



2023-24 Annual Report Summary

Koorero Whakaraapopoto



**Hamilton
City Council**
Te kaunihera o Kirikiriroa



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Introduction

Koorero whakataki

From the Mayor and Chief Executive

Message from Mayor Paula Southgate

Celebrating success and looking forward

As we reflect on the past year's achievements, we should be proud of the progress we have made as a city, despite challenging economic times. We recognise it is difficult to do everything that everyone would like us to. Public feedback from community engagement has factored strongly into decisions we have made, as we continue to balance community wellbeing and affordability alongside our need to plan for our growth.

The next two years will continue to be challenging for many, but I am confident that we will continue to move forward. Hamilton Kirikiriroa is a resilient city, and still attractive for investment and growth. We must continue to advocate for the tools and support necessary to address the significant infrastructure needs of our city. We have some complex work to undertake and big decisions to make. However, Council and staff are dedicated to the best outcomes for right now in these hard times and into the future.



Paula Southgate
Mayor of Hamilton

Foreword

The 2023-24 Annual Report reflects a year of steady progress for Hamilton Kirikiriroa in the face of challenging economic realities.

Our annual report presents our progress against our five priorities and our financial results measured against the financial strategy set out for year three of our 2021-31 Long-Term Plan and the associated 2023-24 Annual Plan.

Council ended the financial year with a net debt balance of \$923 million versus the annual plan budget of \$843 million. Net debt is defined as total debt, less cash and cash equivalents. There was a balancing the books deficit (the difference between our everyday expenditure and everyday revenue) of \$34.9 million, compared to the annual plan forecast deficit of \$16.6 million.

Activities and projects that were planned for year four of the 2021-31 Long-Term Plan have now been significantly revised, in light of the changed financial environment. These changes have been agreed in the new 2024-34 Long-Term Plan. Following the significant financial headwinds that have hit households, businesses and councils around New Zealand, the new Long-Term Plan sets Council on a trajectory to balance the books, using Council's balancing the books measure, by 2026-27.

Update from Chief Executive Lance Vervoort

Despite the challenging financial environment, Council remains focused on continuing to improve the wellbeing of our community across five priority areas, as agreed following extensive community engagement in 2020.

This annual report reports back against these priorities, which are:

- a city that's easy to live in
- a city where our people thrive
- a central city where people love to be
- a fun city with lots to do
- a green city.

A city that's easy to live in

In 2023-24, we invested nearly \$337 million in capital projects aimed at ensuring our city is easy to live in and is responding to our significant population growth.

In partnership with developers and Government, we have put in place some significant core infrastructure in Ruakura. This supports substantial residential and business growth. Hamilton also continues to capitalise on its strategic location, and its standing as a logistics hub, with the Tainui Group Holdings inland port now up and running, and the commencement of the Eastern Transport Corridor's business case, for a new road to further support industry and housing.

Roading connections were also a focus to service our growth. An upgrade of Borman Road to urban standards (for the section between Horsham Downs Road and Barrington Drive) was

completed during the year and is a key component of finishing the arterial road network in the Rototuna area. This work is part of the bigger project that continues into 2024-25, which will see the construction of the missing link for Borman Road (between Horsham Downs Road and Kimbrae Drive) along with an intersection upgrade for Borman Road/Horsham Downs Road with the installation of traffic signals.

Included in capital investment for the year, Council spent \$92 million on renewals and compliance (nearly \$12 million more than the previous year) to ensure we get the most out of our assets by maintaining them and replacing them when they wear out.

A city where our people thrive

Hamilton's economy remained resilient despite nationwide and international challenges, with significant growth in the business sector, job market, and our population. Hamilton's business sector outpaced the national average, with 372 new businesses opening. The job market saw growth with nearly 3000 more filled jobs than the year prior, house prices rebounded after a dip and we also saw 80,000m² of commercial and industrial development completed, including the new ACC building and the Kmart distribution centre in Ruakura. Our population also grew by 6100 people in 2023, making Kirikiriroa New Zealand's fastest-growing city.

We continued to invest in our community to help it to thrive. For example, we refreshed eight playgrounds, opened New Zealand's first fully inclusive playground in collaboration with the Magical Bridge Trust, and opened the new Rototuna library, Te Kete Aronui, along with its adjacent play space. Combining library and customer services with technology, community and meeting spaces, Te Kete Aronui has welcomed over 360,000 visitors – 40% of all visits to Hamilton libraries in 2023-24. This is testament to what can be achieved when we partner with the communities we serve.

Continual investment in Waterworld ensures the plant and pools are of a good standard. Last year, the Water Safety programme was delivered to 11 schools and the Water Safety NZ funded Manu with Mana water safety campaign reached approximately 350,000 people. Waterworld also hosted the NZ Manu championships, involving 500 competitors and attracting 1250-1500 attendees. With Waterworld announced as the venue for the NZ Secondary School Swimming Championships for the next three years, Hamilton Kirikiriroa will continue to play host to around 300 swimmers and their families.

A central city where people love to be

Council has invested, alongside a range of partners, in the development of the Waikato Regional Theatre; a new world-class multipurpose performing arts theatre. Building has been well underway on the Victoria Street site over the course of 2023-24. The theatre is on track to open in 2025.

We commenced work on the projects funded by the government's Infrastructure Acceleration Fund (IAF), which will support up to 4140 new homes in the city. Council also renewed the Service Level Agreement with Hamilton Central Business Association for the delivery of a \$100,000 Central City Activation Fund. The redevelopment of the Exscite centre at the Waikato Museum was also completed.

A fun city with lots to do

Hamilton Kirikiriroa continues to be a fun city with lots to do. We were once again recognised for our wonderful Hamilton Gardens, which was named in the top 1% of things to do globally by Tripadvisor. The gardens witnessed its biggest year ever with 538,343 visitors; up 7% on the year prior. The Hamilton Gardens visitor centre and entry precinct is approaching completion and will add to our world-class facility. Each year we have been very fortunate to attract a great deal of philanthropic support and

donations. To deal with the costs and keep the gardens in top shape, Council is introducing a new visitor charge in keeping with other major international attractions. Resulting revenue will contribute to the continuous improvement and addition of new services and facilities that make visiting easier and even more engaging.

Hamilton Kirikiriroa continues to attract world-class events, with each of our venues (Claudelands, FMG Stadium Waikato and Seddon Park) operating at high capacity during the year to host a range of events. FMG Stadium Waikato hosted the FIFA Women's World Cup 2023™, the biggest sporting event to ever come to New Zealand, providing our city and region with a significant economic boost.

Conservation efforts continued with significant planting events at Waiwhakareke Natural Heritage Park, which celebrated its 20th Anniversary this year, and the Mangaonua Gully track, which officially opened at the end of November 2023. Over the planting season, 51 events were held and over 3000 hours of voluntary work completed, resulting in more than 19,000 natives planted. We also launched the Kids in Nature initiative, which along with other partnerships and initiatives, is enhancing the range and number of opportunities we are providing our communities to engage with nature restoration.

The past year has also been a transformative period for the Te Kaaroro precinct, which has experienced substantial growth in visitor numbers. It has also embarked on significant conservation projects, introduced new Zoo residents, and received widespread media attention across its two sites, Hamilton Zoo and Waiwhakareke Natural Heritage Park.

A green city

Other capital works completed in 2023-24, include maintenance and renewal activities for transport assets, and ensuring the provision of strategic water and wastewater connections to make our waters network more resilient. For example, we built two new pump stations in the Newcastle/ Dinsdale area, completed the first part of an upgrade to the Waiora water treatment plant and started construction on large bulk wastewater storage tanks to help our south-west network cope better in wet weather.

Council has made real progress delivering against the outcomes of Our Climate Future, especially in engagement with our community and businesses, and leading by example by reducing our own operational emissions. This year Council's operational emissions were 9069 tonnes of carbon dioxide equivalent which is a 5% reduction on the previous year and an almost 20% reduction on our baseline year (2018-19). To achieve our 2030 target of a 50% reduction in our gross operational emissions, we need to keep focused on delivering actions that will reduce our emissions through the 2024-2034 Long-Term Plan.

We also completed 12 climate resilience projects across the city, via the Climate Emergency Relief Fund (CERF) Travel Choices funding. These projects covered a range of biking, walking, and public transport improvements and included connected, separated, safe biking routes, bike and scooter parking in key destinations, better public transport infrastructure, and wide, high-quality footpaths between key destinations.

Financial sustainability was one of the key considerations for Council. It was important we looked at where we could tighten our belt internally first. As a result of the structure changes, we were able to deliver \$7 million in annual staff savings and are now set up in the best way to deliver our services in the future.

Putting safety first

Through everything we do, we are committed to providing a safe and healthy environment for our employees, contractors, volunteers, and our community.

Financial environment

This year we have faced challenging economic circumstances. Our budgets were impacted by rising inflation and interest rates, as well as increased costs to deliver the same levels of service to our city. In our 2023-24 Annual Plan we made significant budget reductions to ensure we were focusing on delivering just the essentials. Even with these reductions, as the economic headwinds continued to affect us, the impact on our 2023-24 financial results was more significant than forecast. The new 2024-34 Long-Term Plan charts a course to respond to these challenges and balance our books by 2026-27.

Changes to how we work

The past year has seen significant change within Council, as we completed an organisational-wide structure review process. The structure changes made were all about ensuring the Council is as efficient as possible, and that we have the right roles in place to focus on the things that matter the most, without cutting service levels to the community.



Lance Vervoort
Chief Executive

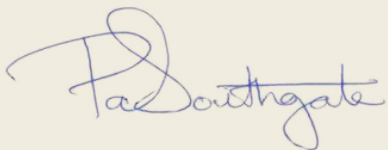
Kupu a te Kahika me te Tumu Whakarae

He kupu koorero naa te Kahika, naa Paula Southgate

Te whakanui i ngaa angitu me te titiro whakamua

I a maatou e huritao ana ki ngaa mahi i oti i te tau kua hori, me poho kereruu ka tika ki taa maatou koke whakamua hei taaonenui, ahakoa ngaa aahuatanga ohaoha pakeke o te waa. E aata moohio ana maatou me uaua kee ka oti i a maatou ngaa mea katoa e hiahiatia ana e te tangata. Kua tino whai waahi ngaa whakahokinga koorero mai i aa maatou whakawhitiwhiti ki te hapori i aa maatou whakatau, i a maatou e whakatairite tonu ana i te toiora o te hapori me te tareka aa-utu ki too maatou hiahia ki te whakamahere moo too maatou whanaketanga aa muri nei.

Ka uaua tonu ngaa tau e rua e tuu mai nei ki te tokomaha, engari e noho ngaakau titikaha ana ahau ka koke whakamua tonu taatou. He taaone aumangea a Kirikiriroa, he waahi pai tonu moo te haumi me te whanaketanga. Me kookiri tonu maatou kia whiwhi i ngaa taputapu me te tautoko ka hiahiatia ki te whakatikatika i ngaa hiahia tuuaahanga nunui o too taatou taaonenei. He mahi piroi i tonu kei mua i te aroaro, me ngaa take hira kia whakatauria. Wheoi anoo, e puumau tonu ana te Kaunihera me ngaa kaimahi ki te whakarite i ngaa putanga pai rawa ka taea i ngeenei waa uaua nei, aa ngaa tau e heke ana anoo hoki.



Paula Southgate
Kahika

He kupu whakataka

E whakaata nei Te Puurongo aa-Tau 2023-24 i te kokenga pai moo Kirikiriroa ahakoa ngaa aahuatanga ohaoha wheeuaua o te waa.

E whakaatu ana taa maatou puurongo aa-tau i too maatou koke ki te whakatutuki i aa maatou whakaarotau e rima me ngaa otinga taha puutea kia whakatauritea ki te rautaki ahumoni kua takoto moo te tau tuatoru o taa maatou Mahere Waa Roa 2021-31 me te Mahere aa-Tau 2023-24 e haangai ana.

I mutu te tau puutea o te kaunihera me teetehi tapeke nama more o te \$923 miriona ki te matapae mahere aa-tau o te \$843 miriona. E tautuhia ana te nama more hei tapeke nama, tangohia te moni me ngaa ooritenga moni. I kitea he tarepa i te whakatairiteanga o ngaa puka kaute (te huatango i waenga i ngaa whakapaunga o ia raa me ngaa moni whiwhi o ia raa) o te \$34.9 miriona, ina whakaritea ki te tarepa i matapaehia i te mahere aa-tau o te \$16.6 miriona.

Kua aata whakahooutia ngaa mahi me ngaa kaupapa kua whakamaheretia moo te tau tuawhaa o te Mahere Waa Roa 2021-31 naa runga i te taiao ahumoni kua hurihia. Kua whakaaehia aua huringa i te Mahere Waa Roa 2024-34 hou. Naa runga i ngaa tino uauatanga ahumoni kua paa ngaa whaanau, ngaa pakihi me ngaa kaunihera huri noa i Aotearoa, kua whakatika atu te Kaunihera maa tana mahere waa roa hou kia tautika ai te takoto o ngaa puka kaute maa te 2026-27.

He kupu whaiwhai ake naa te Tumu Whakarae, naa Lance Vervoort

Ahako te taiao ahumoni toimaha, e aro tonu ana te Kaunihera ki te whakapai tonu ake i te toiora o too maatou hapori puta noa i ngaa waahi matua e rima, i runga i teeraa i whakaaehia i muri i teetehi kookirikiri whakawhitiwhiti nui ki te hapori i te 2020.

Anei aa maatou whakaarotau matua:

- he taaone e ngaawari nei te noho i roto
- he taaone e puaawai ana oo maatou taangata
- he pokapuu taaone e paarekareka ana ki te tangata
- he taaone ngahau, aa, he nui ngaa mahi paarekareka
- he taaone kaakaariki.

E tuku puurongo ana teenei puurongo aa-atu ki aua whakaarotau.

He taaone e ngaawari nei te noho i roto

I te 2023-24, ka haumi maatou i te takiwaa o te \$337 miriona ki ngaa kaupapa puurawa, me te whakarite he taaone e ngaawari nei te noho i roto too maatou taaone, aa, e urupare ana ki te tupunga nui o te taupori. Naa te mahi i te taha o ngaa kaiwhakawhanake me te Kaawanatanga, kua oti eetehi mahi tuuaahanga waiwai hira te whakatau i Ruakura. Ka tautoko teenei i te tupuranga nui o ngaa whare noho me ngaa pakihi. E haere tonu ana taa Kirikiriroa kimi painga i toona tauwaahi rautaki, me toona ingoa pai hei pokapuu whakaraupapa hautaonga, me te tauranga tuawhenua a Tainui Group Holdings e mahi ana i ana mahi inaaiane, me te tiimatanga o te keehi pakihi moo te Ara Tuunuku Raawhiti, moo teetehi rori hou kia nui ake ai te tautoko i te whanaketanga ahumahi me ngaa wharenoho.

I arohia anoo ngaa tuuhononga rori hei tautiinei i too maatou whanaketanga. I oti i roto te tau te mahi whakatika i Borman

Road ki te paerewa o te rori taaone (moo te waahanga i waenga i Horsham Downs Road me Barrington Drive), aa, he waahanga matua teeraa o te whakautu i te kootuitui rori matua i te Takiwaa o Rototuna. He waahanga taua mahi o teetehi kaupapa nui ake ka whaatoro atu ki roto i te tau puutea 2024/25, e hangaia ai te hono ngaro moo Borman Road (i waenga i Horsham Downs Road me Kimbrae Drive) me teetehi whakahounga puutahitanga moo Borman Road/Horsham Downs Road e whakatuuria ana ngaa tohu waka haere.

I pau katoa i te Kaunihera he \$92 miriona ki ngaa mahi whakahou me te tautuku, ko toona \$12 miriona te nui ake i te tau o mua, me te whakarite kua tino whai hua maatou i aa maatou rawa, me te tautiaki, te whakakapi anoo hoki ina petapeta.

He taaone e puaawai ana oo maatou taangata

I noho aumangea tonu te oohanga o Kirikiriroa i te 2023-24 ahako ngaa wero aa-motu, aa-ao anoo hoki, me te pai o te whanaketanga i te raangai pakihi me te raangai mahi, i too maatou taupori anoo hoki. Kei mua noa atu i te toharite aa-motu te raangai pakihi o Kirikiriroa, ka mutu, he mea whakatuwhera ngaa pakihi hou e 372. I kitea te tupuranga i te raangai mahi, me toona 3000 te nui ake o ngaa tuuranga i whakakii i oo te tau o mua, ka piki anoo ngaa utu whare whai muri i teetehi hekenga, aa, ka oti te whakawhanaketanga arumoni, ahumahi hoki he 80,000m² te rahi, tae atu ki te whare ACC hou me te pokapuu horahora Kmart i Ruakura. I piki too maatou taupori maa te 6100 taangata i te 2023, me te aha ko Kirikiriroa te taaonenui he tere rawa te tupu kei Aotearoa.

E haere tonu ana aa matou haumi ki too maatou hapori kia puaawai tonu. Hei tauira, kua whakahoutia ngaa papataakaro e waru, kua whakatuwheratia te papataakaro tuatahi e tino kauawhitia ai te katoa i te taha o te Magical Bridge Trust, aa, kua

whakatuwhera i te whare pukapuka hou o Rototuna, Te Kete Aronui, me tana waahi taakaro e paatata ana. Kua raahiritia e Te Kete Aronui, i whakakotahitia ai ngaa ratonga whare pukapuka, kiritaki anoo hoki ki te hangarau, neke atu i te 360,000 ngaa manuhiri, me te aha ko te 40% o ngaa toronga ki ngaa whare pukapuka o Kirikiriroa he toronga ki reira i te 2023-24. E aata whakaatu nei teenei i teeraa ka taea ina paatui maatou ki ngaa haponi e whakaratohia ana e maatou.

E whakarite ana te haumi haere tonu ki Waterworld kia eke tonu ngaa hanga me ngaa hoopua ki te paerewa teitei. I teeraa tau ka whakaratohia te hootaka Haumarua Wai ki te 11 kura, aa, i paa te kookirikiri haumarua wai o Manu with Mana he mea utu e Water Safety NZ ki toona 350,000 taangata. Naa Waterworld ngaa whakataetae Manu NZ i taurima, me te 500 kaiwhakataetae me te kukume i te 1250-1500 ngaa taangata. I paanuitia a Waterworld hei waahi e tuu ai Ngaa Whakataetae Kauhoe Kura Tuarua o Aotearoa moo ngaa tau e toru kei mua (2025-2027), aa, ka haere tonu taa Kirikiriroa manaaki i toona 300 kaikauhoe me oo raatou whaanau.

He pokapuu taaone e paarekareka ana ki te tangata

Kua haumi te Kaunihera, i te taha o eetehi hoa paatui, ki te whakawhanaketanga o te Waikato Regional Theatre; teetehi whare whakaari hou hirahira moo ngaa mahi a te reehia, he maha oona whakamahinga. Kua maaroo kee te haere o te hanga i te pae kei Victoria Street i roto i te 2023-24. E uu tonu ana ki te mahere kia whakatuwheratia hei te 2025.

I te pokapuu o te taaonenui, ka tiimataria e maatou te mahi ki ngaa kaupapa e utua ana e te Tahua Whakatere Tuuaahanga (IAF) a te kaawanatanga, e tautokona ai tae atu ki te 4140 kaainga hou i te taaonenui.

Ka whakahou anoo hoki te Kaunihera i te Whakaaetanga Taumata Ratonga ki te Roopuu Pakihi Pokapuu o Kirikiriroa moo te whakapaunga o te Tahua Whakahohe Pokapuu Taaonenui, he \$100,000 te waariu.

I oti anoo hoki te pokapuu Exscite i te Whare Taonga o Waikato te whakawhanake anoo.

He taaone ngahau, aa, he nui ngaa mahi paarekareka

E noho tonu ana a Kirikiriroa hei taaone ngahau me te nui o ngaa mahi paarekareka.

I whakamihia anoo maatou e Tripadvisor moo oo maatou Hamilton Gardens whakamiiharo nei, kua raarangitia i roto i ngaa waahi whakakitekite 1% o runga rawa puta noa i te ao kira toroa e te tangata. Koiraa te tau tino hira rawa atu moo ngaa kaari me te 538,343 ngaa manuhiri i tae atu; he 7% te pikinga atu i te tau o mua. Kua tata te oti o te pokapuu manuhiri me te waahi tomokanga o Hamilton Gardens, ka mutu ka whakarei i too maatou hanga whaitake hirahira. Noo maatou te whiwhi ia tau, ia tau kia whakawhiwhia ki te nunui rawa o te tautoko aa-moni haapai iwi me ngaa koha. Kia ea ai ngaa utu, kia noho pai tonu ai te aahua o ngaa kaari, kei te whakauru te Kaunihera i teetehi utu manuhiri hou e uu ana ki eetehi atu tino waahi kukume taangata huri noa i te ao. Ka whakamahia ngaa moni ka whiwhi i teeraa ki te whakapai tonu me te taapiri i ngaa ratonga me ngaa hanga hou e maamaa ake ai te toro mai, e nui ake ai anoo hoki te rerehua.

E kukume tonu mai a Kirikiriroa i ngaa taiopenga taumata tiketike e mahi ai ia waahi haakinakina o maatou (Claudelands, FMG Stadium Waikato me Seddon Park) ki toona kaha ka taea e whakahaere ana i te huhua o ngaa mahi haakinakina. Naa FMG Stadium Waikato te FIFA Women's World Cup 2023™ i whakahaere, te taiopenga haakinakina

nui rawa kua tae mai ki Aotearoa, me te aha ka aata whakapikia te oohanga o too maatou taaonenui me te takiwaa huri noa.

I haere tonu ngaa mahi whaaomoomo naa ngaa mahi hira ono raakau i te Waiwhakareke Natural Heritage Park, teeraa i whakanui i toona Huritau Rua Tekau i teenei tau, me te ara Kooawaawa Mangaonua, i whakatuwhera okaawatia i te mutunga o Noema 2023. Puta noa i te roanga o te takiwaa ono, i tuu ngaa mahi e 51 me te neke atu i te 3000 haora mahi tuuao, i whakatoongia ai neke atu i te 19,000 raakau maaori.

I whakarewa anoo hoki maatou i te kookiritanga Kids in Nature, teeraa e whakarei ana, i te taha o eetehi atu mahi paatui me ngaa kookiri, i te whaanuitanga me te maha o ngaa arawaatea e aahei ai oo maatou hapori te whai waahi ki te whakarauora i te taiao.

He waa whakaumu te tau kua pahure moo te waahi o Te Kaaroro, i tino piki ai te tokomaha o ngaa manuhiri, i tiimataria ai eetehi kaupapa whaaomoomo nunui, i whakaurua ai he kararehe hou ki te Rawhi Whakaaturanga, me te kume i te aro nui o ngaa arapaaho i oona pae e rua, Hamilton Zoo me te Waiwhakareke Natural Heritage Park.

He taaone kaakaariki

Kei roto i ngeeraa atu mahi rawa nunui i oti i te 2023-24 ko ngaa mahi tautiaki me te whakahou i ngaa rawa tuunuku, me te whakarite i te whakaratonga o ngaa tuuhononga rautaki moo te wai me te waipara kia aumangea atu too maatou kootuitui arawai. Hei tauira, i hanga maatou i ngaa teihana papu hou e rua i te takiwaa Newcastle/ Dinsdale, ka oti te waahanga tuatahi o teetehi mahi whakahou i te waahi whakahaere waiparu o Waiora, aa, ka tiimata ki te hanga i ngaa kura roki waipara rahi kia pai ake ai te mahi a too maatou kootuitui tonga-maa-uru i ngaa waa ua.

Kua tino neke whakamua te Kaunihera ki te whakarite kia tutuki ai ngaa putanga o Too Taatou Anamata aahuarangi, ina koa moo te taha whai waahi ki too maatou hapori me oo maatou hapori, aa, maa te aarahi maa te whakaatu e heke mai ana aa maatou anoo tukunga whakahaere.

Ko ngaa tukunga waro whakahaere a te Kaunihera i teenei tau he 9,069 tana te ooritenga o te hauhaa, aa, he hekenga 5% teeraa i te tau o mua, aa, kua tata ki te 20% te hekenga i too maatou tau paerewa (2018-19). E tutuki ai taa maatou whaainga o te hekenga iho e 50% i aa maatou tukunga waro whakahaere more, me arotahi tonu ki te mahi i ngaa mahi e whakaheke ana i aa maatou tukunga puta noa i te Mahere Waa Roa 2024-2034.

I oti i a maatou eetehi kaupapa aumangea ki te panoni aahuarangi 12 huri noa i te taaonenui, maa te whakamahi i te tahua Climate Emergency Relief Fund (CERF) Travel Choices. Kua kapi i aua kaupapa te whaanuitanga o ngaa whakapainga eke paihikara, hiikoikoi, me te tuunuku tuumatanui, aa, i roto i ngeeraa ko ngaa ara eke paihikara tuuhonohono, motuhake me te haumaru, ngaa tuunga paihikara, kuta hoki i ngaa uunga matua, te tuuaahanga tuunuku tuumatanui pai ake, me ngaa arahiikoi papai i waenga i ngaa uunga matua.

Maataamua a haumaru

I roto i a maatou mahi katoa, manawa rahi ana maatou kia hanga he taiao haumaru, he taiao ora hoki moo ngaa kaimahi, kaikirimana, tuuao me te haapori whaanui.

Taiao Ahumoni

He nui aa maatou wero ahumoni i teenei tau. He nui hoki ngaa paapaatanga ki a maatou mahere puutea naa runga anoo i ngaa pikiutu tukipuu me te piki haere o te reti huamoni, anoo hoki te

whakapiki o te utu ki te whakatutuki a maatou ratonga mahi katoa. I roto taa maatou puka mahere-aa-tau 2023-24 I whakaiti iho te mahere puutea kia aro puu ana ki ngaa ratonga mahi waiwaia. Ahakoa te whakaiti iho o te mahere puutea, heehee tonu te haere, he nui te paapaatanga ki aa maatou matapae ahumoni ki too te whakaaro I te timatanga. Ko te mahere-tekau-tau hou 2024-34 e maheretia i teetehi huarahi hei whkautu I ngaa pehitanga ki te whakatautika taa maatou puka ahumoni.

Ngaa panoni ki oo maatua aahua mahi

He nui ngaa huringa i te Kaunihera i teenei tau kua hori, i a maatou e whakahaere ana i teetehi tukanga arotake i te hanganga puta noa i te whakahaere. I paa katoa ngaa huringa i oti hei whakarite kia kakama rawa ki toona kaha ka taea ngaa mahi a te Kaunihera, ka mutu kua pumau ngaa tuuranga tootika i taea ai te ata aro ki ngaa mea tino hira rawa, me te kore e whakaheke i ngaa taumata o ngaa ratonga ki te hapori. Ko te toituutanga aa-puutea he whakaaro matua ki te Kaunihera. He mea hira nei te maatua moohio ki ngaa waahi o roto nei e taea ai te puukoro te nonoti. Naa ngeenei huringa ki too maatou hanganga, i aahei te whakawhaaiti i te \$7 miriona hei penapena moni taha kaimahi, me te aha kua rite maatou inaaiane ki te kawhe i aa matou ratonga ki te tino pai ka taea aa muri ake nei.



Lance Vervoort
Tumu Whakarae

What is the Annual Report?

He aha te Puurongo-aa-Tau?

The annual report is a key document in Council's planning and reporting process. It provides essential information to our community for assessment of our performance. The annual report's content is directed by the Local Government Act 2002.

Our planning cycle starts with extensive community engagement with the people of Hamilton Kirikiriroa to understand the aspirations they have for their city. Feedback from our community is captured and used to create our vision and priorities and provide the focus for what Council will work on for the next decade.

Then Council prepares a long-term plan. This sets out the work programmes, budgets and rates needed to deliver the vision and priorities. Each long-term plan covers the next

decade, with a focus on the first three years. A new long-term plan is adopted every three years. The 2024-34 Long-Term Plan has now been adopted and is in effect, which covers the next 10 years beyond this Annual Report.

Entering years two and three of our long-term plan, we produce an annual plan. The annual plan gives Council the chance to review what has been set out in the long-term plan and consider where any changes are necessary.

At the end of each financial year, we produce an annual report to review our performance and tell you, the community, how well we did delivering on the long-term plan and the respective year's annual plan.

This annual report

This report, the 2023-24 Annual Report, is reporting against year three of the previous 2021-31 Long-Term Plan and the 2023-24 Annual Plan. It identifies any differences between what we said we would do, and what we have actually delivered. The report considers:

- did we deliver the level of service we said we would?
- did we deliver on the capital projects we said we would?
- did we deliver to the operating budget we set?

Audit

Council's external auditor, Audit New Zealand, is required to audit the Annual Report. The annual report is then adopted by Council on the recommendation of staff and the Strategic Risk and Assurance Committee.

This ensures that both the management and governance functions across Council share responsibility for the report's accuracy and accountability.

Intended audience

This report is intended to provide important information to our community as well as a range of stakeholders that include local businesses, Council partners, non-government organisations, and government departments and agencies. It is also an opportunity to look back on the year, and highlight works and services that have been effectively delivered to the community of Hamilton Kirikiriroa.

Piecing it all together:

1 July 2021:
Council's 2021-31
Long-Term Plan is set

1 July 2022:
Council's 2022-23 Annual Plan
is adopted (for year two)

31 October 2022:
The Annual Report for the 2021-22
financial year (year one) is adopted

1 July 2023:
Council's 2023-24 Annual Plan
is adopted (for year three)

By 31 October 2023:
The Annual Report for the 2022-23
financial year (year two) is adopted

1 July 2024:
Council's 2024-34
Long-Term Plan is set

By 31 October 2024:
Council's Annual Report for the 2023-24
financial year (year three) is adopted



Maaori contribution to the decision-making process

Mana Motuhake Maaori ki te Whakatakoto Whakataau

We are committed to honouring the principles of Te Tiriti o Waitangi/the Treaty of Waitangi.

We acknowledge the role and contribution that iwi, hapuu and maataawaka make towards our great city as Treaty partners. Valued support and advice is received from our iwi, hapuu and maataawaka partners and we are committed to working together on the social, cultural, economic, and environmental wellbeing of our city and its residents.

He Pou Manawa Ora - Pillars of Wellbeing

This strategy, adopted in August 2021, outlines Council's vision for a city that celebrates its whole history, including its

unique Maaori heritage, and ensures everyone has a voice in developing its future.

Developed in consultation with Waikato-Tainui, Te Rūnanga o Kirikiriroa and mana whenua, this strategy discusses how Council will use the pillars (pou) of History, Unity, Prosperity, and Restoration to build a proud and inclusive city for the wellbeing of all its people. We will need to work together with our Maaori partners and the whole community to deliver the outcomes in He Pou Manawa Ora.

The principles of Te Tiriti o Waitangi/the Treaty of Waitangi will help guide this partnership on its journey towards creating

a more socially, economically, and environmentally diverse city for future generations to be proud of.

Maaori Wards

In 2022 Hamilton Kirikiriroa introduced two Maaori ward seats representative of the Maaori electoral population and wider communities and residents of Hamilton Kirikiriroa.

Due to the resignation of a Maaori Ward Councillor in May 2024, a by-election was held and a new Maaori Ward Councillor elected in August 2024.

Maangai Maaori

Maangai Maaori, meaning the voice of Maaori, were

first appointed to Council committees with full voting rights in 2018. Maangai Maaori sit on three committees. The Maangai Maaori represent and are chosen by iwi (Waikato-Tainui) and maataawaka (urban Maaori) organisation Te Rūnanga o Kirikiriroa. Maangai Maaori are selected based on skill, knowledge, and experience.

Council Kaumatua

Council's Kaumatua is appointed by the Office of the Kiingitanga to give support and advice to Hamilton's Mayor and its elected members. The Kaumatua gives spiritual guidance to council in line with Waikato-Tainui tikanga and protocols.

Amorangi Maaori

Amorangi means to lead, or to provide leadership. Amorangi Maaori provides leadership and advice across Council on matters related to Maaori. Amorangi Maaori leads:

- Maaori relationship guidance and enhancement
- Maaori engagement and consultation advice and support
- cultural capacity building and development
- strategy development
- policy and bylaw planning, review, development, and advice
- project and contract management.

Partnerships with Maaori Waikato-Tainui

Te Whakakitenga o Waikato-Tainui is the local iwi (tribe) focused on the economic, social, cultural, and environmental wellbeing of its 75,000 tribal members.

Council and Waikato-Tainui have a strong and mutually beneficial partnership to promote better wellbeing outcomes through agreed projects and meet obligations to restore and protect the Waikato River. This partnership is governed through the Waikato-Tainui/Hamilton City Council Co-Governance Forum.

Mana Whenua o Kirikiriroa

Traditionally there were a number of hapuu (sub-tribes) that occupied the landscape of Kirikiriroa. Many of those traditional hapuu are no longer active, but are represented today by existing hapuu Ngaati Maahanga, Ngaati Tamainupoo, Ngaati Wairere, Ngaati Korokii Kahukura, and Ngaati Hauaa. We work with these hapuu to ensure their role as kaitiaki and mana whenua is reflected in decision-making relating to the management of the natural and physical resources of Hamilton Kirikiriroa.

Te Rūnanga o Kirikiriroa (TeROK)

Formally established in 1988 and under the direction of the late Maaori Queen, Te Atairangikaahu, and the Mayor of the time, the late Sir Ross Jansen, TeROK represents maataawaka and Pasifika peoples living in Hamilton Kirikiriroa. TeROK provides information and advice and represents the views of Maataawaka in the development of Council strategies, policies, and plans.

Climate change reporting

Te Puurongo i te Huringa o te Aahuarangi

In the last year we have made some real progress in delivering against the outcomes of Our Climate Future, especially in engagement with our community and businesses, and leading by example by reducing our own operational emissions.

At a global level, this year has seen record-breaking temperatures. 2023 has been confirmed as the warmest year on record, reaching a new annual average global temperature of 1.45°C above pre-industrial levels.¹ We are edging closer to the 'safe limit' of 1.5°C warming above pre-industrial levels (the limit the Paris Agreement aims to keep us within) and the impacts are becoming more visible here in New Zealand with more extreme weather events and increased temperatures.

The Our atmosphere and climate 2023 report, released by Stats NZ and the Ministry for the Environment, outlines how greenhouse gas emissions from human activities are already changing our local climate, and impacting our communities, environment, and the economy². There's never been greater urgency to reduce our emissions and prepare for the changing climate.

We've also seen shifts in the national direction to respond to climate change, with a new government elected in October 2023. This has required councils to pivot, align with and prepare for new strategies and plans from central government.

Delivering our climate future

We have continued to deliver a number of key projects that strengthen the local climate change response here in Hamilton Kirikiriroa.

We received \$750,000 from the Government's Better Off Fund, to deliver projects throughout 2023-24 in partnership with our community and businesses. This included programmes focused on building partnerships with businesses and community organisations, developing education for community and staff and delivering an internal corporate sustainability programme. Highlights include partnership funding for a Maara Kai, an eco-sourced heritage seed bank, a shared tools library, initiating Tiaki in Kirikiriroa for local hospitality and tourism businesses and launching an online 'Living Lightly' course which provides the community with simple and practical tips to take climate action from the comfort of their own home.

We've also worked closely with local business leaders to set up a 'Sustainability: Walk the Talk' events series, where businesses come together to share and learn from each other's climate action. We have continued to provide quarterly updates via our climate action newsletter, Te Pae Tawhiti - Delivering on Our Climate Future, to those interested in climate action in Hamilton Kirikiriroa.

¹ World Meteorological Organisation: <https://wmo.int/news/media-centre/wmo-confirms-2023-smashes-global-temperature-record>

² Our atmosphere and climate 2023, Ministry for the Environment: <https://environment.govt.nz/publications/our-atmosphere-and-climate-2023/>

Making Council more sustainable

A portion of the Government's Better Off Fund has been used to support improved sustainability in Council's way of working, which will help to reduce our emissions and build resilience to climate change. Projects funded by the Better-Off Fund in 2023-24 which will help us on this journey include:

- Solar panels for St Andrews Library
- Rainwater collection, storage, and reuse as part of the Steele Park toilets and changing room upgrades
- Water moisture sensors for the sand sports fields to reduce water use
- A bin lifter for animal refuse at Hamilton Zoo to reduce the use of plastic bags
- Waste assessments for our H3 venues, so that we have reliable waste data to inform future decision-making and new composting infrastructure at Claudelands.

Assessing our climate maturity

A key focus for this year was establishing our Climate Maturity and Disclosure Programme. This programme takes an inward look to assess how effectively climate-related risks and opportunities are integrated into our organisation's governance, operations, processes, and risk management. We have completed our first assessment and have published our first Climate-related Disclosure for 2023-24 alongside this Annual Report. This disclosure report outlines the current level of climate maturity for Council, identifying key areas for improvement which we'll now prioritise to become a more climate-ready organisation.

Achieving our emissions targets

In Our Climate Future: Te Pae Tawhiti o Kirikiriroa we set targets to reduce our own operational emissions. Our targets are a 50% gross reduction in emissions by 2030, and to be net zero by 2050. These targets are against our baseline set in 2018/19. 'Net zero' refers to reducing emissions as much as possible, with any remaining unavoidable emissions being sequestered through planting and maintaining trees. 'Net zero' therefore does not mean there are no emissions produced – just that these are balanced by capturing emissions from the atmosphere.

Our operational emissions include energy used in our buildings and operations (LPG, natural gas, electricity), fuels used in Council-owned fleet or from car share or rental vehicles, biosolids from our wastewater treatment process, waste from Council operations, travel for our staff and livestock and fertiliser used on our land. At this stage, we do not include other emissions related to our activities within this target, such as carbon embodied in the goods we purchase (e.g. roading material) or other emissions from our upstream and downstream supply chains. This is a Council-only measure and does not include emissions generated from the wider group of entities.

This year Council's operational emissions were 9,069 tonnes of carbon dioxide equivalent, which is a 5% reduction on the previous year and an almost 20% reduction on our baseline year (2018/19). Emissions have reduced in all areas, apart from waste from our Council operations, however, the rate of reduction has slowed compared to previous years, as we have addressed many of the easy-to-do projects.

To achieve our 2030 target of 50% reduction in our gross operational emissions, we need to keep focused on delivering actions that will reduce our emissions through the 2024-2034 Long-Term Plan.

Our Financial Strategy

Too Maatou Rautaki Puutea

Our 2021-31 Long-Term Plan include a financial strategy that aims to enable us to respond sustainably to growth in a way that is cost-effective for existing ratepayers. The Financial Strategy's guiding principles include:

- Everyday expenses are funded from everyday revenues.
- Service levels and assets are maintained.
- Surpluses are generated to repay debt.
- Investment in community, infrastructure and growth initiatives is supported.
- Investments in capital projects are funded from debt.

The Financial Strategy can be read in full in the 2021-31 Long-Term Plan or on our website. It sets limits – the amount of debt we can take on compared to revenue (debt to revenue), and forecasts

net debt (the money we owe lenders, less cash) and when we will balance the books. The Council books are balanced when everyday revenue pays for everyday expenses.

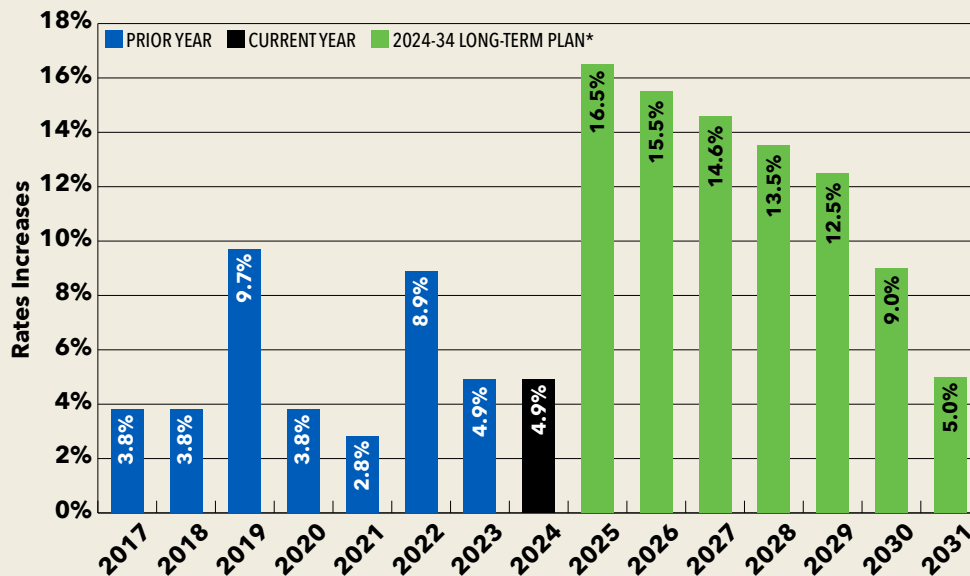
This year we faced challenging economic circumstances. Our budgets were impacted by rising inflation and interest rates, as well as increased costs to deliver the same levels of service to our city. As a result, Council's balancing the books deficit was unfavourable to the 2023-24 budget by \$18.3 million and ended the financial year with a net debt balance \$80 million higher than budgeted.

The new 2024-34 Long-Term Plan charts a course to respond to these challenges and balance our books by 2026-27.

Rates

The Long-Term Plan set the limits on average rate increases to existing ratepayers. Under the plan, rates increases were limited to 8.9% in 2021-22 and 4.9% in 2022-23 and 2023-24. We stayed within these limits – the actual average rate increase for 2023-24 was 4.9%.

Total rates increases to existing ratepayers



*The figures for 2025 to 2031 have been reforecast as part of the 2024-34 Long-Term Plan process.

Balancing the books

The balancing the books measure is a way of assessing our operating performance. You can see how our balancing the books measure is calculated on page 177. There are other ways to measure operating performance, including the Government's balanced budget measure, which we report against in the Disclosure Statement section of this report on page 271.

The main differences between the two measures are:

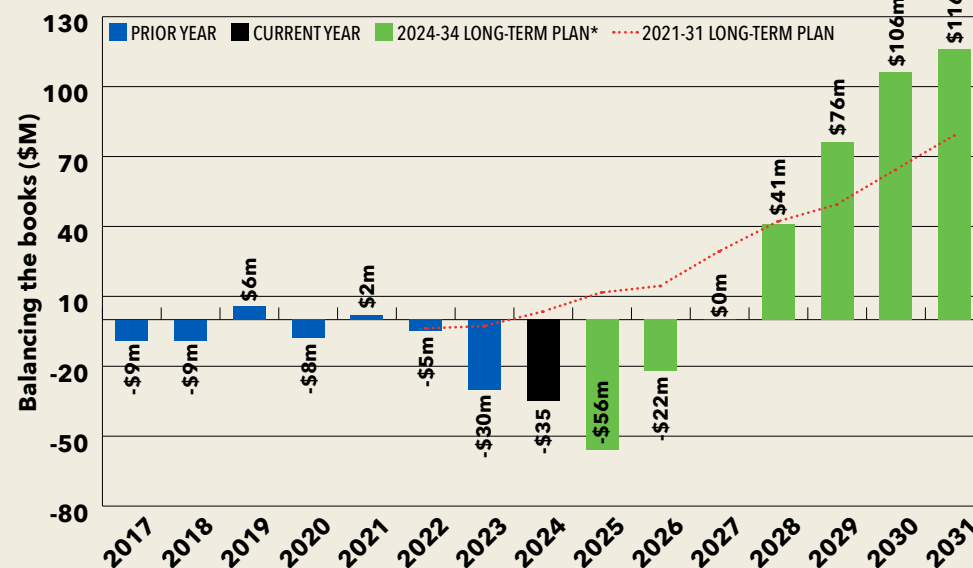
- Our measure removes capital revenue (NZ Transport Agency Waka Kotahi subsidies for capital expenditure and other capital contributions). These revenue items are included in the Government measure. We exclude this revenue as it funds specific capital items and is therefore not available to fund everyday costs.
- The Government measure removes all revenue from development contributions (fees charged for new developments). Our measure only removes a portion of development contributions revenue (the portion retained is to cover interest costs on development contributions-funded growth assets).
- Our measure removes certain revenue not considered everyday (such as the fair value benefit on the Housing Infrastructure Fund loan from the Government). It also removes certain expenditure not considered everyday (such as grants for the Waikato Regional Theatre and the discount unwind on the Housing Infrastructure Fund loan). These are not adjusted for in the Government measure.

Council was unfavourable against the balancing the books budgeted deficit in 2023-24, with an adjusted operating deficit of \$34.9 million against a budgeted deficit of \$16.6 million. Using the Government's balanced budget measure, we are reporting a deficit of \$44 million against a budgeted surplus of \$37.8 million.

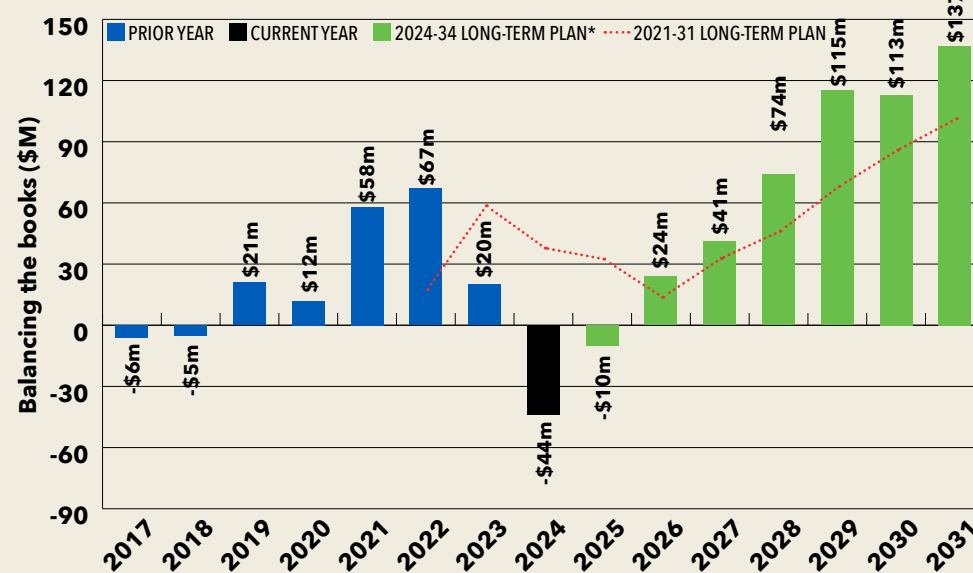
The significant revenue and expenditure variances that contributed to our balancing the books result include:

- Finance costs exceeded budget and was driven by higher interest rates. This was slightly offset by higher than budgeted interest income.
- Depreciation was higher than budget due to higher than expected revaluation increases in transport and parks and gardens.

Balancing the books - Hamilton City Council measure



Balancing the books - Government measure



*The figures for 2025 to 2031 have been reforecast as part of the 2024-34 Long-Term Plan process.

Debt

The definition we use for debt is money we owe the bank, less cash. We refer to this as a net debt. To see the details of how this figure is calculated, see note 30 to the financial statements on page 243.

We ended the financial year with a net debt balance of \$923 million, which was higher than the budgeted target of \$843 million. Our debt is now 221% of revenue against a performance target of 199%.

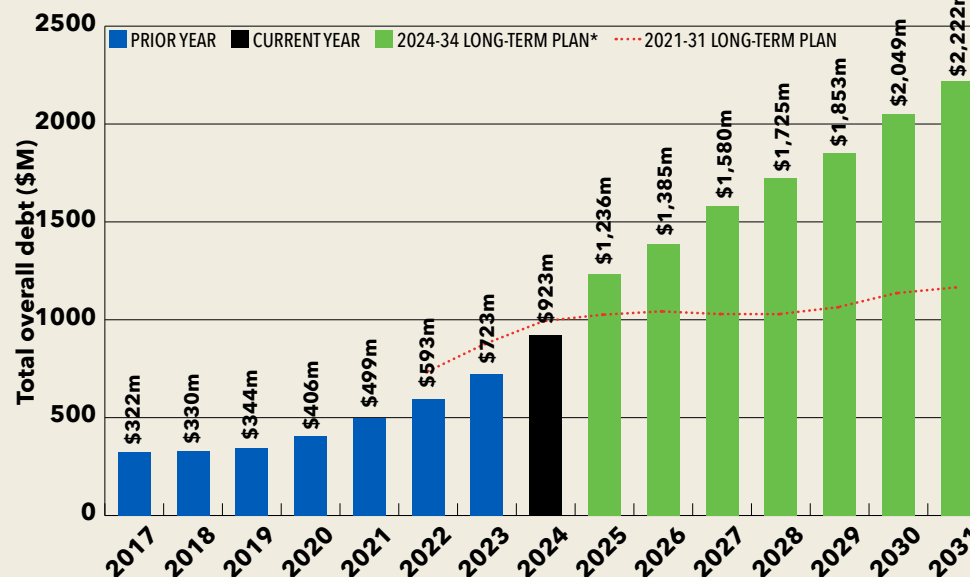
The main reasons for this unfavourable result are:

- Higher than budgeted capital expenditure
- Lower than budgeted capital revenue.
- Lower than budgeted cash operating surplus.

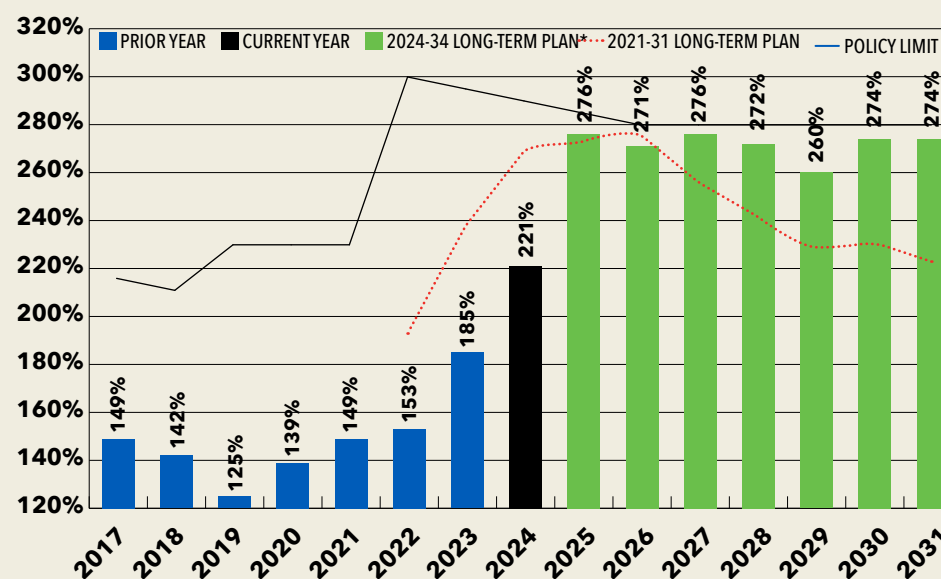
Actual spend for the capital portfolio was \$337.4 million, against a budget of \$310 million, which included deferrals of \$42 million.

To keep debt at manageable levels, the financial strategy caps debt to revenue at 290% in 2023-24. This ratio will taper back to 280% by 2025-26.

Total net debt



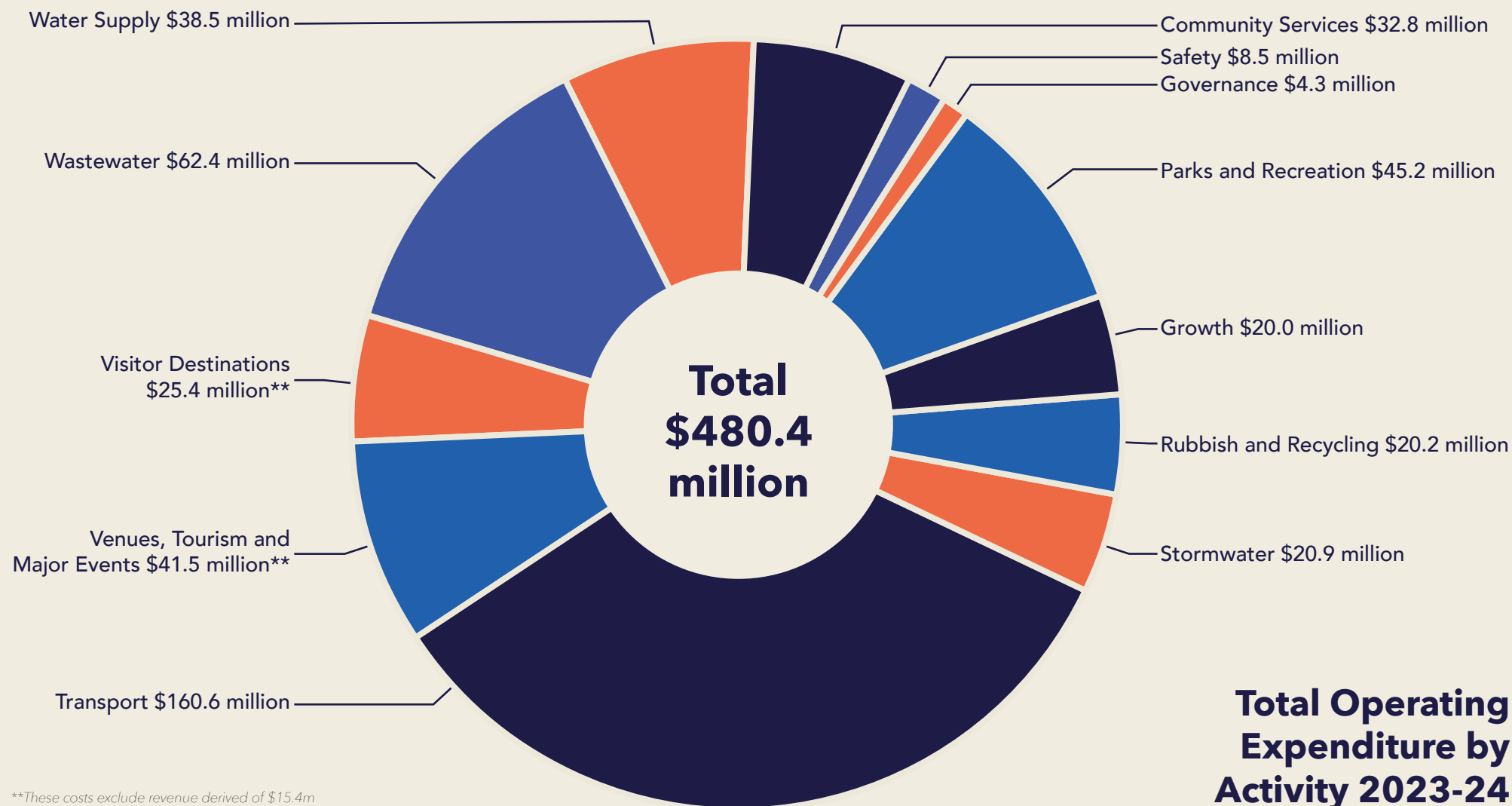
Debt-to-revenue ratio



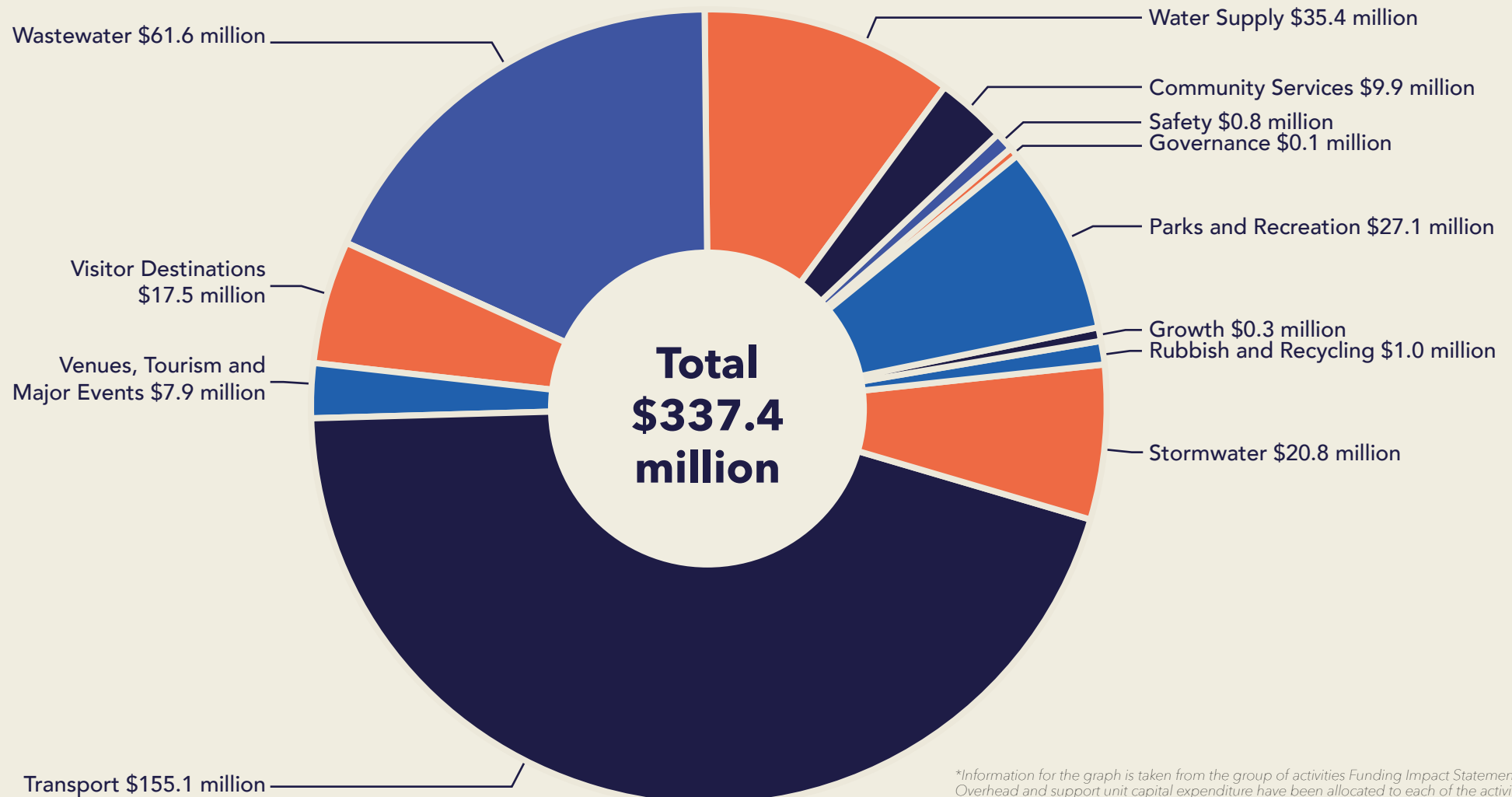
*The figures for 2025 to 2031 have been reforecast as part of the 2024-34 Long-Term Plan process.

Overview of our 2023-24 finances

Tirowhaanui moo Ngaa Puutea 2023-24



Total Capital Expenditure by Activity 2023-24



**Information for the graph is taken from the group of activities Funding Impact Statements. Overhead and support unit capital expenditure have been allocated to each of the activities.*

Capital projects delivery

Kaupapa haupuu rawa whakatinanatanga

The 2023-24 year saw the delivery of nearly \$337 million worth of capital projects to improve the wellbeing of Hamiltonians. These projects play an important part in making our city one of the best places to live, work, and raise families.

Our capital projects portfolio is shaped by five priorities that are based on extensive engagement with our community, and our regular capital reporting tracks how we're delivering on these. This year has seen some very exciting projects delivered that will have great impact on the future of our city.

Key projects

In the last year we completed the Te Ara Pekapeka Bridge over the Waikato River, unlocking housing for up to 7400 homes to be built in Peacocke in the next 30 years. This project has seen some significant environmental activities including bat monitoring and lizard surveys, and 5.5 hectares of gully and stream restoration planting.

We also built a wastewater transfer station and 7.5km of pipelines, and set aside 7ha of land for the future development of a sports park.

In the central city we commenced work on the Infrastructure Acceleration Fund (IAF) projects that will support up to 4140 new homes in the city.

In the next few years, a new reservoir, bulk water mains and a pumpstation will be built, along with upsizing of water and wastewater mains. We also designed, consented, and started construction on large bulk wastewater storage tanks to help our south-west network cope better in wet weather. The first part of an upgrade to the Waioara water treatment plant was completed to allow more water to be treated. In the Newcastle/Dinsdale area we built two new pump stations to make our water network more resilient and to support our growing city.

There has also been a large amount of work on erosion control with significant plantings and works in the city's gullies.

To support Ruakura, in partnership with developers and government, we put into place some significant core infrastructure to allow substantial residential and business growth.

The Tainui Group Holdings inland port is now up and running and we have commenced the Eastern Transport Corridor's business case for a new road to further support industry and housing. The last piece of the transport puzzle in Rototuna is nearing completion with the extension and urban upgrade to Borman/Horsham roads.

In Rotokauri we have completed the design and consent for a greenway to support our stormwater needs, designated new roads and bought land for new parks.

We also completed a number of transport improvements to improve safety and encourage travel by public transport, walking and biking.

The Nature in the City programme has kicked off with Donny Park/ Kukutaaruhe Gully and the launch of an app that has increased visitation in our natural areas by 69%.

The Hamilton Gardens Visitor Centre and Precinct approached completion and will add to our world-class facility.

We commenced work on the Boyes Park redevelopment (Founders Theatre demolition), carried out a resurfacing on the Porritt Stadium and completed eight playground refreshes.

Renewals and compliance

Renewals and compliance for each activity of Council is planned for across three years to ensure we get the most out of our assets, maintaining them and replacing when they wear out. The programme is carefully managed and work is prioritised based on funding available and the risk associated with not undertaking renewal and compliance work.

Our renewals and compliance programme saw \$92 million spent in 2023-24, an increase of nearly \$12 million on the previous year. The programme included a three-year funding provision of \$232 million that allowed us to reprioritise budgets across these years as needed, such as when we encountered unexpected failures or deterioration of assets. Over the last three-years (from 2021-22 until 2023-24), a total of \$230 million was spent through the renewals and compliance programme.

Deferrals

Some capital funding was deferred due to a combination of third party and contractual timing changes and reprioritisation decisions. The total capital spend was \$337.4 million against an approved budget of \$352 million.

Activity area	Total capital spend \$million
Community services	9.3
Parks and recreation	26.4
Rubbish and recycling	0.8
Safety	0.6
Stormwater	20.4
Transport	153.2
Venues tourism and major events	4.1
Visitor destinations	20.2
Wastewater	60.1
Water supply	34.4
Overhead and support units	7.8
Strategic property	0.1
Total	337.4

**Overhead and support units and strategic property capital expenditure has been included as a separate activity and has not been allocated to other activities.*

Highlights of 2023-24

Ngaa Mea Hirahira 2023-24

Here's some of what went on...

July - September 2023

Council renews award-winning transport contract with Downer



Hamilton Gardens ranks in top 1% globally



Te Wetini Drive extension opens in Rotokauri

More \$6 all-day carparks for Hamilton's central city

All-day paid parking expanded.



New Nature in the City app launched

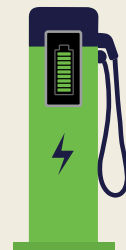
October - December 2023



Te Kete Aronui Rototuna Library opens

Hamilton hosts FIFA Women's World Cup 2023™

Host City of biggest women's sporting event in the world.



Hamilton tops Oceania in EV infrastructure

with 22.2 chargers per 1000km of road.



Campaign educating Hamiltonians about safety in the awa



Mangaonua Gully track completed: 19,000 natives planted

Magical Bridge Playground opens: New Zealand's first fully accessible playground



New transport network in Peacocke takes shape



Chinese sister city delegation hosted

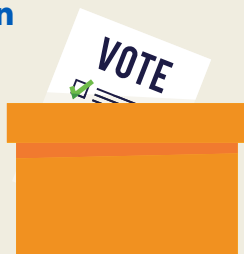
Business, tourism and education opportunities discussed.



January - March 2024

By-election held

New councillor confirmed for Hamilton East.



Templeton Group hotel announced

Central city will soon be home to a \$120 million high-end hotel development.



Two female tiger cubs born at Hamilton Zoo

Joyful theme for Waitangi Day festival



Waikato Museum hosts artists Lissy and Rudi Robinson-Cole.

City parking meters upgraded

Electronic parking meters offer greater convenience.

April - June 2024



1,675 building consents granted in the last 12 months

Hamilton Transport Centre refreshed

Catching the bus now safer and easier.



Your Neighbourhood comes to Hamilton West



Hamiltonians learn about the services Council provides.

Kids in Nature education programme for Hamilton schools launched



Excite: Taiao opens



Extensive redevelopment of Waikato Museum's interactive centre.

Almost 3000 submitters shared their views on the

Long-Term Plan 2024-34





Delivering on our Priorities

Te whai kia tutukihia
aa maatou Kawatau

Summary of our delivery

Whakaraapopoto o te Whakatinanatanga

Our 2021-31 Long -Term Plan set out the vision for our city, and the services that Council planned to deliver to the community in order to achieve it.

It detailed what the community could expect from us, and the ways in which we planned to measure the performance of our service delivery for key aspects of Council's activities. This section provides a summary of how Council performed delivering on what we said we would do in 2023-24, year three of the 2021-31 Long-Term Plan.

Our vision for our city

Our five priorities for our city are creating:

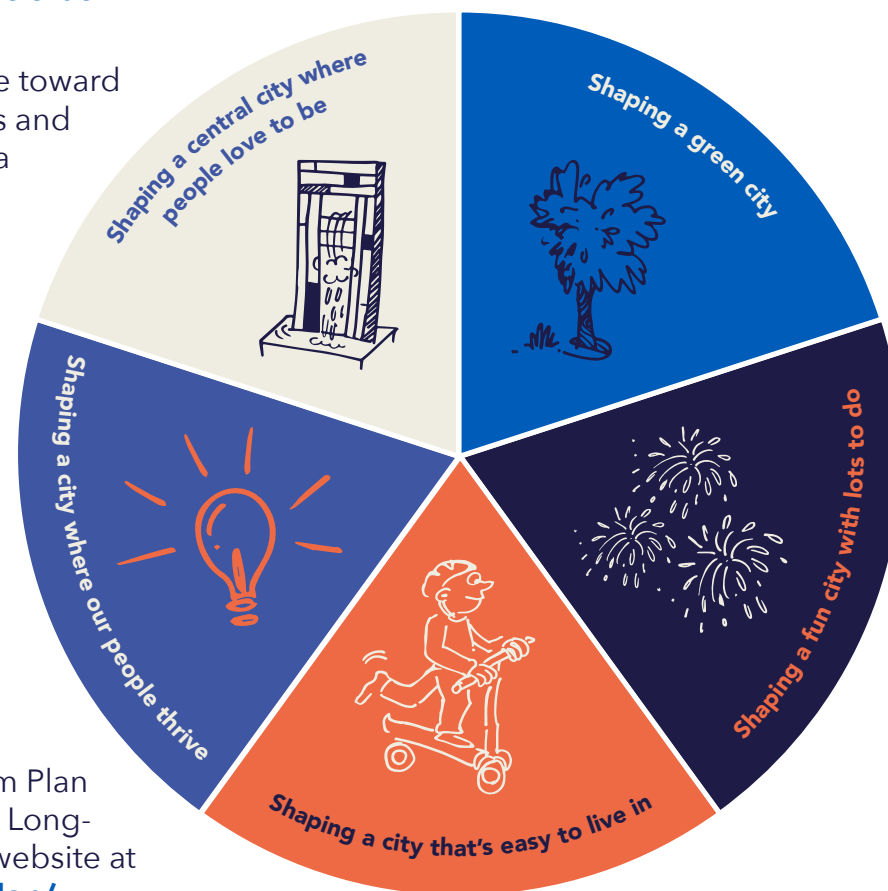
- a city that's easy to live in
- a city where our people thrive
- a central city where people love to be
- a fun city with lots to do
- a green city.

To measure our delivery against these priorities we have 4 community outcome measures and 58 service performance measures.

All services of Council contribute toward the achievement of our priorities and are grouped together to create a framework that links the group of activities to the priority to which they contribute. Each group has service performance measures associated with it that demonstrate and measure how successfully we are delivering our services to the community.

A summary of results for our community outcome measures and service performance measures can be found on the following pages.

A copy of the 2021-31 Long-Term Plan and the newly adopted 2024-34 Long-Term Plan can be found on our website at hamilton.govt.nz/long-term-plan/



Community outcome measures

Te inenga hua o taatou haapori

We have four measures for our community outcomes. Of these, one successfully achieved target, and three had no result.

Reduction in greenhouse emissions footprint for Hamilton City Council

This measure demonstrates our commitment to reduce the carbon footprint of the city and to build a city that is resilient to the effects of climate change reduction in greenhouse emissions footprint for Hamilton City Council.

In 2023-24 Council achieved its target of a decrease in greenhouse emissions, with 9069 tonnes of carbon dioxide equivalent (tCO₂e) based on a population of 185,300. This equates to 0.049 tCO₂e per head of population, which is a decrease on our 2022-23 results of 0.053 tonnes per head of population. We have seen reductions

in emissions from almost all areas that we measure, but the rate of reduction has slowed compared to previous years due to having already addressed many of the easy to do projects.

Measures with no result

Three of our community outcome measures ask our residents their perception of our city and measure:

- **The percentage of residents who think Hamilton is a great place to live.**
- **The percentage of residents who are proud of how Hamilton looks and feels.**
- **The percentage of residents who believe we make decisions that are in the best interest of our city.**

This year these three community outcome measures returned no results. Our perception-based measures are informed

by data obtained from the annual Pulse Survey undertaken by an independent research provider on Council's behalf. The Pulse Survey was last completed in June 2023. Due to overlap with timing of the two-yearly Quality of Life Survey (QoL), a survey conducted in partnership with eight councils nationwide, and the duplication of questions that inform these measures, a decision was made to rely on data from this survey and to not proceed with the annual Pulse Survey. The results of the QoL were expected to be released in September 2024 prior to adoption of the Annual Report, however due to a delay in processing of the results by the survey provider, the survey is now expected to be released in November 2024. This will be too late for the inclusion of the results in this Annual Report. These three measures will therefore return 'no result' for 2023-24.

Service performance measures

Te taatari i te mahi ratonga

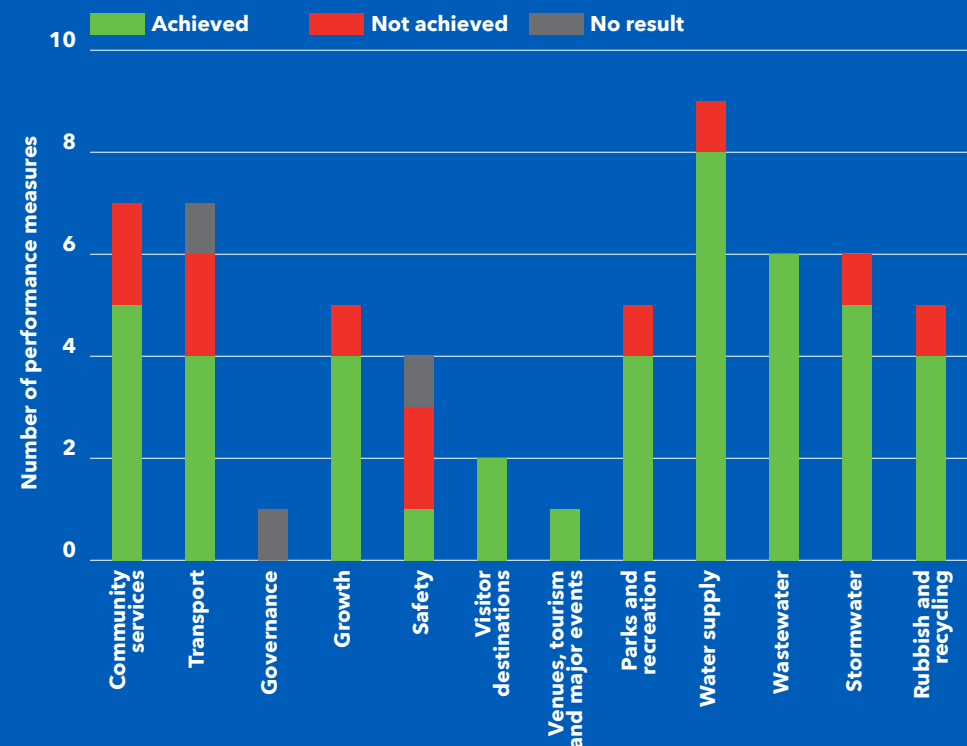
Service performance summary

There are 58 service performance measures. Of these, 45 successfully achieved target, 10 did not achieve target and 3 had no result.

Highlights from this year

- Te Kete Aronui, the new Rototuna Library and Community Hub, was officially opened on the 21 July 2023 with much public interest in the facility and the adjacent play space, (which includes a skate park).
- Work was finished on Te Ara Pekapeka Bridge to connect Peacocke to Hamilton East and the surrounding transport network.
- We have delivered two by-elections as a result of the resignation of two councillors.
- Animal Education and Control has facilitated the adoption of 142 dogs over the year which is wonderful for the dogs, their families and our community.
- This was the Hamilton Gardens' biggest year ever for visitor numbers, clearly demonstrating the current construction work and temporary entrance hasn't put people off visiting a favourite destination.
- FMG Stadium Waikato hosted the biggest sporting event to ever come to Hamilton Kirikiriroa. The stadium played host to 10 FIFA Women's World Cup 2023™ teams, hundreds of volunteers, and thousands of football fans.

Service performance measures



- The Magical Bridge Playground opened in December 2023, as New Zealand's first fully accessible playground.
- We successfully distributed approximately 22.5 million cubic metres of treated safe drinking water to our customers.
- Approximately 20 million cubic metres of wastewater and tradewaste was successfully conveyed to and treated at the Pukete Wastewater Treatment Plant then discharged to the Waikato River.
- More than 2,000 people attended the inaugural 'Lets get Thrifty' event at The Meteor in September with the event selling 1750 bags of clothing and raising \$20,000 for the participating thrift stores Hospice Waikato and Op Shop for Breast Cancer.

Areas for improvement

Below is an explanation for the service performance measures that did not achieve their target or returned no result for 2023-24:

Priority: A city that's easy to live in

Community services

The percentage of aquatic facilities customers surveyed who are satisfied with their overall experience

This measure saw a significantly increased result of 84% for 2023-24 – compared to 79% in 2022-23. Key themes in the feedback from dissatisfied customers were largely focused on not being able to get into high-demand classes, and facilities that were non-functional (sauna and steam room, which are scheduled for renewal in year two of the 2024-2034 Long-Term Plan).

The number of visits to Council owned aquatic facilities each year

The visitation result for 2023-24 was 431,935 – up by 15% on the 2022-23 result of 367,587 – but short of the year's target of 500,000 visits. This increase was due to a successful summer season. Events, such as the Manu Competition which were well attended, the return to normal opening hours, and promotion to the city's southwest community saw a 131% increase in visitation at Gallagher Aquatic Centre. The closure of Waterworld in July 2023 for maintenance significantly impacted the ability to meet this target.

Transport

The change from the previous financial year in the number of fatal and serious injury crashes on the local road network

The measure indicates the impact of safety improvements and education programmes on reducing death and serious harm on our city's roads, noting that user behaviours are also a contributing factor to the results for this measure.

This year saw 50 fatal or serious injury crashes, 12 more than the 38 reported in 2022-23, failing to meet target of a decrease on the previous year. This, however, is not significantly different when compared to the 2021-22 result (51 total crashes) and 2020-21 result (46 total crashes). Council is working towards a safer transport network with a vision for a decreasing trend of fatal and serious injuries on Hamilton roads. We aim to achieve this by delivering physical works projects and education programmes that are targeted to improve the safety of all road users to reduce these crashes, noting that user behaviours are also a contributing factor.

Priority: A city where people thrive

Growth

There will be at least three years capacity of business zoned land supplied with development infrastructure in the city

This measure indicates the supply levels of business zoned land within Hamilton Kirikiriroa. The target of three years is set in accordance with the National Policy Statement on Urban Development. This target was not met, with a result of 2.7 years supply.

Industrial consenting in Hamilton Kirikiriroa (which utilises business zoned land) has stabilised over the last six months of the financial year, with there being a previous steep uptake due to the Ruakura in-land port consenting.

Industrial capacity is expected to remain limited and demand constant. Council is working with landowners who are developing a private plan change for industrial land use in Te Rapa North. Waikato Regional Airport Limited are progressing a plan change for further industrial land (noting this is in Waipa District Council, but in close proximity to Hamilton City). A Future Proof subregional assessment of industrial land has been completed and a process to investigate future areas for industrial land supply is underway.

Safety

The percentage of graffiti removed within two working days

This year 89.95% of jobs (5561 of 6182) were completed within two working days. The annual target of 95% was not met due to resourcing pressures within the last six months of the year.

Priority: A fun city with lots to do

Parks and recreation

The percentage of residential households with access to a neighbourhood park within 500m walking distance

The result for this year was 80.21%, which was a decrease on the previous year. This resulted in this measure not making the target of maintain or increase. We have seen a slight decline due to factors such as the continued growth and development in the north of the city (Rototuna and Flagstaff), and increased infill across developed areas of the city including areas already identified as lacking access to neighbourhood parks. Those who do not have access to a neighbourhood park within 500 metres may have access to pocket parks or other open spaces that are not included in this calculation.

It is noted that Council has purchased two new parks, a community park in Rotokauri and a sports park in Peacocke, which have yet to be developed for public use and therefore have not been included in this calculation.

Priority: A green city

Water supply

The total number of complaints received about drinking water clarity, taste, odour, pressure, flow or continuity of supply and Council's response to any of these issues

We provide water that is safe to drink and reliably supplied. This measure indicates customer and community satisfaction with the quality and supply of the water. The result for this year of 9.63 complaints per 1000 connections missed the target of fewer than 5 complaints per 1000 connections.

Of the complaints received, 334 complaints related to lost or reduced water supply, 122 were related to low pressure, and 71 complaints were related to water discolouration, odour, and taste. The remaining complaints were general complaints such as missing toby lids, missing hydrant markings and buried hydrants. Council continues to monitor this measure and implementing actions to reduce the number of complaints. During the year there were two significant water outage incidents that caused 150 complaints (88 complaints on 7 November 2023 and 62 complaints on 7 February 2024), as well as a high amount of work on the the water network, that have contributed to this result.

Measures implemented to improve this include closer management of contractors working on replacing/extending the water network to minimise any unnecessary reactive impacts and improving data capture and customer feedback during the initial customer contact. We will also continue to review how we can better communicate to customers in the event of large unplanned or planned water outages or pressure events, including continuing to utilise and optimise digital tools such as Antenno and social media platforms.

Stormwater

The number of complaints received about the performance of the stormwater system

The number of complaints received is an indication of the quality of stormwater services we are providing. It also gives us information about issues with the stormwater system and tells us how satisfied customers are with the way we respond to requests to fix problems.

The result for this year of 13.4 complaints per 1000 properties did not meet target of fewer than 10 complaints per 1000 properties.

A total of 843 complaints were received in relation to the performance of the stormwater system and transportation drainage. This included complaints about clearing or unblocking transportation drainage catch pits, flooding on a transportation road reserve, repairing or replacing transportation drainage catch pits, missing manhole lids or storm grates, holes forming, erosion, broken or blocked stormwater pipes, and the reactive clearing of open drains and streams. The number of complaints associated with the transportation drainage system are significantly impacted by autumn leaf fall blocking catchpits, resulting in flooding of the roadway as rainwater is unable to drain into the stormwater system. Council will continue to work to ensure transportation programmes such as high leaf zones and catch pit clearing are reviewed and improved to prepare for any predicted wet weather events. Ongoing implementation of preventative maintenance programmes and the construction of new stormwater infrastructure to design standards will continue to improve the performance of the stormwater system in order to reduce flooding events within the city.

Rubbish and recycling

The amount of waste received at Council-operated waste facilities that is diverted from landfill

This year we diverted 14,437 tonnes of waste from landfill, however, this was short of the target of 16,000 tonnes. This has been a challenging target in past years but an upgrade of the infrastructure around recycling drop-off points at the Resource Recovery Centre and the introduction of additional diversion streams such as wood, concrete, and gib has significantly increased diversion from the Resource Recovery Centre. Unfortunately, at the same time there was a drop off in green waste received at the Hamilton Organic Centre. This was due to a

combination of a dry summer, reduced commercial activity, and an increase in green waste competition in the marketplace. These factors combined have affected the year result not meeting target.

The number of valid missed collections of kerbside rubbish, food waste and recycling

A valid missed collection is defined as a bin/crate presented correctly on at the kerbside before 7am that has not been collected by our contractor.

The target of less than 110 valid missed collections per month has not been achieved in any month between July 2023 and June 2024. Over this period our contractor emptied 5,392,776 bins and had 2255 missed collections – this is a clearance rate of 99.96%. Missed collections are down from 2767 in 2022-23, a reduction of 18.5%. Further work has been undertaken by our contractor training staff on different collection types and routes to help reduce future missed collections.

Measures with no result

Transport

The increase in active mode trips on Hamilton's network

We are currently unable to report on active mode trips due to an identified data integrity issue with the older counters installed on the network. An investigation has determined there were faulty counters resulting in inconsistent data collection for the use of the network. A new means of recording this data will be relied upon through a new service provider in the future. This has, however, affected our ability to accurately report results for this measure this year, returning no result.

Governance

The percentage of Hamilton Kirikiriroa voter turnout for local government elections

The purpose of this measure is to determine the percentage of voter turnout across the city. This data will be collected in line with the local government election cycle. By-elections do not contribute towards this measure as they only capture a small section of the city's voter turnout and are not generally representative of the percentage of voters in a citywide election.

This measure produced no result for this year as no local body elections were held in 2023-24.

Safety

The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during daytime

This measure has returned no result this year as it is informed by data obtained from the annual Pulse Survey, which was not undertaken this year. The results of the Quality of Life Survey were to be relied upon in place of the Pulse Survey, and were expected to be released in September 2024, however, due to a delay in processing of the results the survey is now expected to be released too late for inclusion of these results in this Annual Report.

Financial matters

Ko ngaa take puutea

Summary financial statements

Ngaa tauaakii aa-tahua

Guide to this section of the Annual Report:

This section shows in detail the financial reports and accounting policies of Council. The financial statements provide information about Council's assets, liabilities, income, and expenditure.

Council's financial year begins on 1 July and continues until 30 June.

The financial statements include four primary statements:

Statement of comprehensive revenue and expense

This summarises Council's financial performance for the year, listing all income and expenses. It also records other

comprehensive income, such as changes in fair value of Council's infrastructure, property, plant, and equipment.

Statement of changes in net assets/equity

This is often known as the statement of changes in equity. It details the overall changes for the year in relation to Council's net wealth.

Statement of financial position

This is a '30 June' snapshot of Council's financial position at the end of the relevant financial year, that indicates its assets, liabilities, and net wealth at that point.

Statement of cashflows

This statement indicates where Council's cash came from and where it was spent in the relevant financial year.

These four statements reflect Council's actual position to the budget. The 2023-24 budget was adopted by Council through the 2023-24 Annual Plan.

Notes to the financial statements

These 'notes' are to provide greater detail and more information on the four primary financial statements. The content of the four financial statements and their notes are prepared using Public Benefit Entity accounting standards.

Summary financial statements

Ngaa Tauaakii aa-Tahua

For the year ended 30 June 2024

	Note	Council			Group	
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
		\$000	\$000	\$000	\$000	\$000
Statement of comprehensive revenue and expense to 30 June						
Rates revenue		255,719	255,752	238,229	255,719	238,229
Other revenue	1	278,068	248,382	284,938	277,818	290,829
Total revenue		533,787	504,134	523,167	533,537	529,058
Personnel costs	2	122,704	120,650	110,063	122,704	113,563
Depreciation and amortisation	3	108,362	94,405	89,160	108,362	90,186
Finance costs	4	59,310	33,496	40,863	59,310	41,300
Other expenses	5	189,981	139,873	138,654	189,981	142,005
Total expenditure		480,357	388,424	378,740	480,357	387,054
Operating Surplus/(deficit)		53,430	115,710	144,427	53,180	142,004
Net gains/(loss)	6	(14,961)	1,050	(1,011)	(23,716)	(1,011)
Share of associates' surplus/(deficit)		-	-	-	(1,744)	9,282
Net surplus/(deficit) before tax		38,469	116,760	143,416	27,720	150,275
Income tax expense		-	-	-	-	539
Net surplus/(deficit) after tax		38,469	116,760	143,416	27,720	150,814
Other comprehensive revenue and expense						
Financial assets at fair value through other comprehensive revenue and expense						
Gain/(loss) on property revaluations		438	-	212	438	212
Income tax on other comprehensive income	7	48,941	44,376	419,260	48,941	421,884
Impairment of revalued property, plant and equipment		(269)	-	(1,303)	(269)	(1,303)
Other revaluation reserve movements	8	(7,318)	-	2,533	(7,318)	2,533
Total other comprehensive revenue and expense		80,261	161,136	564,118	69,512	574,140
Total comprehensive revenue and expense attributable to:						
Hamilton City Council		80,261	161,136	564,118	73,041	574,451
Non-controlling interest		-	-	-	(3,529)	(311)

For the year ended 30 June 2024

	Note	Council			Group	
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
		\$000	\$000	\$000	\$000	\$000
Statement of comprehensive revenue and expense to 30 June						
Equity at the beginning of the year		5,479,863	5,141,868	4,915,745	5,598,156	5,024,016
Total comprehensive revenue and expense attributable to Hamilton City Council		80,261	161,136	564,118	73,041	574,451
Total comprehensive revenue and expense attributable to non-controlling interest		-	-	-	(3,529)	(311)
Equity at the end of the year		5,560,124	5,303,005	5,479,863	5,667,668	5,598,156
Total equity at the end of the year attributable to:						
Hamilton City Council		5,560,124	5,303,005	5,479,863	5,667,668	5,594,627
Non-controlling interest		-	-	-	-	3,529
Financial position as at 30 June						
Current assets	9	241,539	176,320	268,171	241,539	268,989
Non-current assets	10	6,524,243	6,165,321	6,244,868	6,631,787	6,371,089
Total assets		6,765,782	6,341,642	6,513,039	6,873,326	6,640,078
Current liabilities	11	215,700	162,416	238,898	215,700	240,111
Non-current liabilities	12	989,958	876,221	794,279	989,958	801,811
Accumulated comprehensive revenue and expense	13	2,401,385	2,376,552	2,359,651	2,456,690	2,417,685
Other reserves	14	3,111,569	2,883,620	3,076,071	3,163,808	3,132,801
Restricted reserves	15	43,980	42,138	42,137	43,980	42,137
Council created reserves	16	3,190	695	2,004	3,190	2,004
Non-controlling interest		-	-	-	-	3,529
Total equity and liabilities		6,765,782	6,341,642	6,513,039	6,873,326	6,640,078
Cash flows to 30 June						
Opening cash and cash equivalents balance at 1 July	17	174,129	125,481	114,826	174,129	114,937
Net cash inflows/(outflows) from operating activities	18	127,817	168,478	153,418	127,778	152,021
Net cash inflows/(outflows) from investing activities	19	(411,651)	(310,570)	(337,644)	(411,612)	(338,939)
Net cash inflows/(outflows) from financing activities	20	205,006	142,092	243,529	205,006	246,110
Closing cash and cash equivalents balance at 30 June		95,301	125,481	174,129	95,301	174,129

Notes

Nooti

1. Other revenue was favourable to budget due to a \$22.9m non-cash fair value gain on the HIF loan, \$15.9m in vested assets due to increased subdivision activity, \$11.6m in interest revenue due to higher interest rates and term deposits held and \$5.9m increase in subsidies and grants. This was offset by a \$26m reduction in capital revenue due to reduced funding from CERF projects which have been cancelled and deferral of other projects to 2025.
2. Personnel costs are unfavourable by (\$2.1m) as a result of unbudgeted redundancy costs.
3. Depreciation was unfavourable to budget by \$14.0m mainly due to transport depreciation (\$10m) and Parks and Gardens depreciation (\$2.3m) being higher than expected due to the revaluation increase in 2023. There was accelerated delivery of the water activities capital programme which increased depreciation by \$1.9m.
4. Finance costs was unfavourable to budget by \$25.8m. This was driven by higher than budgeted interest rates and additional external debt incurred during the year.
5. Other expenses were (\$50.1m) unfavourable to budget. This was due to:
 - Professional costs were (\$1.4m) unfavourable due to two unbudgeted bi-elections due to Councillor resignations, a review of the Municipal building usage and finalisation of the rubbish and recycling legal proceedings.
 - Operating and maintenance costs were unfavourable due to work in progress being written off (\$6m) as a result of projects no longer going ahead and finalisation of operational and capital cost splits upon the capitalisation of major projects.
6. Due to the unpredictable nature of these items, a budget is only set in instances where the amount could be reliably determined. There was a unfavourable variance to budget of (\$16m).
 - Administration costs were unfavourable to budget mainly due to \$33.9m vesting of Wairere Cobham Interchange to Waka Kotahi and an increase in the landfill provision by \$7.5m as a result of the aftercosts in the provision increasing to be in line with the costs budgeted for the 2024-34 Long-Term Plan.
 - Property costs have increased (\$0.9m) due to increases in insurance premiums and electricity costs.

7. The gain on revaluation was \$4.6m favourable to budget. This was due to the value of land being higher than predicted.
8. The other revaluation reserve movements was (\$7.3m) unfavourable to budget. This was due to land asset data improvements not budgeted.
9. Current assets was favourable to budget mainly due to higher other financial assets due to the increase in term deposits held and short-term investment in balanced funds with Forsyth Barr and Milford.
10. Non-current assets was favourable to budget by \$358.9m mainly due to plant, property and equipment being higher by \$369m due to revaluation gain being higher than budgeted and other factors such as greater than budgeted vested assets combined with a virtually fully spent capital programme. This was offset by investment properties being lower by \$11.9m than budgeted revaluations were due to the softening of the commercial property market which is a result of the wider market uncertainty and high interest rates and the transfer of a property to the Non Current Assets Held for Sale classification.
11. Current liabilities was unfavourable to budget by \$53.3m mainly due to borrowings being higher than budget due to the prefunding of 2025 loan repayments in line with PwC's funding strategy recommendation.
12. Non-current liabilities was unfavourable to budget by \$113.7m mainly due to borrowings being \$106.5m higher than budget due to the prefunding of 2025 loan repayments in line with PwC's funding strategy recommendation. Provisions were also \$6.8m higher than budget as a result of the aftercosts in the provision increasing to be in line with the costs budgeted for the 2024-34 Long Term Plan.
13. Accumulated revenue and expenses was favourable to budget by \$11.0m due to the opening balance being higher than budgeted.
14. Other reserves was favourable to budget by \$227.9m as a result of higher revaluation gains on plant, property and equipment valuations.
15. Restricted reserves was favourable to budget by \$1.8m as a result of an increase in the Domain Endowment Fund and Municipal Endowment Fund due to higher interest rates and fund returns than budgeted.
16. Council created reserves was favourable to budget by \$2.5m as a result of higher waste minimisation levies transferred into the reserve than budgeted.
17. Opening balance of cash and cash equivalents was favourable to budget by \$48.6m due to higher term deposits.
18. Cashflows from operating activities was unfavourable to budget by (\$40.7m) due to cash from capital contributions being less due to reduced funding from CERF projects which have been cancelled and deferral of other projects to 2025. There was also an increase in interest costs being paid due to higher interest rates and external debt.
19. Cashflows from investing activities was unfavourable to budget by (\$101.1m) due to higher term deposits and capital purchases than budgeted.
20. Cashflows from financing activities was favourable to budget by \$62.9m due to prefunding of 2025 loan repayments in line with PwC's funding strategy recommendation. This was offset by higher term deposit holdings, and the additional borrowings required to fund the Balancing the books deficit.

Accounting policies

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

The group consists of the ultimate parent, Council, and its subsidiary, Waikato Growth Innovation Ltd (100% owned) which was wound up during the financial year. The associate, Waikato Regional Airport Ltd is equity accounted.

The summary financial statements of the Council and Group are for the year ended 30 June 2024.

Council has designated itself and the Group as a public benefit entity as defined under the PBE International Public Sector Accounting Standards (PBE IPSAS).

These financial statements have been prepared in accordance with Tier 1 PBE accounting statements and generally accepted accounting practice in New Zealand (NZ GAAP). The full financial statements make an explicit and unreserved statement of compliance with PBE Standards for each period presented in this summary annual report.

Council's summary annual report complies with PBE Financial Reporting Standards 43 (FRS 43) Summary Financial Statements.

All amounts are shown in New Zealand dollars and are rounded to the nearest thousand dollars (\$000).

Capital commitments and contingencies

Council has capital contract commitments of \$237 million (2023 \$368 million).

Council is a 63% capital beneficiary of the WEL Energy Trust. The life of the Trust ends in 2073 unless terminated earlier if its purpose is completed. Given the uncertainties surrounding the life of the Trust, Council is unable to accurately establish the appropriate value of its 63% share.

Contingent liabilities, which are dependent on future events, are \$31 million (2023: \$0.1 million).

Council has identified three unquantified contingent liabilities. This is in relation to a legal action on staff matters, Riskpool and Kodiak Consulting Limited.

Changes in accounting policy

There have been no changes in the Council's accounting policies since the date of the last audited financial statements.

Related parties

During the year Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates, use of Council facilities, etc).

Events after balance date

There have been no events after balance date that require adjustments to be made to the financial statements or disclosure.

Disclaimer

The specific disclosures included in this Annual Report Summary have been extracted from the full Annual Report and were authorised for issue by the Chief Executive on 31 October 2024.

These summary financial statements do not include all of the disclosures provided in the full financial statements and can not be expected to provide as complete an understanding as provided by the full Annual Report.

This summary can not be expected to provide as complete an understanding as provided by the full Annual Report of the financial and service performance, financial position and cash flows of Hamilton City Council.

The summary has been examined for consistency with the full Annual Report and was audited by Audit New Zealand on behalf of the Office of the Auditor-General. The full Annual Report received an unmodified audit opinion on 31 October 2024.

The full annual report can be obtained from our website <https://hamilton.govt.nz/your-city/data-and-statistics/understanding-your-council/annual-reports/> or from the Hamilton City Council main office.

Audit Opinion

Whakatau aa-taatahi kaute

Independent Auditor's Report

To the readers of Hamilton City Council and group's summary of the annual report for the year ended 30 June 2023

The summary of the annual report was derived from the annual report of the Hamilton City Council (the City Council) for the year ended 30 June 2023.

The summary of the annual report comprises the following information on pages 31 to 36 and 40 to 45:

- the summary statement of financial position as at 30 June 2023;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2023;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the service performance summary.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and

consistently, the information regarding the major matters dealt with in the annual report; and

- the summary statements comply with PBE FRS-43: Summary Financial Statements.

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2023 in our auditor's report dated 31 October 2023.

Our auditor's report on the full annual report also included an emphasis of matter paragraph.

Emphasis of matter - uncertainty over the water services reform programme

Without modifying our opinion, we draw attention to Note 1 on pages 173 to 174, which outlines developments in the Government's water services reform programme.

The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three water services and related assets and liabilities currently controlled by local authorities.

Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the Council, as outlined in note 1 on page 174, remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

Other than in our capacity as auditor, we have performed a limited assurance engagement related to the City Council's debenture trust deed. Other than these engagements, we have no relationship with, or interests in, the City Council or its subsidiaries and controlled entities.




Clarence Susan
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Hamilton City Council
Garden Place, Private Bag 3010, Hamilton

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