained by the availability of funding from rates and could become a disincentive to urban growth, or could result in an ad hoc approach to growth, undermining Council's City Strategic Framework and Hamilton's Community Outcomes and lowering service standards.
- 10.4.7 Development contributions replace financial contributions that were previously taken under the RMA. For areas where financial contributions were not previously taken, development contributions will be an additional cost item but, by distinguishing the growth related items between greenfield development and previously developed land, and by sharing the costs over the entire development community, these costs are not expected to be a significant burden on developers.
- 10.4.8 Moreover, as development contributions relate to projects that develop the infrastructure networks in a holistic and co-ordinated way, and improve responsiveness to development pressure, they are able to facilitate development on a wider scale than previously, thereby providing more opportunity for the development community.
- 10.4.9 The collection of development contributions at the subdivision stage, and at each subsequent stage of development will ensure that the cost of development is shared by all parties involved in the development process rather than just by the eventual occupiers who will themselves be proportionally funding infrastructure as ratepayers.
- 10.4.10 The benefits of the policy commence immediately from the date of its introduction. It provides predictability and certainty regarding urban growth throughout the LTCCP period and is capable of being reviewed and amended on an annual basis to ensure that it achieves the community's desired outcomes. For most infrastructure assets, benefits will extend well beyond the period of the LTCCP but will be funded over a maximum period of 20 years.
- 10.4.11 Projects funded over a 20-year period will have their costs shared across all development occurring within this period. Projects with a more limited capacity life will be funded by development occurring within the period that capacity is available. New infrastructure can be expected to have an asset life of up to 80 years. Both the costs and the benefits of the policy will therefore be intergenerational.

10.5 Significant Assumptions

10.5.1 The Development and Financial Contributions policy responds to the anticipated effects of forecasted growth on the city's network and community infrastructure. To meet community expectations the LTCCP identifies a range of projects of which a number make provision for growth. The Development Contributions policy aims to recover the costs of providing that capacity on a fair, efficient, equitable and effective basis.

10.5.2 Key inputs to the policy are:

- Growth Projections
- Catchment Areas
- Units of Demand
- Methodology.

Growth Projections

10.5.3 The LTCCP identifies the capital expenditure required to provide for growth up to 2016, consistent with Council's City Strategic Framework and Hamilton's Community Outcomes and reflects a long-term urban growth strategy established in the early 1990's. This strategy promotes the continuation of development through the successive release of urban growth areas, with development of these areas being facilitated through the District Plan and coordinated through the preparation of structure plans.

10.5.4 The rezoning of land for development is staged to coincide with the availability of infrastructure through projects identified in the LTCCP. Through agreement with the neighbouring Waikato District Council additional land areas have been identified to provide a long-term land bank to sustain urban growth. The Urban Growth Strategy was reaffirmed by Council in March 2005.

10.5.5 The identification of land and the coordination of its release through rezoning and the provision of infrastructure provide the basis for the development of growth projections for the longer term. These projections, which also take account significant economic development activities being undertaken in and around Hamilton, indicate that the city's population will continue to grow at a rate of around 2% per annum to 172,219 by 2021, with a population of 159,624 at the end of the 2006-16 LTCCP period.

10.5.6 This equates to a need for an average annual requirement of 1,107 additional dwellings throughout the LTCCP period. Between 39% and 45% of the dwelling growth that will accommodate this population increase is expected to be within the existing built-up area of the city.

10.5.7 Population growth will bring with it the capacity to support additional commercial and industrial development both in terms of providing a labour supply and an increased market for goods and services. Analysis of past trends suggests a likely annual requirement for 25,567m² commercial floor space on 19.5 hectares of land and 43,241m² industrial floor space on 28.79 hectares of land is likely to be needed through the LTCCP period.

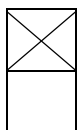
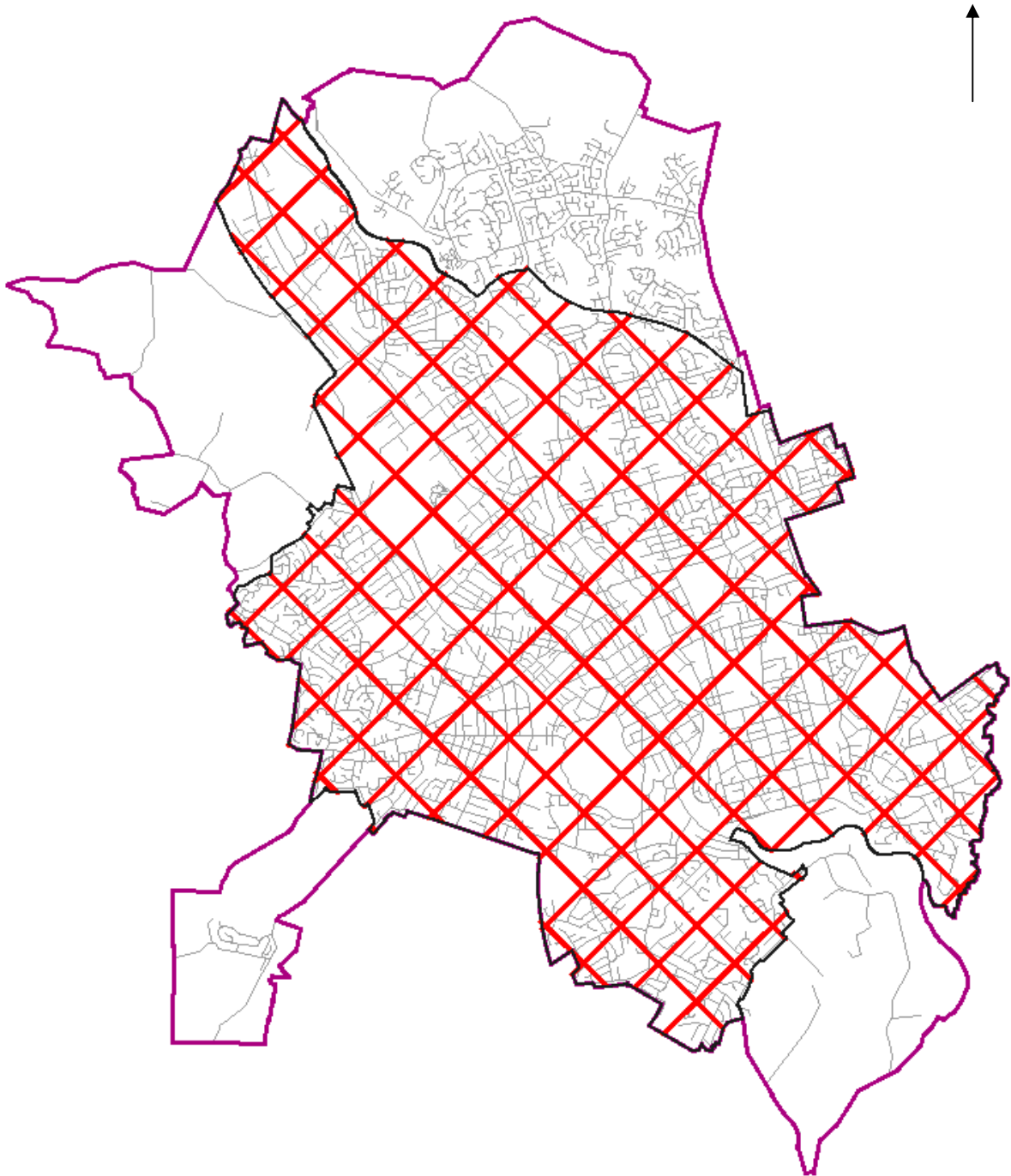
- 10.5.8 Around 62% of this development will be within the existing city (i.e. infill). Through the preparation of structure plans, provision is being made for a significant proportion of this development to be accommodated within the Rototuna and Rotokauri growth areas where the coordination of the necessary infrastructure can secure its accessibility to all parts of the city.

2008/09 Catchment Areas

- 10.5.9 The Community Outcomes for Hamilton reflect the social, economic, cultural and environmental characteristics of the existing urban area. The geographical characteristics of the city have a major influence on the shape and nature of the infrastructure that supports city activity. The city is dissected by the river and gully systems. The general absence of physical relief highlights the significance of these features and has a major bearing on the engineering solutions (and costs) needed to service development.
- 10.5.10 Each of the city's infrastructure networks of roading, water supply, wastewater and stormwater are planned, managed and delivered as a single integrated network servicing the entire city at a uniform level of service at any time. The roading network provides connectivity and accessibility throughout the city and is available to all users without restriction. The network therefore supports development throughout the city and is designed and developed as a single entity.
- 10.5.11 The city has one supply source and water treatment station with an integrated network of bulk mains, pumping stations and reservoirs ensuring that capacity can be provided to all areas of the city. Similarly the city has one wastewater treatment station and an integrated network of trunk sewers collecting waste from all parts of the city. The city's stormwater network is designed to provide flood protection for all parts of the city, specifically the road and reserve network.
- 10.5.12 Councils' Activity/Asset Management Plans explain that each network is characterised by a combination of interdependent components. The city's networks provide an adopted level of service throughout the city.
- 10.5.13 Community infrastructure and reserves projects enhance the capacity and utility of the city's reserve network. The network is citywide and provides opportunities for recreation for the city's residential and working community, provides connectivity between residential, commercial and industrial areas and provides a high standard of visual amenity to enhance the environmental quality of the city and help to secure continued investment. As the city grows, these projects are extended into newly developed areas.
- 10.5.14 The city's network and community infrastructure is a significant asset that is critical to the community's wellbeing as well as important to the city's urban form. Growth of the network places a considerable and inequitable financial burden on existing ratepayers but could not be achieved through the actions of individual developers without impacting on the form of the city or on the levels of service provided. The development contributions policy provides an appropriate way of facilitating urban growth consistent with Council's City Strategic Framework and Hamilton's Community Outcomes, without imposing an unreasonable financial burden on the development community.

- 10.5.15 This single network philosophy is reflected in Council's capital expenditure programme. All areas of the city receive the same level of service even though there are often significant differences between the costs of providing services to existing built up areas and Greenfield sites. These differences are reflected in a catchment-based approach that distinguishes Greenfield site development from infill development.
- 10.5.16 Some network and community infrastructure projects are of city-wide benefit and the growth related cost component has been identified and shared equitably amongst all developments that meet the criteria set out in Section 10.8. Other projects, such as wastewater pipes, are required solely to service growth in a particular area.
- 10.5.17 Development contributions associated with infill developments relate solely to the augmentation of the network to maintain capacity, and to those citywide facilities that will also service the infill areas. Development contributions from Greenfield development relate to their share of capacity provided by citywide facilities and the cost of new infrastructure needing to be provided in the growth areas. See below for 2008/9 Catchment Areas. No changes to the Catchment Areas have occurred as part of the 2008/9 amendment to the LTCCP.

Catchment Areas 2008/09



Infill Area

Greenfield Area

July 2008

Units of Demand

- 10.5.18 Units of demand (UD) provide the basis for distributing the costs of growth. They illustrate the rates at which different activities utilise capacity and are expressed in relation to a base unit. Council forecasts that the average household size will decrease incrementally from 2.7 persons per household in 2006 to 2.5 persons per household in 2027. This base unit is used as a multiplier to determine the demand and capacity for Council services, in conjunction with Council's Activity/Asset Management Plans, Development Manual and Transfund New Zealand Research reports 209¹² and 210¹³.
- 10.5.19 Table 1 describes the demand characteristics of one UD for each infrastructure service. People drive the demand for community infrastructure, therefore calculation of a unit of demand for community infrastructure has been undertaken on the basis of population. As the majority of the demand will be from city residents this is where the majority of costs should lie but the city also has a significant working population of non-residents that also places a demand on community infrastructure.
- 10.5.20 The 2001 Census of Population and Dwellings recorded that 50,214 people worked in Hamilton City (comprising full and part-time workers). Of this total, 10,908 people (21.7%) travelled to work from outside of the city and worked in the Hamilton. Of these non-resident workers, 7,518 people (15.0% of all Hamilton's workforce) worked in sectors considered to be either industrial or commercial. The balance of the non-resident workforce (3,390 people) worked in sectors where development would not attract development contributions or development contributions would be specially assessed.
- 10.5.21 As the city grows as a regional centre it is likely that this trend will continue. Accordingly the costs of the community infrastructure capital works programme have been apportioned 85% to residential development, with the remainder split 5.2% to industrial development and 9.8% to commercial development based on their share of the non-resident working population. Land acquisition for reserves will be funded entirely by residential development as this is necessitated by residential as opposed to industrial or commercial growth.
- 10.5.22 The Unit of Demand for community infrastructure is obtained by calculating the forecasted resident population relative to the total daily population, including both the resident and non-resident populations. This is expressed as a percentage of the growth related costs (84.1%).
- 10.5.23 Table 2 describes the UD multipliers for non-residential development. In assessing Units of Demand arising from a mixed-use development such as a retirement village, separate assessment will be made of each component part based on the principle activities of residential dwellings, industrial activities and commercial development.
- 10.5.24 Units of Demand for community infrastructure are calculated on the basis of the percentage of growth related costs caused by the forecasted increase in the non-resident working population in each sector; industrial (7.4%), commercial (8.5%).

¹² Trips and Parking Related to Land Use — Volume 1: Report

¹³ Trips and Parking Related to Land Use — Volume 2: Trip and Parking Surveys Database

- 10.5.25 Assessment of the stormwater contribution will be based on site area, with the exception of additional buildings or extensions to existing buildings for certain developments (See Special Provision 5). All other services relate to gross floor area.
- 10.5.26 The roading unit of demand for commercial development set out in Table 2 averages out the very wide variations arising from different retail formats. For the assessment of units of demand at the development stage for retail developments, i.e. for land use resource consents, building consents and service connections, Figure 1 will be used.

Methodology

- 10.5.27 Many of the capital works programmes underlying the policy are multi-dimensional; very few are designed to serve just growth. The reason for this is so-called "economies of scope". Economies of scope mean that it is cheaper to undertake one project that serves several purposes than to undertake a series of smaller single-purpose projects. Economies of scope lead to shared costs across project drives (one of which is growth).
- 10.5.28 The cost allocations underlying this policy were based on a two-staged approach. In stage one, the model checks whether a project bears any relation to serving growth. If so, stage two derives the percentage of the cost to be allocated to growth. Both stages of the allocation process have been guided by a number of considerations, such as:
- Section 101(3) of the Local Government Act 2002. This sets out the issues to which Council must have regard when determining its funding sources. These include the distribution of benefits (both temporally and spatially), the extent of any cost causation, and the impacts on Community Outcomes and policy transparency. It also requires Council to consider the likely impacts on the four well-beings, both current and future.
 - Activity management plans, which provide detail about the scale and nature of capital works.
 - Network modelling, which helps understand the usage of infrastructure networks.
 - Cost allocation principles, such as stand alone costs and incremental costs.
 - The presence of third party funding.
- 10.5.29 Development contribution charges are calculated on the basis of best available knowledge at the time of the policy. The assumptions will be revisited at the time of each review of the LTCCP (every three years), and the preparation of the draft Annual Plan (yearly). These will only be adjusted between the draft and final LTCCP/Annual Plan if there is a material change associated with project costings, underlying assumptions, growth predictions and/or the actual amount of development contributions collected.
- 10.5.30 Development contribution charges are expressed as 2008 dollar values. They include inflationary movement on the basis of a weighted average per year. In addition, all development contribution charges take account of loan

charges at the annual rate used for budgeting in the Annual Plan and LTCCP. Development Contributions are exclusive of Goods and Services Tax (GST). GST will be added after the calculation of any contributions required under this policy.

- 10.5.31 Development contributions recover the growth related capital expenditure that has already been made or will be made within the period 2006-16. For some projects this will be the entirety of the costs. All growth-related projects are loan funded for the term of the capacity they provide. For many projects this means that the loan period will extend the period for recovery beyond the timeframe of the LTCCP. Development contributions for these projects will relate solely to the proportion of growth-related capacity consumed within this timeframe.
- 10.5.32 Subject to the criteria set out in Section 10.8 development contributions will be required from all developments occurring throughout the LTCCP period. Development contributions will help fund projects that will be provided within this period that fully or partly serve growth, notwithstanding that some projects will occur after development has taken place.
- 10.5.33 In relation to reserves, Council's preference will be to take land rather than a cash sum. Rule 6.5 of the Hamilton City Proposed District Plan (November 2001, References Version) provides a resource management context for requiring land for reserve purposes to mitigate the effects of development.¹⁴ This rule will continue to operate to the extent that it will determine the need for land in preference to cash.
- 10.5.34 Where land is needed, the extent will be determined through the resource consent process but the developer's financial liability will be determined through the Development and Financial Contributions Policy. Any shortfall between the development contribution paid and the current market value of the land will be met by Council. The requirement to provide esplanade reserves under Rule 6.6 of the Proposed District Plan is unaffected by this policy.
- 10.5.35 Development contribution rates are the maximum amounts that will be required and are calculated on the basis of a unit of demand (or multiplier thereof). In exceptional circumstances where specific developments are subject to special assessment of their likely demand, the methodology will be used to assess a unit of demand relating to the particular development and calculate a development contribution based on those unique circumstances.
- 10.5.36 Contributions raised for projects implemented in anticipation of development represent the recovery of financing costs, and as such will be applied to the funding of interest and the repayment of debt over the remaining capacity period of the loan for that project.
- 10.5.37 For the purposes of calculating the development contribution charge for each project, the period over which the project provides growth capacity (and hence costs are allocated) is determined as the lesser of when capacity is actually reached or 20 years. Within the development contributions model, a loan is raised for each project with a term based on the years of capacity provided by the growth project, and loan repayments are structured to match this model.

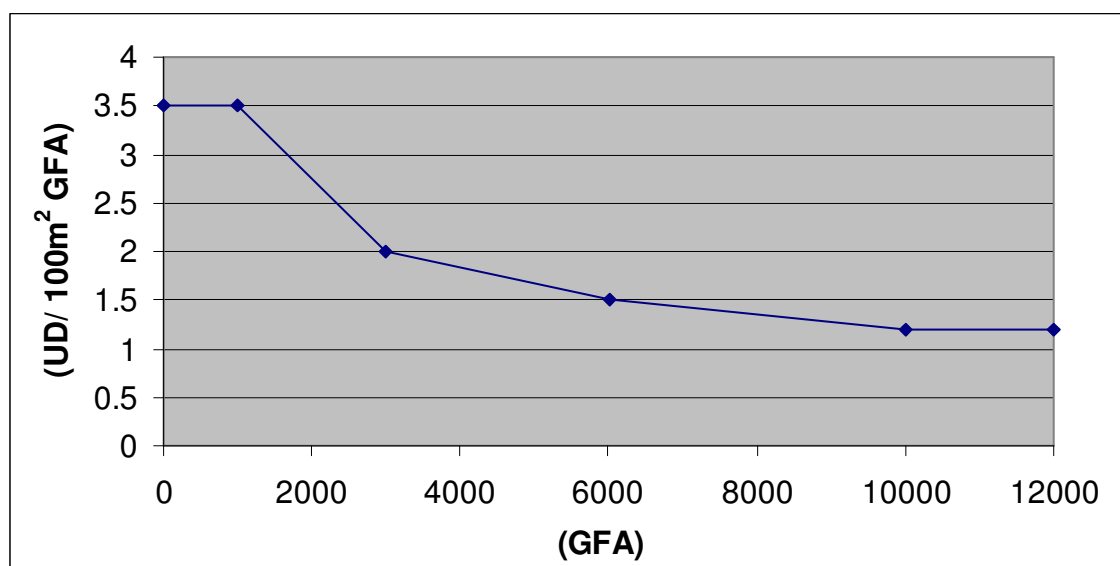
¹⁴ Proposed District Plan, November 2001, References Version

Table 1 — Units of Demand

Unit of Demand (For one dwelling unit)	
Community infrastructure (infill)	\$739.36
(greenfield)	\$1,392.85
Reserves Contributions (infill)	\$181.11
(greenfield)	\$7,488.46
Stormwater	55% run-off coefficient of a 600m ² section
Transport	10 vehicle trips a day
Wastewater	70% of 702 litres/household/day
Water supply	702 litres/household/day

Table 2 — Units of Demand for Industrial and Commercial Development

Expenditure Category	Industrial Development	Commercial Development
Community Infrastructure (infill)	\$164.04/100m ²	\$318.68/100m ²
(greenfield)	\$309.03/100m ²	\$600.35/100m ²
Reserves Contributions (infill)	nil	nil
(greenfield)	nil	nil
Stormwater	0.23/100m ²	0.23/100m ²
Transport	1.8/100m ²	2/100m ²
Water Supply	0.07/100m ²	0.12/100m ²
Wastewater	0.09/100m ²	0.18/100m ²

Figure 1 — Transport Units of Demand for Retail Development

10.6 LTCCP Capital Expenditure Programme (2006-16)

- 10.6.1 The Local Government Act 2002 (LGA) requires Council to explain why it has chosen to use development contributions to fund the costs of growth-related capital expenditures.
- 10.6.2 Infrastructure assets typically have long useful lives. In order to match the timing of benefits provided by new assets with the costs of their provision, a long-life funding mechanism has been adopted. For the purposes of calculating the development contribution levy for each project, the period over which the project provides growth capacity (and hence costs are allocated) is determined as the lesser of when capacity is actually reached or 20 years.
- 10.6.3 Table 3 sets out the cost of the growth related capital programme from 2006/07 to 2015/16 including the cost of financing this expenditure over the period that the programme provides capacity for growth. The total cost is further split to show the capital project cost and the financing charges applicable to the growth projects.
- 10.6.4 Also identified are the development contributions expected to be received over the period that the programme provides capacity for growth (which extends beyond 2015/16). In addition the proportions of total expenditure attributed to government subsidies, Council reserves and loan funding is also set out.
- 10.6.5 Council has identified a number of projects that have been implemented in anticipation of development occurring after 1 July 2006 and for which capital expenditure funded by way of loans is still outstanding. Table 4 summarises the costs that will be recovered through development contributions for these growth related projects. The financing charges line on Table 3 includes the financing costs of loan funding for previous and current infrastructure projects.

Table 3 — Funding Sources for Growth Related Capital Expenditure incurred after 1 July 2006

	Proposed Funding 2006/07 - 2015/16 ¹⁵					Dev. Contr. as a % of the LTCCP Programme
	LTCCP Capital Programme 06/07 - 15/16 (inc Financing)	Funded by				
		Dev. Contr. (LGA 2002)	Fin. Contr. (RMA Levies)	Subsidy	Other Funding (reserve, loans, rates, & other)	
Community Infrastructure	111,325	47,460	0	0	63,865	42.63%
Reserves Contributions	111,785	94,311	0	0	17,474	84.37%
Stormwater	100,443	100,443	0	0	0	100%
Transport	499,371	320,791	0	79,240	99,340	64.24%
Wastewater	81,268	70,659	0	0	10,609	86.95%
Water	92,386	91,306	0	0	1,080	98.83%
Total	996,578	724,970	0	79,240	192,368	
Capital Programme	607,669	336,061	0	79,240	192,368	55.30%
Financing Charges	388,909	388,909	0	0	0	100%
Total	996,578	724,970	0	79,240	192,368	

¹⁵ All figures are exclusive of GST

¹⁶ Adjusted for inflation

Table 4 - Summary of costs incurred on projects provided in anticipation of development

Expenditure Category	Outstanding costs of projects implemented in anticipation of development (Project Cost & Interest (\$000's))
Community Infrastructure	545
Reserves Contributions	3,848
Stormwater	550
Transport	31,208
Wastewater	45,873
Water	34,510
Total	116,534

Growth Projects

10.6.6 Development and Financial Contributions are based on the total growth portion of capital projects in the following areas:

- Community Infrastructure
- Reserves
- Stormwater
- Transport
- Wastewater
- Water.

10.6.7 The following tables detail the capital projects under each of these areas. All of the capital expenditure that has been identified supports and facilitates urban growth.

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Citywide – Community Infrastructure – Costs \$000s (Inflation Adjusted)

Cap start	Yrs	Cap finish		Yr 1-2007	Yr 2-2008	Yr 3-2009	Yr 4-2010	Yr 5-2011	Yr 6-2012	Yr 7-2013	Yr 8-2014	Yr 9-2015	Yr 10-2016
2007	20	2026	Claudelands park development	20									
2007	20	2026	Walkway/Cycleway system development	68									
2007	20	2026	Recreation equipment programme	50									
2007	20	2026	Nursery upgrade	30									
2007	20	2026	Public toilets	58									
2009	20	2028	Hamilton gardens development		15								
2011	20	2030	Hamilton gardens development				23						
2019	20	2038	Hamilton gardens development							33			
2017	20	2036	Hamilton gardens development									37	42
2010	20	2029	Hamilton gardens infrastructure development prog.			112	75						
2009	20	2028	Claudelands park development	12	200								
2009	20	2028	Taitua Arboretum development		20								
2012	20	2031	Taitua Arboretum development					53					
2013	20	2032	Taitua Arboretum development						29				
2015	20	2034	Taitua Arboretum development								31		
2017	20	2036	Taitua Arboretum development										27
2009	20	2028	Replacement lakeside tearooms & reception centre	11	402	232							
2009	20	2028	CBD promenade development programme			420							
2008	20	2027	Tills lookout Taitua Arboretum walkway project	43	4								
2008	20	2027	Walkway/Cycleway system development	25	32								
2014	20	2033	Waiwhakareke natural heritage park funding							12			
2015	20	2034	Waiwhakareke natural heritage park funding								130		
2016	20	2035	Waiwhakareke natural heritage park funding									63	
2017	20	2036	Waiwhakareke natural heritage park funding										102
2012	10	2021	Sports area development programme					139					
2014	10	2023	Provision of changing rooms on parks							370			
2008	20	2027	Public toilets	61									
2010	20	2029	Claudelands indoor stadium			830							
2011	20	2030	Claudelands indoor stadium				2784						
2015	5	2019	North east sector library construction							801	5693	5560	
2012	6	2017	North east sector new pool			553		5834	1733				

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Greenfield – Community Infrastructure – Costs \$000s (Inflation Adjusted)													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2016	3	2018	Gully park development programme									178	
2012	7	2018	Passive park development programme					42					
2013	5	2017	Passive park development programme						155				
2008	10	2017	Car park development programme	28									
2010	3	2012	Pedestrian links on parks			182							
2008	10	2017	Recreation equipment programme	89									
2010	8	2017	Recreation equipment programme			65							
2012	7	2018	Recreation equipment programme					20					
2013	3	2015	Recreation equipment programme								7	7	26
2013	15	2027	Rotokauri passive parks development programme						60				
2017	12	2028	Rotokauri sports parks development programme										1332
2008	11	2018	Rototuna passive parks development programme	67	6								
2012	7	2018	Rototuna passive parks development programme					81					
2016	3	2018	Rototuna passive parks development programme									88	
2011	8	2018	Rototuna sports parks development programme				1280						
2013	6	2018	Rototuna sports parks development programme						1251				
2014	5	2018	Rototuna sports parks development programme							1934			
2017	2	2018	Rototuna sports parks development programme										1332
2014	5	2018	New skateboard facilities							62			
2009	10	2018	Public toilets		64								

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Citywide – Reserves - Costs \$000s (Inflation Adjusted)													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2008	5	2012	North east sector library land purchase		910								
2012	20	2031	Waiwhakareke natural heritage park funding		80	48	28	58					
2013	20	2032	Waiwhakareke natural heritage park funding						49				
2014	20	2033	Waiwhakareke natural heritage park funding							15			
2015	20	2034	Waiwhakareke natural heritage park funding								77		
2016	20	2035	Waiwhakareke natural heritage park funding									38	
2017	20	2036	Waiwhakareke natural heritage park funding										83

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				Greenfield –Reserves– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2006	20	2025	Glenview club land purchase	57									
2007	20	2026	Glenview club land purchase	520									
2007	12	2018	Te Manatu and Mangaiti land for reserves	1262	106								
2009	10	2018	Land purchase for reserves	251	15510								
2009	10	2018	Land purchase for reserves		4708								
2010	9	2018	Land purchase for reserves			11616							
2011	15	2025	Land purchase for reserves				1465						
2012	15	2026	Land purchase for reserves					645					
2013	15	2027	Land purchase for reserves						7335				
2014	15	2028	Land purchase for reserves							675			
2015	15	2029	Land purchase for reserves								688		
2016	15	2030	Land purchase for reserves									700	
2017	15	2031	Land purchase for reserves										712
2009	20	2028	Esplanade reserve acquisition programme		9								
2010	20	2029	Esplanade reserve acquisition programme			10							
2011	20	2030	Esplanade reserve acquisition programme				10						
2012	20	2031	Esplanade reserve acquisition programme					10					
2013	20	2032	Esplanade reserve acquisition programme						10				
2014	20	2033	Esplanade reserve acquisition programme							11			
2015	20	2034	Esplanade reserve acquisition programme								11		
2016	20	2035	Esplanade reserve acquisition programme									11	
2017	20	2036	Esplanade reserve acquisition programme										11
2010	9	2018	Passive park development programme			96							
2012	7	2018	Passive park development programme					80					
2013	5	2017	Passive park development programme						40				
2013	15	2027	Rotokauri passive parks development programme						22				
2017	12	2028	Rotokauri sports parks development programme										764
2008	11	2018	Rototuna passive parks development programme	18									
2012	7	2018	Rototuna passive parks development programme					21					
2016	3	2018	Rototuna passive parks development programme									23	

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Greenfield –Reserves– Costs \$000s (Inflation Adjusted) - Cont													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2011	8	2018	Rototuna sports parks development programme				524						
2013	6	2018	Rototuna sports parks development programme						869				
2014	5	2018	Rototuna sports parks development programme							978			
2017	2	2018	Rototuna sports parks development programme										764
2012	17	2028	Rotokauri central green corridor					553					
2015	14	2028	Rotokauri central green corridor								934		
2017	12	2028	Rotokauri central green corridor										504

Infill –Reserves– Costs \$000s (Inflation Adjusted)													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2009	20	2028	Land Acquisition - Infill		83								
2010	20	2029	Land Acquisition - Infill			85							
2011	20	2030	Land Acquisition - Infill				88						
2012	20	2031	Land Acquisition - Infill					90					
2013	20	2032	Land Acquisition - Infill						92				
2014	20	2033	Land Acquisition - Infill							94			
2015	20	2034	Land Acquisition - Infill								96		
2016	20	2035	Land Acquisition - Infill									97	
2017	20	2036	Land Acquisition - Infill										99

Infill –Stormwater– Costs \$000s (Inflation Adjusted)													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2008	10	2017	Network upgrades enabling infill development	226	194								
2010	10	2019	Network upgrades enabling infill development			532							
2012	10	2021	Network upgrades enabling infill development					561					
2014	10	2023	Network upgrades enabling infill development							587			
2016	10	2025	Network upgrades enabling infill development									609	

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				Greenfield –Stormwater– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2007	5	2011	Rototuna/Flagstaff trunks	354									
2008	2	2009	Contributions increasing pipe sizes in subdivisions	2	50								
2010	2	2011	Contributions increasing pipe sizes in subdivisions			53							
2012	2	2013	Contributions increasing pipe sizes in subdivisions					56					
2014	2	2015	Contributions increasing pipe sizes in subdivisions							59			
2016	2	2017	Contributions increasing pipe sizes in subdivisions									61	
2008	5	2012	Rototuna/Flagstaff trunks	2488									
2009	5	2013	Rototuna/Flagstaff trunks		304								
2010	5	2014	Rototuna/Flagstaff trunks			2855							
2013	9	2021	Rototuna/Flagstaff trunks						2514				
2014	8	2021	Rototuna/Flagstaff trunks							2128			
2017	5	2021	Rototuna/Flagstaff trunks										1481
2009	5	2013	Rotokauri pipe network		150								
2010	10	2019	Rotokauri pipe network			5081							
2011	10	2020	Rotokauri pipe network				1202						
2012	20	2031	Rotokauri pipe network					4411					
2013	20	2032	Rotokauri pipe network						1660				
2014	20	2033	Rotokauri pipe network							1867			
2015	20	2034	Rotokauri pipe network								9669		
2016	20	2035	Rotokauri pipe network									1698	
2017	20	2036	Rotokauri pipe network										7466
2010	5	2014	Peacocke pipe network			24	299						
2010	5	2014	Peacocke mitigation wetlands			46	590						

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

				Citywide –Transport– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2007	20	2026	Baverstock Rd upgrade 00/01	387									
2010	20	2029	Borman Rd E of Cate	23									
2008	20	2027	Borman Rd land purchase	444									
2010	20	2029	E1 land purchase	3956									
2007	20	2026	Resolution Dve - Discovery to Borman	192									
2007	20	2026	Thomas Rd - Horsham D to Gordonton 04/05	1302									
2007	20	2026	Thomas Rd repay advance funding 04/05	1047									
2007	20	2026	Wairere Dve - River Rd to Hukanui 03/04	2874									
2009	20	2028	Wairere Dve - Hukanui to Tramway	139									
2008	20	2027	Borman Rd land purchase	21									
2007	20	2026	Resolution Dve - Discovery to Borman	405									
2009	20	2028	Wairere Dve - Hukanui to Tramway	113									
2007	20	2026	Subdivision associated works	55									
2014	20	2033	E1 land purchase	10									
2007	20	2026	Rotokauri future growth	33									
2007	20	2026	Cycleway construction	31									
2007	20	2026	Footpath construction	5									
2007	20	2026	Electronic traffic information signage	27									
2007	20	2026	Mill St (Tristram to Hall St)	86									
2012	20	2031	E1 design & build (Fifth Ave to Ruakura Rd)	2	61	140	1502	2121					
2013	20	2032	E1 design & build (5th-Ruakura & Crosby-5th)						1023				
2015	20	2034	E1 design & build (Crosby Rd to Fifth Ave)							925	943		
2010	20	2029	Massey St to Hall St minor works				25						
2008	20	2027	Mill St intersections (Tristram/Willoughby/Anglesea)		22	76							
2011	20	2030	Hukanui Rd intersection upgrades				38	177					
2012	20	2031	Peachgrove Rd intersection upgrades						471				
2010	20	2029	Peachgrove-East & Te Aroha intersection upgrades		36	107	199						
2011	20	2030	Peachgrove-East & Te Aroha intersection upgrades					301					
2011	20	2030	Ruakura Rd (E1 to Peachgrove)				226	177					

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PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Citywide –Transport– Costs \$000s (Inflation Adjusted) - Cont

Cap start	Yrs	Cap finish		Yr 1-2007	Yr 2-2008	Yr 3-2009	Yr 4-2010	Yr 5-2011	Yr 6-2012	Yr 7-2013	Yr 8-2014	Yr 9-2015	Yr 10-2016
2009	20	2028	Wairere Dr (Hukanui to Tramway)	68	1655	5	942						
2010	20	2029	Wairere Dr (Te Rapa to Resolution)		2526	438	1819	2298					
2011	20	2030	Wairere Dr (Te Rapa-Resolution & River Rd)						579				
2013	20	2032	Wairere Dr (River Rd intersection)							832	1038		
2016	20	2035	Wairere Dr (Te Rapa intersection)									960	878
2008	20	2027	Cycleway construction	33	85								
2008	20	2027	Cycleway construction		103								
2009	20	2028	Cycleway construction			159							
2010	20	2029	Cycleway construction				123						
2011	20	2030	Cycleway construction					112					
2012	20	2031	Cycleway construction						195				
2013	20	2032	Cycleway construction							92			
2014	20	2033	Cycleway construction								171		
2015	20	2034	Cycleway construction									77	
2016	20	2035	Cycleway construction										138
2007	20	2026	Subdivision associated works	73									
2008	20	2027	Subdivision associated works		119								
2009	20	2028	Subdivision associated works			122							
2010	20	2029	Subdivision associated works				126						
2011	20	2030	Subdivision associated works					129					
2012	20	2031	Subdivision associated works						132				
2013	20	2032	Subdivision associated works							135			
2014	20	2033	Subdivision associated works								138		
2015	20	2034	Subdivision associated works									140	
2016	20	2035	Subdivision associated works										142
2011	20	2030	Ruakura Rd (E1 to Silverdale)				836	2384					
2012	20	2031	Peacockes roading future growth	2	448	284	292						
2017	20	2036	Peacockes roading future growth					300	327	22	23		
2009	20	2028	Rotokauri roading future growth	79	6	-90	1613						

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

Citywide –Transport– Costs \$000s (Inflation Adjusted) - Cont													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2009	20	2028	Rotokauri roading future growth		1230								
2011	20	2030	Rotokauri roading future growth				5533						
2013	20	2032	Rotokauri roading future growth					7090					
2014	20	2033	Rotokauri roading future growth						5171	6050			
2015	20	2034	Rotokauri roading future growth								5220		
2016	20	2035	Rotokauri roading future growth									5110	
2017	20	2036	Rotokauri roading future growth										3330
2009	20	2028	Rototuna roading growth	2489	5994								
2009	20	2028	Rototuna roading growth		992								
2010	20	2029	Rototuna roading growth			1222	2579						
2011	20	2030	Rototuna roading growth				16158						
2012	20	2031	Rototuna roading growth					8362					
2013	20	2032	Rototuna roading growth						5884				
2016	20	2035	Rototuna roading growth							682	2471	3447	
2017	20	2036	Rototuna roading growth										1442
2008	20	2027	Church Road upgrade near Maui Street	44		357							
2008	20	2027	Off road new walkway/cycleway programme	1	42								
2013	20	2032	Off road new walkway/cycleway programme							72			
2012	20	2031	Boundary Road/Fifth Ave improvements		26	105	472	442	724				
2008	20	2027	Resolution Dve - Discovery to Borman	626	222								
2014	20	2033	E1 land purchase	2	881								
2010	20	2029	Peachgrove Rd to Te Aroha St land purchase (slp)	61	59								

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PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

				Citywide –Wastewater– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2011	5	2015	Western wastewater interceptor	910									
2007	5	2011	Treatment plant 04/05	24428									
2009	20	2028	Treatment plant upgrade	107									
2009	20	2028	Treatment plant upgrade	601									
2007	5	2011	Treatment plant capital improvements	20									
2010	20	2029	Wastewater treatment plant upgrade	180	169	5120							
2011	20	2030	Wastewater treatment plant upgrade				3105						
2012	20	2031	Wastewater treatment plant upgrade					3507					
2013	20	2032	Wastewater treatment plant upgrade						2916				

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

				Greenfield –Wastewater– Costs \$000s (Inflation Adjusted)											
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016		
2008	3	2010	Far E interceptor	2205											
2007	2	2008	Contributions increasing pipe sizes subdivisions	53											
2007	5	2011	Rototuna wastewater trunks	581											
2007	5	2011	Interceptor & trunks (Rotokauri)	30											
2010	1	2010	Extension of far eastern interceptor	25	100	1314									
2009	2	2010	Contributions increasing pipe sizes subdivisions		52										
2011	2	2012	Contributions increasing pipe sizes subdivisions				55								
2013	2	2014	Contributions increasing pipe sizes subdivisions						57						
2015	2	2016	Contributions increasing pipe sizes subdivisions								60				
2017	2	2018	Contributions increasing pipe sizes subdivisions										62		
2008	3	2010	Rototuna wastewater trunks	1649											
2009	13	2021	Rototuna wastewater trunks		401										
2010	12	2021	Rototuna wastewater trunks			2159									
2012	10	2021	Rototuna wastewater trunks					1538							
2014	8	2021	Rototuna wastewater trunks							26					
2015	7	2021	Rototuna wastewater trunks								99				
2016	6	2021	Rototuna wastewater trunks									351			
2017	5	2021	Rototuna wastewater trunks										274		
2009	5	2013	Rotokauri trunks	18	596										
2010	5	2014	Rotokauri trunks			962									
2011	10	2020	Rotokauri trunks				536								
2012	15	2026	Rotokauri trunks					478							
2013	20	2032	Rotokauri trunks						2450						
2014	12	2025	Rotokauri trunks							1784					
2008	5	2012	Interceptor & trunks (Rotokauri)	12	5	253									
2010	5	2014	Peacocke trunkmains		103		1045								
2010	5	2014	Peacocke stage 1		7	354	3145								
2011	10	2020	Temple View upgrade wastewater			13	150								

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

				Infill –Wastewater– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2008	10	2017	Network upgrades for infill development		100								
2010	10	2019	Network upgrades for infill development			106							
2012	10	2021	Network upgrades for infill development					112					
2014	10	2023	Network upgrades for infill development							117			
2016	10	2025	Network upgrades for infill development										122

PART B: 2.0 REVIEW OF COUNCIL'S DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

				Citywide –Water– Costs \$000s (Inflation Adjusted)									
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2012	20	2031	Rototuna reservoir & bulkmains	370									
2007	10	2016	Ham South reservoir	6390									
2007	20	2026	Treatment station upgrade	1599									
2007	10	2016	Clear water tank 01/02	1545									
2007	5	2011	Thomas Rd 03/04	132									
2007	9	2015	Ham South reservoir	3060									
2007	20	2026	Treatment station upgrade	2468									
2012	20	2031	Rototuna reservoir and associated bulkmains				2010	3290					
2013	20	2032	Rotokauri reservoir and associated bulkmains				547	967	2994				
2010	5	2014	Water supply emergency plan			1							
2011	5	2015	Water supply emergency plan				7						
2012	5	2016	Water supply emergency plan					7					
2013	5	2017	Water supply emergency plan						7				
2014	5	2018	Water supply emergency plan							7			
2015	5	2019	Water supply emergency plan									1	
2009	20	2028	WTS capital improvements	34	192								
2011	20	2030	WTS capital improvements			33	459						
2013	20	2032	WTS capital improvements					12	115				
2009	20	2028	WTS emergency electricity supply		200								
2015	20	2034	WTS capital improvements (growth)						5	14	108		
2017	20	2036	WTS capital improvements (growth)									1462	14868
2008	10	2017	Ham South reservoir	106	97								
2008	9	2016	Bulkmain valve automation	20									
2008	20	2027	Trunkmains duplication (Temple View)	3									
2008	20	2027	Water treatment station upgrade	344									
2017	20	2036	Water treatment station upgrade										19

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				Greenfield –Water– Costs \$000s (Inflation Adjusted)											
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016		
2007	11	2017	Bulkmain augmentation	1054											
2007	5	2011	Rototuna trunkmain	74											
2007	2	2008	Nawton trunkmain	8											
2008	15	2022	Rotokauri trunkmains	21											
2007	10	2016	Bulkmain augmentation	2657											
2008	3	2010	Rototuna watermains	53											
2009	7	2015	Rototuna watermains		1187										
2010	7	2016	Rototuna watermains			338									
2012	7	2018	Rototuna watermains					181							
2013	7	2019	Rototuna watermains						511						
2014	7	2020	Rototuna watermains							899					
2015	7	2021	Rototuna watermains								249				
2016	6	2021	Rototuna watermains									298			
2017	5	2021	Rototuna watermains										757		
2009	2	2010	Contributions increasing pipe sizes in subdivisions		21										
2011	2	2012	Contributions increasing pipe sizes in subdivisions				22								
2013	2	2014	Contributions increasing pipe sizes in subdivisions						23						
2015	2	2016	Contributions increasing pipe sizes in subdivisions								24				
2017	2	2018	Contributions increasing pipe sizes in subdivisions										25		
2011	9	2019	Bulkmain augmentation and extension	316	1821	284	2385								
2010	10	2019	Rotokauri watermains			922									
2011	10	2020	Rotokauri watermains				252								
2012	10	2021	Rotokauri watermains					173							
2013	13	2025	Rotokauri watermains						290						
2014	12	2025	Rotokauri watermains							193					
2015	11	2025	Rotokauri watermains								227				
2016	10	2025	Rotokauri watermains									390			
2017	9	2025	Rotokauri watermains										198		
2008	2	2009	Nawton trunkmain	11	152										
2010	5	2014	Peacocke watermains		12										

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Infill –Water– Costs \$000s (Inflation Adjusted)													
Cap start	Yrs	Cap finish		Yr 1- 2007	Yr 2- 2008	Yr 3- 2009	Yr 4- 2010	Yr 5- 2011	Yr 6- 2012	Yr 7- 2013	Yr 8- 2014	Yr 9- 2015	Yr 10- 2016
2009	10	2018	Network upgrades for infill development		619								
2010	10	2019	Network upgrades for infill development			319							
2011	10	2020	Network upgrades for infill development				328						
2012	10	2021	Network upgrades for infill development					337					
2013	10	2022	Network upgrades for infill development						345				
2014	10	2023	Network upgrades for infill development							352			
2015	10	2024	Network upgrades for infill development								359		
2016	10	2025	Network upgrades for infill development									365	
2017	10	2026	Network upgrades for infill development										372

10.7 Schedule of Development Contributions — 2008/09

- 10.7.1 Tables 5, 6 and 7 set out the schedule of development contributions charges for 2008/9. The amounts relate directly to the cost of infrastructure projects to be undertaken in the LTCCP period (2006-2016) across each area of service. They also relate to the level of demand on the service arising from the type of development being undertaken and the level of service received from improved infrastructure provision (see Section 10.5 for methodology).
- 10.7.2 All figures include the recovery of costs incurred on projects in anticipation of development occurring after 1 July 2005 (See Section 10.6).
- 10.7.3 With the exception of commercial developments of permanent accommodation (see Special Provision 6), industrial and commercial developments are charged at \$0 for reserves as these developments will not require growth in the Council's reserve infrastructure.
- 10.7.4 Community infrastructure, transport, wastewater and water development contributions for industrial and commercial developments will be calculated on a pro-rata basis for each 100m² of gross floor area. Stormwater development contributions assessed at resource consent stage will be assessed on a per 100m² of site area, with the exception of stormwater contributions assessed on developments on vacant sites and additional buildings or extensions to existing buildings (see Special Provisions 4 and 5).
- 10.7.5 Council has adopted units of demand (UD) to compare and cost the relative demands that different activities place on Council-provided infrastructure. The standard UD calculates the demand of an average residential household. Commercial and industrial activities are expressed as a multiple of this standard UD and are calculated at a rate per 100m² of gross floor area. In relation to stormwater this is expressed as a rate per 100m² of site area. Cost identification and its attribution are explained in more detail in Section 10.5 of this policy.

Table 5 - Residential Development Contributions 2008/09

Expenditure category	\$ ¹⁷ (per dwelling)	
	Greenfield	Infill
Community Infrastructure	1,392.85	739.36
Reserves Contributions	7,488.46	181.11
Stormwater	2,078.78	134.12
Transport	1,779.80	1,779.80
Wastewater	7,728.05	4,083.64
Water	4,674.46	2,522.36
Total	25,142.40	9,440.38

Table 6- Commercial Development Contributions 2008/09

Expenditure category	\$(per 100m ² of gross floor area)	
	Greenfield	Infill
Community Infrastructure	600.35	318.68
Reserves Contributions	0.00	0.00
Stormwater (per 100m ² of site area)	469.81	30.31
Transport	3,559.59	3,559.59
Wastewater	1,391.05	735.06
Water	560.94	302.68
Total	6,581.73	4,946.32

Table 7- Industrial Development Contributions 2008/09

Expenditure category	\$(per 100m ² of gross floor area)	
	Greenfield	Infill
Community Infrastructure	309.03	164.04
Reserves Contributions	0.00	0.00
Stormwater (per 100m ² of site area)	469.81	30.31
Transport	3,203.63	3,203.63
Wastewater	695.52	367.53
Water	327.21	176.57
Total	5,005.21	3,942.08

¹⁷ All figures are exclusive of GST. GST will be added at the time of payment.

10.8 Method of Assessment

10.8.1 Council will follow a number of steps when assessing and requesting payment of a Development Contribution.

Step 1 — Making an application

Step 2 — Does the development meet the qualifying criteria?

Step 3 — Assessment of development contribution payable

Step 4 — Issuing a decision

Step 5 — Making a payment

Step 6 — Postponement and enforcement

Step 7 - Remission process

Step 1 — Making an application

10.8.2 Applications for a resource or building consent or a request for a service connection will be assessed for development contribution charges. Details of the application will be used to calculate any development contribution and Council records will be used to assess whether any credits or special provisions are applicable (see Section 10.9 on special provisions). If necessary, additional information will be requested to enable the calculation to be made.

Step 2 — Does the development meet the qualifying criteria?

10.8.3 A development will only attract development contributions under this policy if the following four criteria are met:

- 1) The activity generates demands for Council-provided reserves, network infrastructure or community infrastructure; and
- 2) The development, either alone or cumulatively with another development, requires new or additional assets, or assets of increased capacity and to provide for these assets will cause or has already caused Council to incur capital expenditure; and
- 3) The cost of these assets is not fully met by third party funding; and
- 4) The assets will not be directly provided by the developer

10.8.4 Any project by Council that has been funded in whole or in part by development contributions will not itself be liable to pay development contributions.

Step 3 — Assessment of development contributions payable

10.8.5 Subject to the development meeting the four assessment criteria, development contributions will be applied at the "first opportunity". This may be at the granting of a resource consent, building consent or upon a request for a service connection. Consideration will also be given to whether any of the credits or special provisions apply (see Section 10.9).

Assessment at Resource Consent stage — Residential

- 10.8.6 Development contributions will be assessed at resource consent stage for new land use or subdivision requests. As regards to subdivision resource consents, where specific details about the development are not yet known by the developer, an assessment of the development contributions will be made on the basis that one newly created lot creates one residential unit of demand.
- 10.8.7 Where consent is granted for a subdivision resource consent an advisory note will be included specifying that a 224(c) certificate will not be issued if a development contribution is unpaid. The exception to this is where a staged approach to payment of development contributions has been agreed for a multi-stage development (refer to Special Provision 9) or bonded development contributions (refer to Clause 10.8.28).
- 10.8.8 Developments assessed at resource consent stage will have their contributions reassessed at the building consent stage, when the specifics of the proposed activity, on the site, are confirmed. Any additional demand above that created at subdivision stage will be subject to further assessment and charge as appropriate. Should a land use resource consent (if required) and building consent be granted prior to an application for a 224(c) certificate all relevant demand charges will be paid during the building consent process or 224(c) process, whichever is sooner.
- 10.8.9 On occasion a land use resource consent may be granted for a development that will not require the developer to submit an application for building consent. In these instances notice of any development contribution charges will be provided to the developer, also stating that the resource consent must not be commenced until the development contributions owed to Council have been paid in full.
- 10.8.10 Land use resource consents associated with developments that do require building consents will not have development contributions charged against them (although an estimate will be provided). Development contributions for these developments (if required) will be charged at the building consent stage
- 10.8.11 Where a resource consent has been granted for a multi-stage development (refer to Special Provision 9) or bonded development contributions (refer to Clause 10.8.27), consent holders must advise Council in writing of their intention to commence development. The required development contributions (if any) will be calculated and invoiced on the basis of the policy and rates applicable at the time the land use consent was originally granted (subject to P.P.I if any).

Assessment at Resource Consent stage - Industrial/Commercial

- 10.8.12 Development contributions will be assessed at resource consent stage for new land use or subdivision requests. As regards subdivision resource consents, where specific details about the development are not yet known by the developer, an assessment of the development contributions will be made on the basis of the District Plan zone that the development will take place (commercial or industrial) and calculated on an average size of a development in this zone.

- 10.8.13 The assessment will be calculated on the assumption that in an Industrial zone - the gross floor area of a development will on average be 35% of site area and in a commercial zone - developments will on average have a gross floor area 20% of site area.
- 10.8.14 Developments assessed at resource consent stage will have their contributions reassessed at the building consent stage. Developments that create a demand above the resource consent assumptions will be assessed for additional contributions.
- 10.8.15 Where consent is granted for a subdivision resource consent an advisory note will be included stating the assessed amount of development contributions (if any) and specifying that a 224(c) certificate will not be issued if a development contribution is unpaid. The exception to this is where a staged approach to payment of development contributions has been agreed for a multi-stage development (refer to Special Provision 9) or bonded development contributions (refer to Clause 10.8.27).
- 10.8.16 On occasion a land use resource consent may be granted for a development that will not require the developer to submit a building consent. In these instances notice of the development contribution charge will be provided to the developer stating that the resource consent must not be commenced until the development contributions owing to Council (if any) have been paid in full.
- 10.8.17 Land use resource consents associated with developments that do require building consents will not have development contributions charged against them (although an estimate will be provided). Development contributions for these developments (if required) will be charged at the building consent stage.
- 10.8.18 Where a resource consent has been granted for a multi-stage development or bonded development contributions, consent holders will need to advise Council in writing of their intention to commence development. The required development contributions (if any) will be calculated and invoiced on the basis of the policy and rates applicable at the time the land use consent was originally granted.

Assessment at Building Consent stage - Residential/Industrial/Commercial

- 10.8.19 Development contributions, if applicable, will be assessed and advised at the time of granting a building consent with the exception of development contributions associated with future stages of a multi-stage development (refer to Special Provision 9) or bonded development contributions (refer to Clause 10.8.27).
- 10.8.20 Development contributions must be paid upon the granting of a service connection, prior to the issuing of a code of compliance certificate or 180 days from the date the building consent was granted (invoiced at 150 days), whichever is sooner. The service connection or code of compliance certificate will be withheld until development contributions assessed against a building consent are paid in full.
- 10.8.21 Development contributions that were previously assessed at resource consent stage will have their contributions re-assessed. Any additional

demand, above that created at subdivision stage will be subject to further assessment and charged as appropriate. Should a land use resource consent (if required) and building consent be granted prior to the payment of development contributions as required on the subdivision consent then all relevant charges will be paid in accordance with 10.8.20.

Assessment upon a Request for a Service Connection

- 10.8.22 In addition to Clause 10.8.20, development contributions for developments requiring a service connection, for which a development contribution has not been assessed and paid, will be assessed and advised at the time of the application for service connection. If a development contribution is payable, the authorisation for service connection will be withheld until payment is received with the exception of development contributions associated with future stages of a multi-stage development (refer to Special Provision 9) or bonded development contributions (refer to Clause 10.8.27)

Step 4 — Issuing a Decision

- 10.8.23 Prior, but subject to, the grant of a building consent or authorisation for a service connection, applicants will be notified of the decision, the development contribution required (if any), the various payment options and relevant payment dates (see Table 8).

Table 8

Stage at which development contributions are applied	Requirement (set out in Advisory Note)
Subdivision resource consents	A 224(c) certificate will not be issued until payment is received
Land use resource consents (for developments that do not require a building consent)	Payment must be received prior to resource consent being commenced
Building consents	Payment must be received at the earliest of; <ol style="list-style-type: none"> 1) Granting of a service connection 2) The uplift of a code of compliance certificate 3) 180 days from the date the building consent was granted.
Service connections	Service connection will not be authorised until payment is received.

Step 5 — Making a payment

- 10.8.24 Invoices relating to subdivision applications will be sent on request at any time or otherwise at the time of request for a 224c certificate. Invoices related to land use resource consents that are not linked to building consents will be raised at the time of granting the consent or at an earlier time upon request by the developer.
- 10.8.25 Development contributions for land use resource consents that are linked to building consents will be assessed (and estimated) at the resource consent stage. However, development contributions will only be formally charged at building consent stage. Invoices relating to building consents and service connections will be raised in accordance with Clause 10.8.20 or prior to this by request from the developer.
- 10.8.26 All invoices will be raised at the rates applicable at the time consent is granted. Development contributions assessed against subdivision resource consents will be adjusted annually (at 1 July) using the Producers Price Index (Outputs) — Construction (See table below).

Bank bonds

- 10.8.27 Council, at its sole discretion, will accept a bank bond to secure future payment of a development contribution of more than \$50,000 (excl. GST). If Council exercises its discretion to accept a bond, the bond:
- Will only be accepted from a registered trading bank;
 - Shall be for a fixed term no longer than two years from the time the development contribution was assessed;
 - Will have an interest component added at an interest rate of 2% above the Reserve Bank official cash rate on the day the development contribution was invoiced; and
 - Shall be based on the GST inclusive amount of the contribution.
- 10.8.28 At the end of the term of the bond, the development contribution (together with interest) is payable immediately to Council. If Council agrees to enter into a bond agreement, all costs associated with the preparation of the bond documents (including Council's legal fees) will be met by the applicant.

Step 6 — Postponement and enforcement

- 10.8.29 With the exception of the bonding arrangement described in Clause 10.8.27 this policy does not provide an opportunity to postpone the payment of development contributions.
- 10.8.30 Where payment is not received, Council will, as relevant:
- withhold a certificate under Section 224(c) of RMA 1991
 - prevent commencement of a resource consent under RMA 1991

- withhold a code of compliance certificate under Section 95 Building Act 2004
- withhold a service connection to the development
- register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the affected land.

10.8.31 Development contributions assessed on subdivision resource consents prior to 1 July but unpaid at 1 July will be adjusted annually on 1 July by the percentage change in the Producers Price Index (Outputs) — Construction, beginning with development contributions assessed between 1 July 2006 and 30 June 2008 but unpaid at 1 July 2008. Development contributions assessed prior to 1 July 2006 are exempt from Producers Price Index (Outputs) — Construction adjustments.

10.8.32 Where contributions are paid, the Units of Demand that they provide for will be recorded and will be credited against any subsequent consent applications. Accordingly, whilst subsequent applications will enable a reassessment and recalculation to be made, additional contributions will only be required where there will be an increase in units of demand arising from the development.

Producer Price Index Adjustment Multipliers

10.8.33 The following table contains the multipliers that will be used when making PPI adjustments in accordance with previous sections of this policy. The multipliers represent the percentage change in the Producer Price Index (Outputs) — Construction for the year to the end of the March quarter. Each figure in the “multiplier” column is just a one-year increase and not a cumulative increase from all preceding years. The “cumulative multiplier” column represents the cumulative increase to 1 July 2008.

Adjustment Date	Multiplier	Cumulative Multiplier
1 July 2007	1.053	-
1 July 2008	1.052	1.107

Step 7 — Remission Process

10.8.34 In accordance with s. 198(3)(a), LGA 2002 development contributions are not imposed as a condition of a resource consent and are not subject to the objection or appeal processes set out in the Resource Management Act. However a process is available to consider appeals of development contributions assessed by Council.

10.8.35 Should you seek a remission or reduction to a development contribution a request must be made to Council in writing within 15 working days of the date of granting the resource consent, building consent or application for service connection or the date the charge is imposed if not included and

advised on the date of granting the consent. The applicant must set out the grounds for the appeal and supply all supporting documents.

10.8.36 As soon as reasonably practicable, Council's Statutory Management Committee will hold a hearing for the purposes of reviewing the appeal. If a hearing is to be held, Council will give at least 10 working days notice to the applicant of the date, time and place of that hearing. In making its decision, issues the Council may consider include:

- the funding and financial policies
- the extent to which any works proposed by the applicant reduce or obviate the need for works proposed by Council in its LTCCP or significantly reduce the level of demand arising from the development
- contributions previously paid or works undertaken as a result of agreements with Council
- the impact on accepted levels of service as adopted in Council's Activity/Asset Management Plans.

10.8.37 The Statutory Management Committee may, at its discretion, uphold reduce or cancel the original development contribution charge. A formal decision will be notified to the applicant within 10 working days of the close of the hearing.

10.8.38 Information to this effect will be attached to any consent and details of any outstanding development contributions will be recorded on Land Information Memoranda.

10.8.39 Decisions on individual requests will not alter the basis of the policy itself.

10.9 Credits and Special Provisions

Credits

10.9.1 Development contributions are payable for increased units of demand. In calculating and invoicing development contributions, Council will recognise and provide a credit in the form of units of demand for any pre-existing units of demand arising from:

- an existing building retained on the site, will be removed from the number of Units of Demand prior to the assessment taking place. This will prevent double dipping, as the retained development will be treated as an existing, and not additional, unit of demand.
- a building on a site that was either demolished, removed or destroyed by fire or any other cause, the credit for this building will remain attached to the site for a period of three years from the date of removal after which time the credit will cease to apply.
- a resource or building consent capable for implementation for a building on the site, granted prior to 1 July 2005 which has not lapsed, been

surrendered or cancelled (except for the community infrastructure portion of these units of demand)

- a resource or building consent for a building on the site granted between 1 July 2005 and 30 June 2008 for which a development contribution has been calculated and paid in full prior to 1 July 2008.

10.9.2 Calculation of the units of demand to determine a credit will follow the method set out in Section 10.5. Development contributions will only be payable for increased units of demand. No refund will be given for any decrease in units of demand arising from new development as infrastructure provision and expenditure will be planned and committed on the basis of the higher level of demand.

10.9.3 Credits for units of demand will attach to the parent lot and are not transferable between sites.

10.9.4 Credits for units of demand provided for commercial and industrial activities will be assessed on a gross floor area basis, except in the case of stormwater contributions, which shall be on the basis of site area. Credits for units of demand will not be provided for commercial or industrial activities undertaken in an area of a site that is not included within the definition of gross floor area. An example of this would be an outdoor area used for retail purposes.

Special Provisions

10.9.5 A number of special provisions apply when determining the development contributions payable:

Special Provision 1	Discounted residential rate
Special Provision 2	Exemptions for the first residential dwelling
Special Provision 3	Exemptions for previous levies paid on industrial and commercial developments
Special Provision 4	Exemptions for vacant industrial and commercial sites with title or consent pre-June 30 2005
Special Provision 5	Stormwater contributions for additional buildings on industrial and commercial sites with title or consent pre-June 30 2005
Special Provision 6	Developments providing permanent accommodation
Special Provision 7	Developments providing non-permanent accommodation
Special Provision 8	Developments not connecting to Council wastewater network
Special Provision 9	Multi-stage developments

Special Provision 1 — Discounted residential rate

10.9.6 A discounted residential rate per dwelling applies to proposed development by subdivision of a site for residential purposes where previous levies were paid under the District Plan. The discounted residential rate has been calculated by excluding projects from the development contribution model that were previously recovered through Resource Management Act levies.

Discounted residential rate

Expenditure category	\$ ¹⁸	
	Greenfield	Infill
Community Infrastructure	1,392.85	739.36
Reserves Contributions	7,488.46	181.11
Stormwater	1,043.57	134.12
Transport	364.22	364.22
Wastewater	5,180.55	4,083.64
Water	3,771.48	2,522.36
Total	19,241.12	8,024.80

Special Provision 2 — Exemptions for first residential dwelling on a vacant site

- 10.9.7 Where a building consent was granted for a site that had title or was consented on or before 30 June 2005 and which meets the minimum size requirements of the District Plan, the developer shall be exempt from water, reserve, stormwater, wastewater and transport development contributions for the first dwelling developed, i.e. shall only pay community infrastructure contributions. Sites below the minimum size required for development that are combined with larger adjacent sites will not be eligible for separate exemptions other than that granted to the larger site.
- 10.9.8 Full development contribution levies will apply to consents and authorisations for additional residential dwellings or any other units of demand on the site.
- 10.9.9 This special provision will only apply to consents or authorisations granted before 1 July 2013 after which time full levies will be payable.

Special Provision 3 — Exemptions for previous levies paid on industrial and commercial developments

- 10.9.10 Where a consent or authorisation is granted for industrial or commercial development by subdivision on a site where levies were paid under the District Plan, development contributions will be individually assessed.
- 10.9.11 The individual assessment will ensure that there is no double-recovery of costs between the previous financial contribution and current development contribution regimes. In practice this means that the projects towards which financial contributions were previously paid on a site will be removed from the development contribution model.
- 10.9.12 The contributions for community infrastructure, reserves contributions, stormwater, transport, wastewater and water will then be recalculated, and

¹⁸ All figures are exclusive of GST. GST will be added at the time of payment.

the development contributions payable will be based on these new amounts. The onus is on the applicant to provide evidence of previous levies paid under the District Plan.

Special Provision 4 — Exemptions for vacant industrial and commercial sites with title or consent pre-June 30 2005

- 10.9.13 A building consent granted for the first commercial or industrial gross floor area on a vacant site that had title or was consented on or before 30 June 2005 and where no previous levies have been paid will attract development contributions for stormwater, water, transport and wastewater on the GFA in excess of 35% of industrial site area and 20% of commercial site area. For example if a development on a 1,000m² site will have a GFA of 500m², development contributions for stormwater, water, wastewater and transport will be charged on 150m² of GFA (35% of 1,000m² equals 350m²). Stormwater will be charged on a footprint gross floor area basis.
- 10.9.14 The exemptions reflect the fact that the developer would not have had an expectation that development contributions would be levied so contributions are only assessed on developments above an average size for industrial and commercial developments.
- 10.9.15 No discount will be given for the community infrastructure contribution and this will be charged on the total gross floor area.
- 10.9.16 This special provision will only apply to consents or authorisations granted before 1 July 2013 after which time full levies will be payable.

Special Provision 5 — Stormwater contributions for additional buildings on industrial and commercial sites with title or consent pre-June 30 2005

- 10.9.17 This special provision will apply to additional buildings on industrial and commercial sites with title or consent on or before 30 June 2005 and where no previous stormwater levies have been paid.
- 10.9.18 Where a building consent is granted for additional gross floor area, stormwater contributions will be assessed on the increased site coverage of the gross floor area.
- 10.9.19 Additional gross floor area that does not increase site coverage, for example an additional storey on an existing building, will not be included in the assessment as it will not increase the site coverage of the building and thus the amount of stormwater generated.
- 10.9.20 For example if 100m² of gross floor area was to be added to an existing building of 400m² gross floor area and this increased the footprint of the building by 100m², stormwater contributions would be charged on 100m².

Special Provision 6 — Developments providing permanent accommodation

- 10.9.21 Some developments that are deemed to provide for permanent accommodation require special provision as they are not covered by the definition of residential dwellings in this policy (see Section 10.2). These developments include but are not limited to hospices, houses for the aged

and infirm, residential centres and hostels. Developments of this type are treated as commercial developments for the purposes of this policy except in relation to reserves contributions where they will be assessed on a residential dwelling basis.

- 10.9.22 The equivalent number of residential dwellings that a development is deemed to provide is determined by dividing the gross floor area of the development (or the estimated gross floor area) by the average size of new residential dwellings built in the city (170m²).

Special Provision 7 — Developments providing non-permanent accommodation

- 10.9.23 Developments providing for non-permanent accommodation (i.e. short-term accommodation) shall be treated commercial and shall be exempt from reserves contributions. This includes but is not limited to hotels, motels and short-term rental apartments.

Special Provision 8 — Developments not connecting to Council wastewater network

- 10.9.24 The wastewater portion of the development contributions charge will be removed from the amount of development contributions payable if a development does not immediately connect to the Council's wastewater network. However, if in future the development does connect to this network, the amount of the wastewater portion of the development contributions will be payable.
- 10.9.25 This amount will be calculated in accordance with the Development and Financial Contributions Policy that applies at the time of connection. Existing buildings at 1 July 2005 not connected to Council's wastewater network will not be charged a wastewater development contribution upon connection.

Special Provision 9 — Multi-stage developments

- 10.9.26 If a consent authorises a multi-staged development, development contributions, if applicable, are assessed at the time the consent or authorisation is granted but they do not have to be paid in full on the first stage of development. Development contributions may be paid on the units of demand associated with each stage except for stormwater development contributions in relation to building consents granted for commercial or industrial development.
- 10.9.27 These stormwater development contributions must be paid in full at the first stage of development as they relate to site area not gross floor area. For a development to be considered a multi-staged development, each stage should be able to be staged on a 'stand-alone' basis. In other words, each stage, if submitted as a sole application would meet the requirements of the District Plan and would comply with the prescribed manner and form of the statute applicable to the consent application.

10.10 Special Assessment Procedure

- 10.10.1 In accordance with the requirements set down in Schedule 4, Development contributions are set within the context of an averaging approach that enables Council to assess the impact of residential, industrial and commercial development within greenfield and infill catchment areas upon each component of Council infrastructure.
- 10.10.2 Council has applied an 'averaging approach' when estimating units of demand (UOD) that will apply to the majority of applications for resource consent, building consent or application for a service connection. However, a special assessment of the development contribution may be conducted by Council (on application by the applicant or Council) when:
- (i) the development can be shown to rest outside the standard categories of residential, commercial and industrial (for example schools and hospitals) or;
 - (ii) the development's impact upon the relevant development contribution component must be reduced by a substantial amount compared to those amounts contained within tables 1 & 2 of this policy.
 - (iii) The applicant must supply to Council all relevant evidence, relating to each applicable component, that supports the applicant's submission and;
 - (iv) the applicant shall comply with Council's reasonable requests for disclosure of documents to allow Council to assess the applicant's submission(s);
 - (v) upon reasonable request from Council to the applicant for disclosure of relevant documents the applicant's request for special assessment will be suspended until such time that the requested matter has been disclosed;
 - (vi) should the applicant fail, without reasonable excuse, to disclose any material requested in accordance with 10.10.2 (iv) within 20 working days of that request the application for special assessment will be declined in accordance with 10.9.4 of this policy.
- 10.10.3 Council may uphold the application for special assessment in whole or in part or may decline the application.
- 10.10.4 Should the applicant fail to disclose any document reasonably requested in accordance with 10.10.2 (iv) and (v) the application for special assessment will be declined on the grounds that Council are unable to assess the applicant's application.
- 10.10.5 The applicant may appeal the decision of Council in accordance with 10.10.3 by applying for an appeal in accordance with Clause 10.8.34 of this policy.

- 10.10.6 Nothing in Section 10.10 impinges upon the applicant's right to apply for a remission in accordance with Clause 10.8.34 of this policy.

10.11 Worked Examples

- 10.11.1 **Greenfield residential subdivision** - One existing lot with dwelling further subdivided to a total of four residential lots. **No** previous RMA levies or development contributions have been paid.

Methodology:

- (i) This development results in a total of four residential lots post subdivision.
- (ii) The existing dwelling is removed from the calculation being deemed as 'existing' demand. The remaining three lots are deemed 'additional' units of demand.
- (iii) Calculation = 3 x greenfield residential full rate = \$75,427.20 (+ GST).

- 10.11.2 **Infill residential development** on an existing lot with title granted on or before 30 June 2005. It is proposed to place six unit apartments on a single lot. No application for unit title is intended at this stage. No previous RMA levies or development contributions have been paid on the site.

Methodology:

- (i) In accordance with this policy the development will create six units of residential demand.
- (ii) The first unit of demand will attract development contributions for the community infrastructure component only, no charge will be made for transport, water, wastewater, stormwater or reserve.
- (iii) The five remaining units of demand will be charged at the full residential Infill rate.
- (iv) Calculation = 1 x community infrastructure \$739.36 (+ GST). 5 x Full development contribution rate \$201.95 (+ GST) = \$47,941.31 (+ GST)
- (v) After the build is completed and the above charges have been paid an application is received to create six unit titles. This application will fail the test of initial assessment in that this new application will not create any additional demand, therefore no development contributions will be charged on the unit title application.

- 10.11.3 **An Industrial Infill Zone** where it is proposed to add an additional 300m² gross floor area (GFA) to an **existing** GFA of 750m². The site area being 3000m². No previous RMA levies or development contributions have been paid.

Methodology:

- (i) Development contributions are charged on the additional demand created by the proposed development, in this case the additional 300m². Stormwater is separated from the first phase of the calculation.
- (ii) The existing GFA of 750m² is removed from the calculation model as this is deemed 'existing' demand. Development contributions are assessed on the remaining additional GFA of 300m² (with the exception of stormwater) = \$11, 735.61 (+ GST).
- (iii) Stormwater will be assessed upon the additional footprint gross floor area of 300m² = \$90.93 (+ GST).
- (iv) Calculation at (iii) is added to calculation at (ii) for a total development contribution charge of \$11, 826.54 (+ GST).

10.11.4 **A commercial greenfield zone** where it is proposed to build the **first** development (1200m² total GFA) onto a site (site area 4500m²). RMA levies **have** been paid upon subdivision as part of an original twenty lot commercial subdivision in 2004.

Methodology:

- (i) As previous RMA levies have been paid, 20% of the site area (900m²) is removed from the total GFA used for calculation (with the exception of community infrastructure that is charged on the entire GFA). Thus complying with s. 200 LGA 2002.
- (ii) Community infrastructure is calculated on the total GFA (1200m²) as \$7, 203.82 (+ GST).
- (iii) Water, wastewater and transport is calculated on the GFA (less 20% site area) (300m²) as \$16, 534.75 (+ GST).
- (iv) **Stormwater:** As previous RMA levies have been paid stormwater is charged on additional footprint GFA above the discounted 20% site coverage (300m²) = \$1,409.41 (+ GST).
- (v) Community infrastructure (ii), transport, water and wastewater (iii) and stormwater (iv) are added together to calculate the total charge of \$25, 147.98 (+ GST).

N.B For an industrial zone use 35% site coverage discount on total gross floor area.

10.11.5 **A new industrial or commercial subdivision in the Greenfield area.** The proposed development is to create four additional lots each lot being 5000m² site area. On the parent lot no previous levies have been paid. This development requires new infrastructure.

Methodology:

- (i) On subdivision a presumption is made based upon average site area coverage, for industrial this is 35% and commercial 20%.
- (ii) Each lot being 5000m² for industrial the average site coverage is 1750m² and for commercial 1000m² (per lot).
- (iii) All development contribution components (water, wastewater, transport and community infrastructure) are calculated on this averaging basis.
- (iv) Stormwater is calculated upon a site area basis using 35% (industrial) and 20% (commercial) site coverage, this calculation is populated from the footprint gross floor area.
- (iv) Charge for Industrial based upon 35% site coverage = \$87,594.39 (+ GST) x 4 (number of lots) = \$350,377.56 (+ GST).
- (v) Charge for Commercial based upon 20% site coverage = \$65,817.07 (+ GST) x 4 (number of lots) = \$263,268.28 (+ GST).
- (vi) Should the subsequent development on the site be less than the average site coverage in accordance with this Policy no refunds are available.

3.0 Review of Council's Rates Remission — Hardship Relief Policy

(TE AROTAKE WHAKATAAREWATANGA O NGAA TAAKE KAUNIHERA - KAUPAPA ORANGA WHAKAWIRINGA)

3.1 Introduction

Council's first 'Rates Remission — Hardship Relief Policy' was introduced in February 2000. The Local Government (Rating) Act 2002 makes provision for local authorities to remit part of the residential rates owing on a rating unit in cases of extreme financial hardship. The Rates Remission — Hardship Relief Policy was last reviewed as part of Council's 2006-16 Long-Term Plan. The previous policy provided for a maximum remission of up to \$325 of an annual residential rates bill, which is adjusted every year for inflationary changes. The maximum remission under the revised policy for 2008/09 is \$342 (which is adjusted annually by the average percentage general residential rates increase).

The purpose of the policy is to provide financial assistance to residential ratepayers who are on low incomes and find it very difficult to meet the rates instalments on their property. In the 2006/07 financial year, Council processed 380 qualifying rates remissions to its Rates Remission — Hardship Relief Policy totalling approximately \$82,000 (GST exclusive).

While Council has undertaken a range of communication mechanisms to publicise its rates rebate scheme since its introduction in 2000 (e.g. publicity through City News), the uptake has remained low. Only 15% of eligible ratepayers applied for and were successful in obtaining a rates remission from Council in 2006/07. Given this relatively low percentage, Council is seeking an increase in the uptake of the rates rebate scheme amongst eligible ratepayers. In order to do this, Council will be working with the appropriate government agencies (such as Work and Income New Zealand) to improve communication of the new income thresholds and to increase publicity of the scheme.

3.2 Government Rates Rebate Scheme

In addition to Council's Rates Remission — Hardship Relief Policy, a Government Rates Rebate Scheme has been in operation since 1973. In 2006/07, 1,867 rates rebates were approved for Hamilton ratepayers under the Government Rates Rebate Scheme totalling \$752,000 (GST exclusive).

From 1 July 2008 the following provisions will come into effect:

- A maximum rebate of \$530.
- An income threshold of \$21,180.
- An additional income allowance for dependants of \$500 per dependent.

It is anticipated that these revisions will increase the number of ratepayers both applying and qualifying for the remission rebate. Applications for the Government Rates Rebate Scheme for 2008/09 close on 30 June 2009. More information on the

Government Rates Rebate Scheme can be found on the Department of Internal Affairs' website www.dia.govt.nz.

3.3 Why Council's Policy was Reviewed

Council recognises that a number of Hamilton's ratepayers (in particular superannuitants and families on a low income) find it difficult to pay their residential rates, particularly given the ongoing increases in the cost of living. Council is of the view that it has a role to play in offsetting some of these living costs through the provision of a rates remission scheme.

Given the ongoing increases in the cost of living since the introduction of the policy in 2000, Council has reviewed the policy and has increased the annual income threshold for those eligible for a rates rebate from \$12,450 to \$16,000. Increasing the income threshold will enable more people to be eligible for a rates rebate. This requires additional funding provision in 2008/09 of \$125,000 to fund the changes to the policy.

The examples provided in the table below outline various scenarios of household income thresholds, residential rates and the amount of rates remission that households are entitled to from Council.

Total Household Income (before tax)	Residential Rates for 2008/09	Rates Remission Entitlement available from Council (from 1 July 2008)
\$18,000	\$1,200	\$342
\$18,000	\$2,000	\$342
\$18,000	\$3,500	\$342
\$24,000	\$1,200	Nil
\$24,000	\$2,000	\$226
\$24,000	\$3,500	\$342
\$30,000	\$1,200	Nil
\$30,000	\$2,000	Nil
\$30,000	\$3,500	\$342

3.4 Why this is an Amendment to the 2006-16 Long-Term Plan

As this policy is one of Council's core funding and financial policies, any change to it must be included as an amendment to the 2006-16 Long-Term Plan. Section 102(6) (Funding and Financial Policies) of the Local Government Act 2002 states that:

A policy described in this section may be amended only as an amendment to the long-term council community plan.

3.5 Consequential Financial Impact of the Amendment on the 2006-16 Long-Term Plan

The following table summarises the overall consequential financial impact of this amendment.

	2008/09 Year 3 \$000	2009/10 Year 4 \$000	2010/11 Year 5 \$000	2011/12 Year 6 \$000	2012/13 Year 7 \$000	2013/14 Year 8 \$000	2014/15 Year 9 \$000	2015/16 Year 10 \$000
Amended Long-Term Plan	309	318	326	334	341	348	355	361
2008/09 AP	435	451	463	475	486	496	505	513
Change	126	133	137	141	145	148	150	152
Change funded from rates	126	133	137	141	145	148	150	152

3.6 Council's Rates Remission — Hardship Relief Policy

The previous Rates Remission - Hardship Relief Policy is outlined in Volume II of Council's 2006-16 Long-Term Plan (Section 6.8.2, page 121). The revised Rates Remission - Hardship Relief Policy is outlined below.

Rates Remission - Hardship Relief Policy

The objective of this policy is to receive and consider applications for rates remission in the cases of extreme financial hardship.

Section 109 of the Local Government Act 2002 and Section 85 of the Local Government (Rating) Act 2002 provides for Council to remit part of the rates owing on the rating unit in cases of extreme hardship. Council has approved a Rates Remission - Hardship Relief Policy based on the following criteria:

- (i) Ratepayers must apply to Council in writing to be considered for a remission.
- (ii) The maximum remission under the Rates Remission - Hardship Relief Policy is \$342 - (updated 1 July 2008).
- (iii) The maximum remission amount to be increased by the average percentage general residential rates increase annually.
- (iv) The application will be assessed independently from the Government Rates Rebate Scheme.
- (v) For the purposes of calculating the remission the basic allowable income factor will be set at \$16,000 - (updated 1 July 2008).
- (vi) The income threshold level be adjusted by the annual percentage change in the Super Living Alone benefit payment effective 1 July each year.
- (vii) The following essential elements must be met before any remission is granted:
 - the applicant must be the owner of the property, the applicant must reside at the property and the property must be classified as either a residential or inner city residential apartment. Companies, trusts and other similar ownership structures of these properties do not qualify for this remission;

- Council must be satisfied that extreme financial hardship on any individual exists or would be caused by requiring payment of the whole or part of the rates;
- the applicant must declare total household income and their total financial position for the purposes of the remission calculation;
- the applicant's total assets must not exceed the "total assets" formula described in the Rates Remission - Postponement due to Financial Hardship Policy;
- all applications for rates remission be treated on a case-by-case basis and approved/declined by either the Finance Manager or Revenue Manager;
- Council shall consider whether postponement of rates is a more suitable option.

3.7 Further Information

For further information about the amendment to the Rates Remission — Hardship Relief Policy, please contact:

John Gibson
Revenue Manager
Phone: 838 6747
Fax: 838 6616
Email: john.gibson@hcc.govt.nz