



2007/08 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 whakapono, 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

Table of Contents

(RAARANGI KORERO)

Part A: Hamilton City Council's 2007/08 Annual Plan

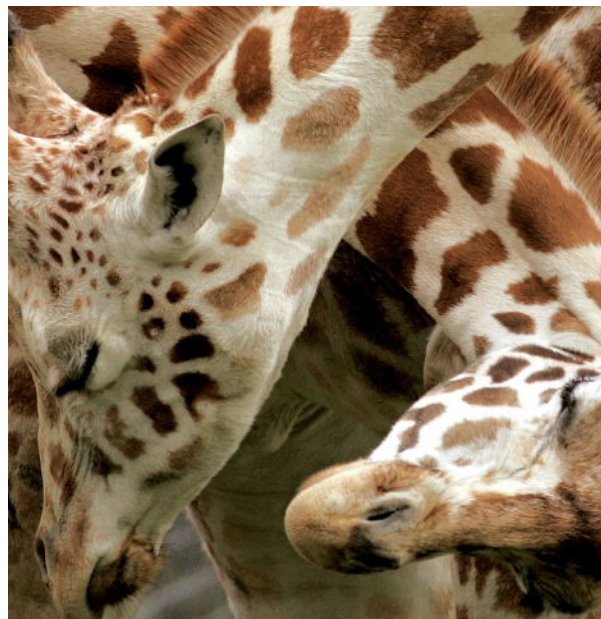
1.0	Welcome to Council's 2007/08 Annual Plan	5
1.1	What is the Annual Plan?.....	5
1.2	Where Does Council's Long-Term Plan Fit In?	6
1.3	And the Annual Report?	7
2.0	Mayor and Chief Executive's Overview	9
3.0	Council's 2007/08 Annual Plan Process	13
4.0	Changes to Council's 2006-16 Long-Term Plan.....	19
4.1	What is an Amendment?	19
4.2	What is a Variation?	20
5.0	Summary of Amendments to Council's 2006-16 Long-Term Plan.....	23
5.1	Review of Council's Development and Financial Contributions Policy	23
5.2	Changes to the Claudelands Events Centre Project	26
5.3	Adjustment to the City's Rating Differential Factor (Revenue and Financing Policy and Rating Policy).....	27
5.4	Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'	28
5.5	Overall Consequential Financial Impact of the Amendments and Variations to Council's 2006-16 Long-Term Plan.....	28
5.6	Future Initiatives: Operational Management of Hamilton's Bus Service	28
5.7	Further Information	29
6.0	Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan	30
6.1	City Growth.....	30
6.2	District Plan Related Projects.....	32
6.3	City Strategic Framework.....	33
6.4	Bylaws Review	34
6.5	Monitoring Progress Towards Hamilton's Community Outcomes	35
6.6	Introduction to Variations Shown by Significant Service	40
6.7	City Strategic Framework A: Investing In Our People	41
6.7.1	Community Development.....	42
6.7.2	Community Facilities.....	44
6.7.3	Emergency Management.....	46
6.7.4	Partnership With Maori	48
6.7.5	Representation and Civic Affairs	50
6.7.6	Environmental Health	52
6.7.7	Parks and Gardens.....	53
6.7.8	Sports Areas	55
6.7.9	Swimming Facilities.....	57
6.8	City Strategic Framework B: Creating Identity and Prosperity	59
6.8.1	Environmental Services	60
6.8.2	Animal Care and Control	60

6.8.3	Building Control	61
6.8.4	Parking Enforcement.....	63
6.8.5	Planning Guidance	64
6.8.6	Economic Development	66
6.8.7	City Promotion	68
6.8.8	Hamilton City Theatres	69
6.8.9	Hamilton City Libraries.....	71
6.8.10	Waikato Museum of Art and History	73
6.8.11	Event Facilities	75
6.8.12	Hamilton Zoo.....	77
6.9	City Strategic Framework C: Protecting Our Future	80
6.9.1	Wastewater Management	81
6.9.2	Stormwater Management.....	83
6.9.3	Recycling / Refuse Collection	85
6.9.4	Water Supply	87
6.9.5	Sustainable Environment.....	90
6.9.6	Transport: Road Network Management.....	92
6.9.7	Transport: Access Hamilton.....	94
6.9.8	Endowment and Investment Property Portfolio Management	98
7.0	Land Transport Programme for 2007/08	100
7.1	Introduction	100
7.2	Council's Land Transport Programme.....	101
7.3	Subsidised Projects and Programmes.....	102
8.0	Financial Section	104
8.1	Financial Overview.....	104
8.2	Statement of Accounting Policies for the Year Ended 30 June 2008	109
8.3	Significant Forecasting Assumptions and Risks	122
8.4	Financial Statements	123
8.5	Fees and Charges.....	143
8.6	Sale of Municipal Endowment Investment Properties	143
8.7	Sale of Council Owned Land.....	144
9.0	Funding Impact Statement	145
10.0	Rating Information	157

Part B: Amendments to Council's 2006-16 Long-Term Plan

1.0	Introduction to the Amendments	163
2.0	Review of Council's Development and Financial Contributions Policy.....	163
2.1	Introduction	163
2.2	Why the Policy was Reviewed.....	164
2.3	Why this is an Amendment to the 2006-16 Long-Term Plan.....	165
2.4	Consequential Impact of the Amendment to the 2006-16 Long-Term Plan...	165
2.5	Further Information.....	165
2.6	Schedule 1 – Significant Policy Changes	165
2.7	Schedule 2 – Schedules of Current and Proposed Development Contributions Payable	170

2.8	Schedule 3 – Minor Policy Changes and Clarification Changes	171
2.9	Schedule 4 – Proposed Development and Financial Contributions Policy	173
3.0	Changes to the Claudelands Events Centre Project.....	201
3.1	Introduction.....	201
3.2	Why this is an Amendment to Council's 2006-16 Long-Term Plan	201
3.3	Original Proposal in Council's 2006-16 Long-Term Plan	202
3.4	Revised Project – Indoor Events Arena	203
3.5	Consequential Impact of the Amendment to the 2006-16 Long-Term Plan ...	204
3.6	Reasons for Amending the Original Proposal	205
3.7	Events Versus Recreation	205
3.8	Other Options Considered for the Indoor Stadium.....	206
3.9	Council Decision	209
3.10	Contribution of the Project to Hamilton's Community Outcomes	209
3.11	Further Information	209
4.0	Adjustment to the City's Rating Differential Factor (Revenue and Financing Policy and Rating Policy).....	210
4.1	Introduction.....	210
4.2	Original Proposal in Council's 2006-16 Long-Term Plan	210
4.3	Amendment to Rating Differential Factor.....	211
4.4	Options Considered	212
4.5	Further Information	212
5.0	Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'	213
5.1	Introduction.....	213
5.2	Why this is an Amendment to the 2006-16 Long-Term Plan	213
5.3	Further Information	213
6.0	Overall Consequential Financial Impact of the Amendments and Variations to Council's 2006-16 Long-Term Plan	214



1.0 Welcome to Council's 2007/08 Annual Plan

(NAU MAI HAERE MAI KI TE KAUNIHERA 2007/08 MAHERE WHAKAHAERE)

1.1 What is the Annual Plan?

Section 95 of the Local Government Act 2002 requires Council to produce an Annual Plan in the two intervening years between each three-yearly Long-Term Plan (the Long-Term Plan also serves as the Annual Plan for the first year of its 10-year focus).

The 2007/08 Annual Plan is a companion/supporting document to be read in conjunction with Council's 2006-16 Long-Term Plan. The 2007/08 Annual Plan focuses on changes to projects, programmes and policies to those shown in year 2 of Council's 2006-16 Long-Term Plan. These changes are categorised as being either amendments or variations to the base 2006-16 Long-Term Plan.

The purpose of the Annual Plan is to:

- detail the budget and funding impact statement for that year
- identify any **amendments** and **variations** (and reasons) for that specific year of the Long-Term Plan (refer Sections 4.0, 5.0 and 6.0 as well as Part B of this document)
- support the 10-year Long-Term Plan in providing integrated decision-making and coordination of Council's resources
- provide a basis for accountability of Council to the community
- provide an opportunity for the public to participate in decision-making processes on the activities to be undertaken by Council for that year.

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).

Council's full 2007/08 Annual Plan comprises two parts:

Part A contains:

- Welcome (about the Annual Plan, Long-Term Plan and Annual Report)
- Mayor and Chief Executive's Overview
- Council's Annual Plan Process (including key steps and a summary of the key changes as a result of the public submission process and Council decisions)
- Changes to Council's 2006-16 Long-Term Plan (information about what constitutes amendments and variations)
- Summary of Amendments (the review of Council's Development and Financial Contributions Policy, changes to the Claudelands Events Centre project, the adjustment to the City's Rating Differential Factor, and the addition of a definition to the Funding Impact Statement and Rating Policy for a 'separately used or inhabited part of a rating unit'. This section also contains the possible future initiative regarding the operational management of Hamilton's bus service)
- Variations (these are shown under each of Council's 25 Significant Services). This section also includes, for each significant service:
 - Highlights of key projects and programmes
 - The service level provision
 - Value of key infrastructural assets (where applicable)

- Key performance measures and targets for intended levels of service for year 2 (2007/08) of Council's 2006-16 Long-Term Plan
- Land Transport Programme for 2007/08
- Financial Section
- Funding Impact Statement
- Rating Information.

Part B contains:

- An audit note detailing how the amendments are to be read in conjunction with the 2006-16 Long-Term Plan
- Amendments to Council's 2006-16 Long-Term Plan (this section provides further detail on the four amendments i.e. the review of Council's Development and Financial Contributions Policy, changes to the Claudelands Events Centre project, adjustment to the City's Rating Differential Factor, addition of a definition to the Funding Impact Statement and Rating Policy for a 'separately used or inhabited part of a rating unit')
- The overall consequential financial impact of the amendments and variations to Council's 2006-16 Long-Term Plan.

NB: Copies of Council's 2007/08 Annual Plan can be obtained from the main Council office in Garden Place or any branch of Hamilton City Libraries. You can also view/download a copy from Council's website www.hamilton.co.nz/AnnualPlan. Alternatively you can order a copy by contacting the Strategic Group on 838 6810 or emailing strategic@hcc.govt.nz.

1.2 Where Does Council's Long-Term Plan Fit In?

Under the Local Government Act 2002 Council is required to produce a Long-Term Plan. This is Council's primary long-term planning document that outlines its contribution to Hamilton's development over the next 10 years. All councils in New Zealand were required to produce a Long-Term Plan for the period 1 July 2006 to 30 June 2016. The Long-Term Plan must then be reviewed every three years.

Council's 2006-16 Long-Term Plan comprises two volumes i.e.:

Volume I contains:

- Changes to the Long-Term Plan resultant from the public submission process
- The Mayor and Chief Executive's Overview
- Highlights of projects and programmes over the next 10 years
- Social and economic trends in the city
- Council's new Strategic Framework for the city
- Hamilton's Community Outcomes and how they will be monitored
- The Treaty of Waitangi and Council's partnership with Maori
- Council's elected members, committee structure and roles
- The organisation, its structure and how it operates
- Council's 25 significant services – their primary contribution to Hamilton's Community Outcomes; their service level provision; the reason for providing the significant service; guiding legislation, plans and documents; a selection of key projects and programmes ; any significant negative effects that could occur as a result

of providing the significant service; and key performance measures and targets that are regarded as important to maintain and enhance the intended levels of service

- The Financial Section for 2006-16 comprising the 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 of 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 policy parameters, targets and guidelines concerning a number of policies. The Funding and Financial Policy contains the following policies and summaries:

- Revenue and Financing Policy
- Other Financial Policies and Long-Term Plan Assumptions
- Investment Policy
- Liability Management Policy
- Rating Policy
 - Rates Remission Policies
 - Rates Postponement Policies
 - Remission and Postponement of Rates on Maori Freehold Land Policy
- Funding Impact Statement
- Significance Policy
- Partnerships with the Private Sector Policy
- Development and Financial Contributions Policy
- Appointment and Remuneration and Directors of Council Organisations Policy
- Freeholding of Council Domain and Municipal Endowment Leases Policy
- Activity Management Plan Summary
- Summary Assessment of Water and Other Sanitary Services
- Summary of Hamilton City Council's Waste Management Plan
- Appendices, including the full list of costed projects and programmes that Council proposes to undertake over the 10-year period of the Long-Term Plan.

Copies of Volume I and II of Council's 2006-16 Long-Term Plan can be obtained from the main Council office in Garden Place or at any branch of Hamilton City Libraries. You can also view/download a copy from Council's website

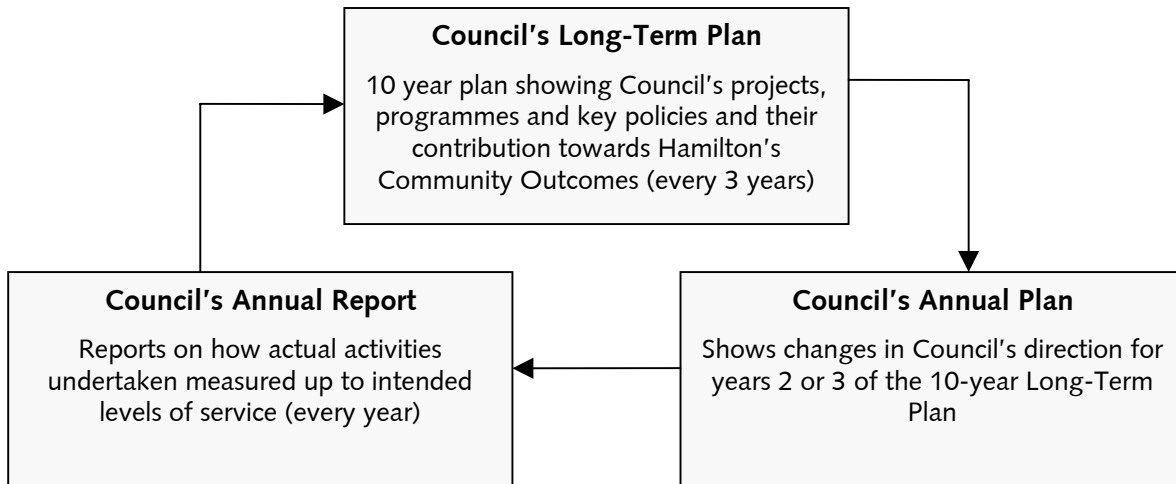
www.hamilton.co.nz/LongTermPlan. Alternatively you can order a copy by contacting the Strategic Group on 838 6810 or emailing strategic@hcc.govt.nz.

1.3 And the Annual Report?

Council is still required to produce an Annual Report at the completion of each June financial year (Section 98 of the Local Government Act 2002). The Annual Report shows how the actual activities, services and performance of Council measured up to the intended levels of service and performance as set out in a specific year of the Long-Term Plan or the Annual Plan.

The relationship of the Long-Term Plan to the Annual Plan and Annual Report is shown in the following diagram.

**RELATIONSHIP OF COUNCIL'S LONG-TERM PLAN TO THE ANNUAL PLAN AND
ANNUAL REPORT**



2.0 Mayor and Chief Executive's Overview



Hamilton continues to grow in diversity and sophistication, featuring increasingly on national and international stages. Council has a strong commitment to forging a positive and vibrant identity for Hamilton. Recent results from the national 2006 Quality of Life and local quarterly residents surveys confirm that Hamiltonians are reporting record high satisfaction about their experience of their city and Council.



At the forefront of current city planning and projects is the future-proofing of Hamilton for ongoing growth and development. Delivering on the 2006-16 Long-Term Plan programme is a high priority for Council and the 2007/08 Annual Plan supports Year 2 of the 10-year plan.

As part of its proactive planning for Hamilton's future, Council has made several amendments and variations to the 2006-16 Long-Term Plan. Undertaking the plan's projects and programmes throughout 2007/08 will result in an average rate rise of 5.94 per cent for existing Hamilton ratepayers. This is less than half a per cent more than what was put forward in the Proposed Annual Plan and is below the 6.08 per cent Council had indicated for the 2007/08 year when producing the Long-Term Plan for the city. The rate rise includes an allowance for inflation of approximately 3 per cent.

Last year, a revaluation of all Hamilton properties resulted in an overall rise in the city's property values. It is a common misconception amongst ratepayers that this results in an increase in total rates received by Council. Rates are allocated to individual ratepayers based on the relative land values of their property proportionate to the city average. The size of the overall rating 'pie' does not change but rather the division of that rating pie amongst ratepayers is adjusted according to land value. All properties in Hamilton are re-valued by Quotable Value New Zealand through a process entirely independent from Council.

Two key changes have been made to Council's Development and Financial Contributions Policy. Firstly, Council has reviewed how much developers pay. Secondly, we have reviewed the rules for how the policy is applied.

Council's Access Hamilton transport strategy continues to be a critical driver in future-proofing the city's roading infrastructure, with a number of key projects scheduled for the 2007/08 financial year.

Work planned for Wairere Drive in 2007/08 includes four-laning from Pukete Road to Avalon Drive and the start of construction on a new section of road from the Hukanui Road Roundabout to Tramway Road (\$9.503m in 2007/08) which received the largest sum of funding assistance (55 per cent) the city has received for any project to date.

City development continues to be a key area of focus for Council, with upgrading of the CBD being a key priority. A new structure plan for the Rotokauri growth cell is also anticipated to be notified in September 2007. Withdrawal of the original structure plan in September 2006 will enable the revised plan to achieve better alignment with CityScope, Access Hamilton and make better provision for community services.

A Structure Plan for the Peacocke area was approved by Council in September 2006 to provide for an urban design-led approach to growth in the south of the city. Notification has been held back, however, to enable details of the Southern Links roading study to be incorporated. This will provide a more integrated and holistic picture of the area's transportation network. The plan is currently being updated to address these issues, with notification anticipated to be in August 2007.

Following a successful city expo information day at Claudelands Events Centre and a public submission process resulting in 201 submissions, Council made decisions on all submissions on 11 June 2007. The final 2007/08 Annual Plan and amendments to Council's 2006-16 Long-Term Plan were adopted on 29 June 2007. A clear opinion was received from Audit New Zealand on the proposed plan and amendments, however they have not provided an opinion on the final documents as there is no legal requirement to do so.

The Claudelands Events Centre redevelopment, including the events arena, exhibition and conference space, is one of the city's most significant public projects for the next 10 years. On adoption of the Annual Plan 2007/08, this project will go ahead as a commercial events-based model after the detailed business plan for the project shifted its focus from the originally proposed community-based model. The change in model will deliver greater connectivity with its immediate surroundings and the central business district plus provide a live performance venue in the city. It also delivers significant reductions in the cost of the project over its operational life.

Council considers it crucial that it is disciplined in considering additional projects and expenditure other than what is outlined in the 2006-16 Long-Term Plan. Through the Proposed Annual Plan submissions process, however, Council received a strong message from the community that heritage is an extremely important issue. In response, Council has allocated \$250,000 in the coming year to consider comprehensive local area heritage plans for the Hamilton East and Frankton areas. Council has also moved \$130,000 from the unfunded to the funded section of the plan to ensure the completion of the first stage of restoration for the Rangiriri river boat. Other significant funding decisions include more money (\$120,000) to complete urgent District Plan changes.

Council extends its thanks to those who made a submission to the Proposed 2007/08 Annual Plan and Proposed Amendments to the 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 4.0.

Council's website includes a digital copy of the 2007/08 Annual Plan (www.hamilton.co.nz/AnnualPlan) and the 2006-16 Long-Term Plan (www.hamilton.co.nz/LongTermPlan).



Bob Simcock
HAMILTON MAYOR



Graeme Fleming
ACTING CHIEF EXECUTIVE

Te Tumuaki me Te Rangatira Kaiwhakahaere Tirohanga Whaanui

Kei te tipu tonu te rerenga kee me ngaa hohonutanga mai i ngaa topito katoa o te motu huri noa te Ao whaanui. Ma te Kaunihera e kaha nei te pupuri i ngaa ahuatanga pai o te ingoa o Kirikiriroa. I ahu mai ngaa tirohanga whaanui 2006 ko ngaa ahua reka o ngaa tangata e noho ana ki Kirikiriroa. Tino pai to maatou nei noho ki teenei taaone nui o taatou me ngaa mahi pai o te Kaunihera.

Ko te mea nui ki a maatou i teenei waa ko ngaa kaupapa whakatipu me ngaa mahi ahu whakamua o Kirikiriroa. Ko te kaupapa whai tikanga rawa atu ko Te Tirohanga Whaanui 2006-16 me te kaupapa 2007/08 Mahere Tau, ngaa tau e rua mai te mahere tekau ngaa tau.

Na reira i teenei waa tonu kei te whakatikatika, kei te whakarerekee maatou Te Tirohanga Whaanui 2006-16. Kei te whakapiki ngaa reeti mo ngaa tau 2007/08 ki 5.94 pai heeneti ko ngaa kai reeti katoa o Kirikiriroa. Heke iho wheenei mai te tau 2007/08 i wheera waa 6.08 pai heeneti ngaa whakaritenga o Te Tirohanga Whaanui mo te taaone nei. Ko teenei reeti whakapikinga 3 pai heeneti.

Mai i wheera tau kei te taurite ngaa waariutanga ngaa rawa o Kirikiriroa no te mea kei te whakapiki te utu, pohehe ngaa kai reeti kei te piki ngaa reeti. E ai ki ngaa koorero ko ngaa reeti e wawahi ki teena ki teena o ia tangata e pa ana ki to raatou ake whenua, koina. Na reira ko te rahinga o te 'pie' kaaore e rerekee engari ma te wawahi o ia tangata e pa ana ki to raatou whenua he orite. Ko ngaa rawa katoa o Kirikiriroa kei te waariu mai te 'Quotable Value o Aotearoa' he roopu tu atu i te Kaunihera.

E rua ngaa mea rerekee ki te taha whakatau kaupapa me te kaiwhoatu take whakahaere o te Kaunihera. Tuatahi, ma te Kaunihera e tirohia ano ki te whakautu kaiwhakaahu. Tuarua, e tirohia e maatou ki ngaa whakahaere ture mo te kaupapa nei.

Kei te haere tonu te kaupapa o te Kawe Waka me te maha noa ngaa whakahaere tanga o ngaa tau 2007/08.

Ko ngaa mahi ki te hurahi o Wairere mo ngaa tau 2007/08 e wha ngaa momo huarahi mai a Pukete ki Avalon huarahi. Ano teetehi huarahi hou mai a Hukanui huri haere ki te huarahi o Tramway (\$9.503m ngaa tau 2007/08) e whiwhi nei te nuinga o nga putea (55 pai heeneti) ki teenei waa.

Ko te whakapakari o te taaone nui (CBD) te kaupapa e tirohia te Kaunihera i teenei waa. Ka tuu mai he mahere hou ki Rotokauri i te marama o Hepetema 2007. Ko te kaupapa tuatahi mai te marama Hepetema 2006 ka unuhia ka taea e te 'CityScope, Access o Kirikiriroa te whai waahanga ki ngaa hapori o Kirikiriroa.

E whakaae ana te Kaunihera ki te mahere Peacocke te marama Hepetema 2006 hei whakatipu i te tonga o te taaone nei. Taihoa ake kei te tatari maatou ki ngaa huarahi hono kia kite ai te whaanui o ngaa kawe waka mo teenei rohe. Kei te whakaarohia e maatou a te marama o Akuhata 2007 e tutuki pai te kaupapa nei.

E tutuki pai to maatou Raa puna koorero whai moohio raanei ki Claudelands Taiwhanga me te maha hoki ngaa tuhinga tono mai a koutou 201 te katoatia. Ma te Kaunihera e whakatakoto whakaaro mo ngaa tuhinga tono 11 o Hune 2007. Ko te Raa whakamutunga e taurima ngaa kaupapa o Te Tirohanga Whaanui 2006-16 me te Mahere 2007/08 ko te Raa 29 o Hune 2007. Na te Tari Whakamaataau Arotake e

whakaaro ki o maatou tuhi nei engari kaaore he koorero tuatu, no te mea kaaore te ture e meatia.

Ko te Taiwhanga o Claudelands te kaupapa nui rawa atu mo ngaa tau 10 e tuu mai nei, na te mea i whakaarohia e maatou, mai to maatou Mahere 2007/08 hei mahimoni rerekee teena mai te timatanga, ko te kaupapa hapori. Ko te take e wheera ai, ka taea te hono ki ngaa rohe katoa ara, te taha taaone nui (CBD) ka titiro ki te taha whakangahau ki te taaone nui, wheera mea katoa. Ka heke te utu o tana roanga te waa e tuuwhera ana.

Ahakoia ta maatou kaupapa e pa ana ki te Te Tirohanga whaanui 2006-16 me ona nei tikanga ka taea e maatou te tini ki aau koutou pepa tono. Ko te kaupapa taonga tuku iho te tino take mai te hapori o Kirikiriroa. Na reira \$250,000 e tuku maatou mo te tau e tuu mai nei ki ngaa rohe Kirikiriroa ki te Tairawhiti me te rohe Frankton. Kua hunuku te putea \$130,000 kia pai mai te whakahoungia e te poti Rangiriri. He moni ano hei tautoko te whakaotinga o ngaa rohe tikanga (\$120,000).

Ngaa mihinui ki ngaa tangata e tuku tuhinga tono 2007/08 Mahere Tikanga me Te Tirohanga Whaanui 2006-16. Ko ngaa hua mo wheenei kaupapa haere ki te waahanga 'Part A, Section 4.0.'

Ko te ipurangi o te Kaunihera o wheenei pepa e koorerohia nei 2007/08 Mahere Tikanga (www.hamilton.co.nz/AnnualPlan) , Te Tirohanga Whaanui 2006-16, ara (www.hamilton.co.nz/LongTermPlan).



Bob Simcock
KOROMATUA O KIRIKIRIROA



Graeme Fleming
KAIWHAKAHAERE MATUA

3.0 Council's 2007/08 Annual Plan Process

(NGAA TIKANGA O TE KAUNIHĒRA 2007/08)

Council's Proposed 2007/08 Annual Plan (which also included proposed amendments to Council's 2006-16 Long-Term Plan) was open for public submissions between Monday 26 March and Thursday 26 April 2007.

Council held an expo-style information day at the Claudelands Event Centre on Saturday 31 March 2007. Elected members and staff were available on the day to discuss any aspects of the Proposed 2007/08 Annual Plan (and proposed amendments to the 2006-16 Long-Term Plan) and to provide information on the submission process. The expo was very successful, with around 350 people attending and positive feedback received about the opportunity to find out more about what is planned for Hamilton in the coming years.

In addition to showing proposed variations to a number of projects and programmes in 2007/08 to those shown in the base 2006-16 Long-Term Plan, four key amendments to the 2006-16 Long-Term Plan were also proposed in Part B of the Proposed 2007/08 Annual Plan, i.e. the:

- Review of Council's Development and Financial Contributions Policy
- Changes to the Claudelands Events Centre Project
- Adjustment to the City's Rating Differential Factor
- Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'.

A 24-page Overview of the Proposed 2007/08 Annual Plan was also delivered to every Hamilton household in the April 2007 edition of City News. The Overview provided residents with a summary of the key elements contained in Council's Proposed 2007/08 Annual Plan, and also outlined the four proposed amendments to Council's 2006-16 Long-Term Plan.

The following outlines the key steps Council undertook prior to adopting the final 2007/08 Annual Plan and amendments to Council's 2006-16 Long-Term Plan on Friday 29 June 2007.

KEY STEPS IN DEVELOPING COUNCIL'S 2007/08 ANNUAL PLAN AND AMENDMENTS TO COUNCIL'S 2006-16 LONG-TERM PLAN

31 January 2007	Council considered the Proposed 2007/08 Annual Plan and proposed amendments to Council's 2006-16 Long-Term Plan, as well as the Overview.
12 March	Council adopted the Proposed 2007/08 Annual Plan with the Audit New Zealand Legal Compliance Review and a 'clear' Audit Opinion on the proposed Long-Term Plan amendments.
Late March/early April	Overview of the Proposed 2007/08 Annual Plan and proposed amendments to Council's 2006-16 Long-Term Plan circulated to all Hamilton households as part of the April 2007 edition of City News.
26 March – 26 April	Proposed 2007/08 Annual Plan (and proposed Long-Term Plan amendments) open for public submissions.

Part A: Hamilton City Council's 2007/08 Annual Plan

	Proposed plan available from the main Council office in Garden Place, at all Council libraries and on Council's website www.hamilton.co.nz/annualplan .
31 March	Council expo-style information day was held at Claudelands Events Centre (including information on the Proposed 2007/08 Annual Plan and proposed Long-Term Plan amendments).
21-22 May	Hearings held for submitters who wished to speak to Council in support of their written submission.
11 June	Council made decisions on submissions.
29 June	Council adopted the Final 2007/08 Annual Plan (including final amendments to the 2006-16 Long-Term Plan) and confirmed the rates strike for 2007/08.
27 July	Final 2007/08 Annual 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 . Final amendments to the 2006-16 Long-Term Plan also made available from the main Council office in Garden Place, at all Council libraries and on Council's website www.hamilton.co.nz/longtermplan .
Late July	Letters sent to submitters advising them of Council's decision on their submission (and reasons).

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

Council received 201 written submissions to its Proposed 2007/08 Annual Plan and proposed amendments to the 2006-16 Long-Term Plan. Of these, 59 submitters requested to be heard in support of their submission to the mayor and councillors at the public hearings, which were held on 21 and 22 May 2007.

Submissions Received by Category

Submission Category	Number	Percentage
Hamilton East Special Character Area	125	62.2
Transport	13	6.5
Arts and Culture	10	5.0
Parks and Gardens/Recreation	9	4.5
Rates/Financial	8	4.0
City Growth	6	3.0
Development and Financial Contributions Policy	6	3.0
Request for Funding	6	3.0
Community Development	6	3.0
Claudelands Development	4	2.0
Environmental Issues	4	2.0
CBD Upgrade	2	1.0
Fluoride	2	1.0
Total	201	100%

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

The following is a summary of key changes to Council's projects and programmes in the final 2007/08 Annual Plan and amendments to Council's 2006-16 Long-Term Plan (grouped under the three City Strategic Framework statements of strategic intent) as a result of the public submission process and Council decisions.

NB: All figures shown in this section are prior to inflation adjustment. Further references in the 2007/08 Annual Plan have been adjusted for inflation.

City Strategic Framework A: Investing in Our People

Surf Life Saving Funding

Small increases in the annual grants to Surf Life Saving Northern Region and Surf Life Saving Bay of Plenty have been made. Funding provision of \$21,000 per annum for 2007/08 and 2008/09 has been allocated to each organisation until the issue is examined again as part of the 2009-19 Long-Term Plan process.

Maori Partnership and Representation

Council will be undertaking a review of current roles, functions and relationships with a range of Maori organisations. This review will look at internal capacity and also examine the need for and range of options available for governance relationships between elected members of Council and various Maori organisations. In particular, consideration will be given to examining a committee structure comprising Council's elected members and representatives from a range of Maori organisations.

Safety of Public Alleyways

In response to submissions received regarding alleyways in Melville, Council will work with Te Whare Kokonga, in consultation with the community, to assess the level of community use of connecting pathways in Melville and develop a plan incorporating CPTED (Crime Prevention Through Environmental Design) elements, including lighting elements to address current safety and access issues. Staff will report back to Council on the Melville area in particular, and also wider city issues.

Hydrotherapy Pool

As part of the 2006-16 Long-Term Plan, \$180,000 was made available in 2006/07 for the design of a hydrotherapy pool to be located at Waterworld. Council also resolved to contribute 33 per cent of the capital funding required to construct the pool in 2011/12. The Hamilton Hydrotherapy Pool Charitable Trust will fundraise the balance of the funds required. Hamilton's Mayor will also hold formal discussions with representatives from the Waikato District Health Board to examine funding options to further the development of the hydrotherapy pool and will report back to Council on the District Health Board's position.

Housing Upgrade Programme

In 2004 a review of Council's housing stock was completed and a seven-year Housing Upgrade Programme was adopted as part of the 2006-16 Long-Term Plan. The programme was approved on a cost neutral basis and funded from the sale of three Council assets and subject to Housing New Zealand Corporation (HNZC) funding.

HNZC's expectation for funding allocation for 2007/08 was reduced from \$30m to \$12m in the national Budget report and HCNZ identified priority regions for the funding

to be Auckland, Northland, East Cape and Poverty Bay. As a result, funding available to Council for the 2007/08 housing upgrade programme was withdrawn.

Council decided that the remainder of the seven-year upgrade programme be put on hold for a year and an application to the Local Government Housing Fund be made for the 2008/09 financial year. This is dependent on HNZC having the funds available.

Council will also formally advise central government of the effect of this reduction in funding and seek the reinstatement of funds to previous levels in light of the current national budget surplus.

Car Park Lighting in Council Reserves

In response to the submission received from the Fraser-Tech Rugby Club regarding car park lighting at Elliot Park, staff will meet with the Fraser-Tech Rugby Club and Western Community Centre to discuss the lighting needs of this ground. Staff will also investigate other recreational reserves containing car parks and report back to Council on funding requirements.

Cricket Wicket Renovations at Jansen and Galloway Parks

The city has eight wicket blocks that are used for senior grade premier cricket, i.e. four blocks at Jansen Park and four blocks at Galloway Park. These blocks have been in place for a number of years and require clay with special qualities to be used in order to prepare suitable wickets. Council has decided to renovate both wicket blocks, with Jansen Park scheduled for 2007/08 (\$147,500) and Galloway Park in 2008/09 (\$132,600).

Galloway Park Sports Changing Rooms and Toilet Building

The sports changing rooms and public toilets building at Galloway Park was severely damaged by an electrical fire in January 2007. The existing building will be demolished and rebuilt 'fit for purpose' to current design standards in two stages. Stage 1 will complete the outer shell of the building and finish interior areas of four changing rooms, as well as the caretaker's room (total cost \$600,000, with \$475,000 funded from insurance). Funding for stage two, which will complete the interior areas to the final four changing rooms and the first aid room, will be considered as part of the 2009-19 Long-Term Plan.

City Strategic Framework B: Creating Identity and Prosperity

Rangiriri Restoration

\$130,000 has been moved from the unfunded to the funded section of the 2006-16 Long-Term Plan for the Rangiriri river boat restoration. This historic vessel on the riverbank of Memorial Park represents the arrival of founding militia settlers to Hamilton. Stage one of the project includes the lifting, repositioning and preservative treatment of the hull plus preparatory foundation work for stage two. Stages two and three will include landscaping, viewing areas and a protective roof for the vessel. Funding for stages two and three will be considered as part of the 2009-19 Long-Term Plan.

Feasibility Study for Indoor Recreational Space

Late last year, Council undertook a needs analysis of recreational facilities in Hamilton. As a result of this initial research, Council will now commence a feasibility study to develop a proposal for a new community indoor facility, ideally in partnership with other stakeholders. Council has made funding provision of \$50,000 for the feasibility study.

Hamilton East Heritage Trail – Stage 2

Council has approved the balance of the original \$30,000 grant given to the Hamilton East Community Trust in 2005/06 to be used for stage 2 (interpretative signage) of the Hamilton East Heritage Trail in 2007/08. The balance of the \$30,000 grant that is able to be spent is \$21,553.

New North East Sector Library

The timing for construction of the proposed Rototuna library in the north east sector of the city will be reviewed as part of the 2008/09 Annual Plan considerations. Construction of the library is currently planned to begin in 2012/13 in Council's 2006-16 Long-Term Plan. The review will take into account findings from the Rototuna town centre design workshops that were held in December 2006 and January 2007 as part of the development of the revised Rototuna Structure Plan.

Regional Orchestra

A submission was received from the Opus Chamber Orchestra requesting that Council contribute to investing in a regional orchestra. Council has decided to work with the Opus Chamber Orchestra, other territorial authorities and Creative New Zealand to further assess the development of a regional orchestra, the result of which will be considered as part of Council's 2009-19 Long-Term Plan.

Hamilton Gardens Summer Festival

Council will work with the Hamilton Gardens Summer Festival Foundation to develop a plan that addresses safety and security issues for the Festival, which incorporates CPTED (Crime Prevention Through Environmental Design) elements.

Information and Communications Technology (ICT)

Council recognises the role of ICT and that an efficient digital infrastructure is critical to support the further economic development of the city. ICT will be a key focus of the city's Economic Development Strategy, which is scheduled to commence in 2007/08. This work will include developing an agreed strategic position on digital infrastructure and ICT.

Additional Information:

Council has been working on a collaborative project with Wintec, the University of Waikato, Environment Waikato and a private company to establish an open access fibre network in Hamilton City. In September 2006, Hamilton (via the Hamilton Urban Fibre Network group) secured a \$3.29m government grant from the Broadband Challenge funding stream of the Digital Strategy towards the project. The proposal is for each of the parties to contribute their fibre assets to a joint venture company and the government funding will be used to connect and expand the network. The new network will then be leased to a private operator and revenue will be used to continue to develop and expand the city's fibre network. The structure of the network company is currently being worked on and is subject to Council approval.

City Strategic Framework C: Protecting Our Future

Waikato SPCA Lease

The current commercial lease that the SPCA has with Council (\$18,400) will be amended to a community bodies lease (estimated to be in the range of \$9,000 - \$15,000 plus GST) on 1 July 2007 (subject to the SPCA meeting the requirements of Council's Community Building Rental Policy). The SPCA is situated in Council's Animal Care and Control Centre in Duke Street.

Solar Hot Water Installations

Commencing in 2007/08, Council will waive building consent fees for solar hot water installations as part of developing the city's Environment Strategy. The net financial effect of this to Council is considered minor.

Energy Efficiency Retrofits

Council will consider the issue of energy efficiency retrofits as part of developing the city's Environment Strategy commencing in 2007/08. Council will also request that the WEL Energy Trust consider allocating additional significant funding as part of their annual dispersion of funds to the retrofit programme.

Other Changes

Council's Development and Financial Contributions Policy

The Development and Financial Contributions Policy has been amended as follows:

- Any development contribution charge associated with a building consent must be paid at the earliest of either the granting of a service connection, uplift of the code compliance or 180 days from the granting of the building consent.
- A bond system has been introduced which allows, at Council's discretion, the payment of development contributions to be deferred for up to two years with an interest charge.
- A number of changes were made to ensure consistency with the judgement in the judicial review of North Shore City Council's Development Contributions Policy, in particular, outlining the cost allocation methodology applied by Council and the three-step test Council follows prior to levying a development contribution.

The revised policy will come force on 1 July 2007.

Local Area Plans for Hamilton East and Frankton Residential Areas

Funding provision of \$250,000 has been made in 2007/08 to develop comprehensive local area plans for Hamilton East and Frankton residential areas that will enable:

- Development of project briefs
- Appointment of a facilitator to conduct community workshops and consultation
- Heritage/character and tree assessments to be undertaken
- Preparation of relevant design guidelines
- Promotion of variations to the Proposed District Plan.

Council will also highlight the relationship between the two local area plans and the proposed Heritage Policy, which will consider the need for further area studies.

District Plan / Long-Term Plan Projects

Additional funding provision of \$120,000 has been made in 2007/08 to enable six key District Plan projects and one Long-Term Plan project to be undertaken using external consultants. The total cost of the projects is \$170,000, less a carryover of \$50,000 from 2006/07. The seven projects are:

- | | |
|--|--|
| • Hayes Paddock Proposed Variation | • Review of Reserve Contributions Variation |
| • Stage 1 Peacocke Rezoning Variation | • Review of Roading, Transport and Parking Variation |
| • Waipa Airport Proposed Plan Change | • Potential Amendment(s) to the Long-Term Plan. |
| • Industrial Rezoning off Ruakura Road (Variation) | |

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

(NGAA REREKEETANGA O TE KAUNIHERA TIROHANGA WHAANUI
2006-16)

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

- more detailed/updated information becomes available
- unforeseen changes to the timing and cost of projects and programmes
- changes in public expectations/priorities from Hamilton's residents
- 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
- natural disasters or other environmental incidents.

Such changes are categorised as being either **amendments** or **variations** to the base 2006-16 Long-Term Plan.

4.1 What is an Amendment?

An amendment is where Council proposes to make a **significant change** to the direction of a project, programme or core policy outlined in the 2006-16 Long-Term Plan. It should be noted that the majority of changes outlined for 2007/08 in this Annual Plan are reflected as variations (refer Section 6.0) to the 2006-16 Long-Term Plan.

The Local Government Act 2002 (LGA 2002) makes specific provision for Council to make amendments to its long-term plan. Communities are reasonably entitled to expect that, when long-term plan amendments are proposed, they will be dealt with in a manner that:

- makes the amendment, and the reasons for and effect of the amendment clear
- enables community consultation and feedback on a basis similar to that by which the base long-term plan was adopted
- provides confidence that the integrity and robustness of the long-term plan remains, so that its proposals can be relied on.

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 that 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 proceeds will be put, must be included in the long-term plan (Section 97 may also apply).

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 (shown in Part B of the Proposed 2007/08 Annual Plan document). Although Audit New Zealand also undertook a legal compliance review of Council's Proposed 2007/08 Annual Plan, this did not comprise a formal audit opinion.

There is no legislative requirement for Audit New Zealand to issue an opinion on the final amendments to Council's 2006-16 Long-Term Plan. The requirement is that an audit note (refer Part A, Section 5.0 and Part B) for the finalised 2007/08 amendments be incorporated as part of Audit New Zealand's original audit opinion on Council's 2006-16 Long-Term Plan, i.e. incorporated as part of the web version of the 2006-16 Long-Term Plan.

In most cases proposed changes to projects, programmes and policies that constitute an amendment to Council's 2006-16 Long-Term Plan (as defined by Section 97 of the LGA 2002) would also trigger Council's Significance Policy (outlined in Section 8.0, Volume II of Council's 2006-16 Long-Term Plan). 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 various consultative procedures using the provisions of the LGA 2002.

While Section 80 of the LGA 2002 acknowledges that Council may make a decision that is significantly inconsistent with any plan or policy (subject to disclosure), this does not over-ride the specific requirements of Sections 97, 102 and 141.

In regard to the above, the following proposals were considered to be amendments to Council's 2006-16 Long-Term Plan, i.e. the:

- Review of Council's Development and Financial Contributions Policy
- Changes to the Claudelands Events Centre Project
- Adjustment to the City's Rating Differential Factor
- Addition of a definition to the Funding Impact Statement and Rating Policy for a 'separately used or inhabited part of a rating unit'

The finalised amendments are summarised in Section 5.0. Full details on each amendment are shown in Part B of this document.

4.2 What is a Variation?

Section 85(2)(b) of the Local Government Act 2002 requires Council to disclose in its Annual Plan key variations (including reasons for the variations) to the projects and programmes shown in the corresponding year of its Long-Term Plan (i.e. this 2007/08 Annual Plan must show variations to year 2 (2007/08) of Council's 2006-16 Long-Term Plan).

A variation is where Council proposes to change the direction of a project or programme and can include:

- a change to the budget provision of a particular project or programme
- a change to the timing of a particular project or programme
- the addition of a new project or programme
- the deletion of an existing or planned project or programme.

Variations to planned expenditure for specific projects and programmes in the 2006-16 Long-Term Plan (outlined in Section 6.0 of this plan) focus on those where the amount that will change to that shown in the 2006-16 Long-Term Plan is \$100,000 or more. Implications for a number of the variations to projects and programmes beyond 2007/08 are also outlined.

A full list of all variations to projects and programmes for 2007/08 (including those less than \$100,000) is shown in the Capital Expenditure Statement (Section 8.0).

The types of changes outlined above are considered **variations** if they **do not** fall under the provisions applicable to Sections 97, 102 and 141 of the LGA 2002, or they **do not** trigger Council's Significance Policy. Changes to projects and programmes that apply to Sections 97, 102 and 141 of the LGA 2002 or that trigger the Significance Policy become **amendments** to Council's 2006-16 Long-Term Plan (refer Section 4.1).

Using Council's 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 and programmes for the 2007/08 financial year. In doing so, Council has made a number of variations to the projects and programmes shown in year 2 (2007/08) of Council's 2006-16 Long-Term.

Explanation of Capital Expenditure Variation from the 2006-16 Long-Term Plan

For a number of projects, circumstances have changed, resulting in variations to the position set out in its 2006-16 Long-Term Plan. All variations to capital projects are shown in the Capital Expenditure Statement in Section 8.0 (Financial Section). A key is shown on the Capital Expenditure Statement which indicates the nature of the variation, i.e. whether the variation is due to revised financial costings and funding estimates (R), revised timing to account for deferment or deletion of a project (D), or a new project (N).

Each project or programme is given a number (where applicable) known as a Strategic Action Plan (SAP) number. These numbers correspond with the SAP numbers shown in Volume II (Section 16.4) of Council's 2006-16 Long-Term Plan, i.e. the Funding and Financial Policy 2006-16.

Highlights of projects and programmes shown comprise a mixture of both infrastructural projects as well as non-capital projects that are considered to have widespread community interest.

Note:

- *Costs are shown for a range of selected projects or programmes, some of which are of a capital nature and some that are classified as operating costs. Full details of operating and maintenance costs, and special and capital projects and programmes, are located in the appendices of Volume II (Section 16.4) of Council's 2006-16 Long-Term Plan.*

- *The budget allocation for some projects or programmes is not shown as they form part of the operating and maintenance component of a larger project or programme.*

For further financial information on the variations to year 2 (2007/08) of Council's 2006-16 Long-Term Plan, please contact:

Blair Bowcott
Finance and Administration Manager
Phone: 838 6742
Fax: 838 6616
Email: blair.bowcott@hcc.govt.nz



5.0 Summary of Amendments to Council's 2006-16 Long-Term Plan

(NGAA KOORERO WHAKAKAPI O TE KAUNIHERA TIROHANGA WHAANUI 2006-16)

Audit Note:

The following amendments to Council's 2006-16 Long-Term Plan are an update of the existing 2006-16 Long-Term Plan. The amendments should be read in conjunction with the 2006-16 Long-Term Plan.

The original audit opinion on Council's 2006-16 Long-Term Plan and the supporting audit statement for the 2007/08 amendments can be found in Volume 1 of the web version of the 2006-16 Long-Term Plan at www.hamilton.co.nz/LongTermPlan.

5.1 Review of Council's Development and Financial Contributions Policy

Council's Development and Financial Contributions Policy was first introduced on 1 July 2004 (as required by the Local Government Act 2002). The purpose of this policy is to fund growth related capital costs through contributions made by developers.

Council's previous Development and Financial Contributions Policy is contained in Volume II of the 2006-16 Long-Term Plan (pages 157-176). An outline of the previous policy is also made in Volume I of Council's 2006-16 Long-Term Plan (page 21 – Section 4.11).

The policy has been reviewed and amended on a yearly basis since 1 July 2004. On 13 June 2006 Council resolved that yearly reviews of the policy will continue. Following the 2006/07 review a number of further changes were made to the policy, including both significant changes as well as a number of minor changes. A summary of the significant changes is outlined below. These changes have been incorporated into a revised version of Council's Development and Financial Contributions Policy, which became operative on 1 July 2007.

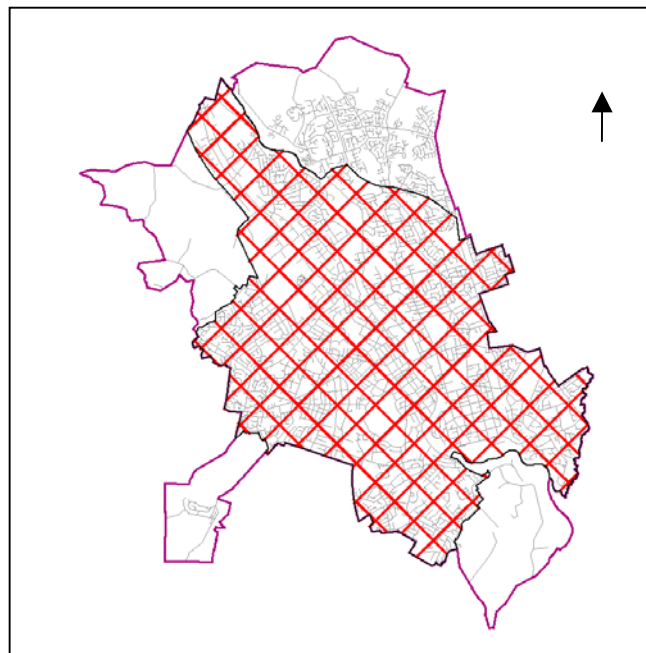
Factors impacting on the levy amount


- The maximum period for the recovery of project costs has been revised downwards from 25 years to 20 years to more appropriately reflect the period over which projects provide capacity for growth.
- The city growth model has been updated with the latest growth projections presented to Council. These are slightly lower than initial projections.
- The capital expenditure programme in the model has been updated, particularly with regard to the deferral of the Rotokauri growth projects by one year (refer section 6.1 in Part A of this document).

The impact of the above changes on the amount of development contributions payable is shown in the following table.

Expenditure Category	1 July 2006 – 30 June 2007 (excl. GST)	1 July 2007 – 30 June 2008 (excl. GST)
Greenfields		
Residential	\$21,823.84	\$26,004.90
Commercial (per 100m ²)	\$4,659.51	\$5,710.98
Industrial (per 100m ²)	\$6,022.21	\$7,345.39
Infill		
Residential	\$8,132.60	\$9,620.74
Industrial (per 100m ²)	\$3,659.86	\$4,653.73
Commercial (per 100m ²)	\$4,518.08	\$5,707.42

BOUNDARIES OF INFILL / GREENFIELD AREAS: HAMILTON CITY



 Infill Area
  Greenfield Area
 May 2006

Changes following the judgement in North Shore judicial review

- The policy has been reworded to reflect that the granting of a consent or authorisation is not the trigger for charging development contributions except in a temporal sense and that development contributions will only be charged when:
 - a) The activity that the consent or service connection relates to generates demands for Council-provided reserves or infrastructure; and
 - b) This demand (either alone or cumulatively with another development) requires Council to incur capital expenditure on new or additional assets or assets of increased capacity; and

- c) Third-party funding for the assets is unavailable and the developer is unwilling to directly fund or provide these assets.

The policy has also been reworded to clarify that the cost allocation methodology used took into account both who caused the need for capital expenditure and the distribution of benefits from this capital expenditure.

Changes to exemptions, credits and discounts

- The development of the first residential dwelling on a vacant site that existed or was consented when development contributions were first introduced on 1 July 2005 will be exempt from development contributions except for the community infrastructure contribution which will be payable. For the development of the first commercial or industrial gross floor area on a vacant site that existed or was consented at 1 July 2005, development contributions will only be payable for community infrastructure and for gross floor area in excess of 20% site coverage for commercial development and 35% for industrial development in relation to reserve, transport, water and wastewater contributions. However, consents granted for all development on vacant sites after 1 July 2013 that attract development contributions will be subject to the full amount of development contribution levies.
- Residential development on sites where previous financial contributions have been paid under the RMA, other than the first dwelling on a vacant site, will attract a discounted residential rate per unit of demand (\$8,249.10 in the infill area and \$20,882.57 in the greenfields area). The discounted rate excludes those projects previously funded by RMA levies. This replaces the previous policy of charging only the community infrastructure levy.
- For commercial and industrial development on sites where previous financial contributions have been paid under the RMA, development contributions will be individually assessed to ensure there is no double-recovery of costs between the previous financial contribution and current development contributions regimes. In practice this means that projects towards which financial contributions were previously paid on a site will be removed from the development contribution model. This will allow contributions for community infrastructure, reserves, stormwater, transport, wastewater and water to be recalculated and development contributions based on these new amounts to be assessed.
- A 3 year credit period will be provided for the units of demand associated with buildings that are demolished, removed or destroyed starting from the date of demolition, removal or destruction.

Changes to the assessment criteria and payment of development contributions

- Where a development does not immediately connect to Council's wastewater network the wastewater development contribution will be charged at the time of the connection (if this occurs) rather than at the time the development is consented.
- Where a commercial development provides permanent accommodation (e.g. a hostel) it will be assessed the commercial levy *plus* a reserves contribution component rather than just the commercial levy.
- Assessment and payment of development contributions will be allowed on a stage-by-stage basis for multi-staged developments rather than in full for all stages upon consent of the first stage of development.
- Payment of development contributions on building consents will now be due at the earliest of the granting of a service connection, the uplift of a code of compliance certificate or 180 days from the date the building consent was granted. In addition, development contributions are no longer assessed when land use resource consents

are granted if these are linked to a subsequent building consent. Development contributions will be assessed at the building consent stage for these developments.

- Council, at its sole discretion, will accept a bank bond to secure future payment of any development contribution more than \$50,000 (excl. GST). The maximum term for a bond agreement will be 2 years and an interest rate 2% above the Reserve Bank official cash rate will apply to the bonded amount.

The full amendment is included in Part B (Section 2.0) of this document.

5.2 Changes to the Claudelands Events Centre Project

The Claudelands Events Centre is a key part of Council's commitment to growing events within the city. A major upgrade of Claudelands Events Centre is planned, with construction to start in 2007/08. It is one of the city's most significant public projects for the next 10 years.

Council's 2006-16 Long-Term Plan makes funding provision for a community-based recreational indoor stadium/major events hall at Claudelands Park. Since adoption of the Long-Term Plan on 30 June 2006, further research has been undertaken on the Claudelands Events Centre project. This research resulted in Council considering a number of models for the facility, with the preferred model having an events-based commercial focus.

While the cost to build the facility increases from \$43.8m to \$61.1m (inflation adjusted), the cost of yearly operation decreases from a \$1.4m deficit to a \$0.5m surplus. That results in a reduction of \$0.6m to the full 10 years of the 2006-16 Long-Term Plan budget, and a reduction in cost to Council of \$5.0m after 10 years of full operation (with operation beginning in 2010/11).

As shown in the table below, a financial evaluation was undertaken for four models, with model 2 (Events Arena) being the model adopted by Council.

DESCRIPTION	2006-16 Long-Term Plan proposal	Model 1	Model 2	Model 3
	SPORTS STADIUM	ELITE SPORTS STADIUM	EVENTS ARENA (Adopted)	"SHOWCASE" EVENTS ARENA
Integrated Events Centre	\$000	\$000	\$000	\$000
Capital expenditure (2006 dollars)	40,974	50,154	57,000	82,000
Capital expenditure (adjusted for inflation allowance)	43,762	54,728	61,058	89,478
Operating (Surplus)/Deficit at 2010/11	1,354	257	(524)	(1,339)
Interest & Principal at 2010/11	4,473	6,013	6,318	9,831
Total Cost p.a. to Council at 2010/11 (First full year of operation)	5,827	6,270	5,794	8,492
Total Cost to Council During Long-Term Plan Period (2006/07 to 2015/16)	39,516	45,482	38,899	62,387
Total Cost to Council after 10 yrs full operation	57,499	65,788	52,492	83,316
Total Cost to Council after 20 yrs full operation	93,194	110,528	70,667	112,092

The full amendment is included in Part B (Section 3.0) of this document.

5.3 Adjustment to the City's Rating Differential Factor (Revenue and Financing Policy and Rating Policy)

All properties in Hamilton City were revalued by Quotable Value New Zealand as at 1 September 2006, with effect for rating purposes from 1 July 2007, with the average land value increase across the City of 130%.

The average land value increase for each rating category was as follows:

Residential	134%
Inner City Residential	126%
Commercial/Industrial	107%
Multi Unit Residential	147%
Rural Residential	289%
Rural Small	186%
Rural Large	153%

Retaining the differential factors from the 2006-16 Long-Term Plan and applying these to the varying average land movements of each rating category would result in a movement in rates between the various rating categories and a change in the incidence of rating purely as a result of the revaluation. Council considered this undesirable because of the impact on individual property categories.

The adjustment to the rating differential factor retains the percentage split of rates between categories (known as the differential yield) at the same proportions as those prior to the revaluation.

For example, whilst the commercial rating differential factor will increase to 2.2657 from 2.00, Council is still only collecting 34.0874% of its rate take from the commercial sector.

The adjustment to the differential factor is made in accordance with Section 101(3)(b) of the Local Government Act 2002.

The amended differential factors for the 2007/08 rating year compared to year 1 (2006/07) of Council's 2006-16 Long-Term Plan is summarised as follows:

Rating Category	As per 2006-16 Long-Term Plan		Adjusted Differential Factor for 2007/08 based on 2006/07 Differential Yield		
	2006/07 Differential Factor	2006/07 Differential Yield	Revised Differential Factor for Revaluation	Revised Differential Yield for Revaluation	Overall Rates % Change
Residential	1.00	62.6633%	1.0000	62.6633%	0%
Inner City Residential	0.92	0.1556%	0.9570	0.1556%	0%
Commercial/Industrial	2.00	34.0874%	2.2657	34.0874%	0%
Multi Unit Residential	1.50	1.9436%	1.4314	1.9436%	0%
Rural Residential	0.88	0.0510%	0.4940	0.0510%	0%
Rural Small	0.41	0.2629%	0.3336	0.2629%	0%
Rural Large	0.18	0.8361%	0.1666	0.8361%	0%

The full amendment is included in Part B (Section 4.0) of this document.

5.4 Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'

This amendment arose from recent legislative changes to the Local Government Act 2002 (Section 29(4) of the Amendment Act 2006). The amendment to Schedule 10, Clause 13(d) of the Local Government Act 2002 now requires that a definition of a 'separately used or inhabited part (SUIP) of a rating unit' be included in Council's Funding Impact Statement and Rating Policy.

The definition has no application to the general rates levied in the city, and only applies to the three targeted rates levied to the 100 percent non-rateable properties (e.g. churches, community organisations, hospitals, educational institutions).

The definition, which is now included in Section 7.3.11 of the Funding Impact Statement (contained in Part A, Section 9.0 of Council's 2007/08 Annual Plan) and Section 6.7.14 of the Rating Policy (contained in Volume II (Section 6.0) of Council's 2006-16 Long-Term Plan) is as follows:

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.

The Office of the Auditor General has stated that the inclusion of this definition in Council's Funding Impact Statement and Rating Policy constituted an amendment to Council's 2006-16 Long-Term Plan.

The full amendment is included in Part B (Section 5.0) of this document.

5.5 Overall Consequential Financial Impact of the Amendments and Variations to Council's 2006-16 Long-Term Plan

The full financial impact of changes due to amendments and variations to Council's 2006-16 Long Term Plan can be found in Part B (Section 6.0) of this document.

5.6 Future Initiatives: Operational Management of Hamilton's Bus Service

In May 2006 Council (in its submission to Environment Waikato's Draft 2006-16 Long-Term Council Community Plan) formally advised Environment Waikato that it wanted to pursue a proposal to transfer the responsibility for operating the region's passenger transport services from Environment Waikato to Hamilton City Council.

The key reasons for Council wanting to manage operation of the bus service include:

- Hamilton accounts for 92 per cent of all the region's bus patronage

- It would provide an opportunity for better integration of transport capital investment and improve the alignment of different transport modes and transportation planning with land-use planning in key growth nodes
- Council is able to respond more quickly in making modifications and improvements to the service, and bus services could be delivered more cost-effectively
- An independent opinion poll conducted in November 2006 showed that 71 per cent of Hamilton residents supported the city's buses being run by Council (8 per cent supported Environment Waikato). The survey also showed that only one third of the city's residents knew that Environment Waikato was currently responsible for managing Hamilton's bus service
- In Council's Residents Survey (covering the July – December 2006 period) 77 per cent of Hamilton's residents thought that it was a high priority for Council to invest in improving the public transport network.

The transfer of responsibility for operating passenger transport services from Environment Waikato to Hamilton City Council would have no net financial impact on Hamilton City ratepayers.

Environment Waikato decided on 26 October 2006 to retain responsibility for regional passenger transport, as they consider it a core regional service function.

Council wishes to signal that it is still of the opinion that it should manage the operation of the region's bus service and will continue to pursue this issue with Environment Waikato, with the support of all the other local authorities in the region which have passenger transport services.

5.7 Further Information

For further information about Council's Development and Financial Contributions Policy, please contact:

Jim Carter
Development Contributions Officer
Phone: 838 6672 / Fax: 838 6693
Email: james.carter@hcc.govt.nz

For further information about the Adjustment to the city's rating differential factor, and the 'SUIP Rating Unit' definition, please contact:

Blair Bowcott
Finance and Administration Manager
Phone: 838 6742 / Fax: 838 6616
Email: blair.bowcott@hcc.govt.nz

For further information about the changes to the Claudelands Events Centre project, please refer to the Claudelands Events Centre website www.claudelands.co.nz or contact:

Mark Christie
Event Facilities Manager
Phone: 958 5801 / Fax: 958 5815
Email: mark.christie@hcc.govt.nz

6.0 Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

(NGAA AAHUATANGA REREKEE MO NGAA TAU E RUA (2007/08) MO TE TIROHANGA WHAANUI 2006-16)

The following sections contain the key variations to projects and programmes (and reason(s) for these variations) for 2007/08. Section 85(2)(b) of the Local Government Act 2002 requires Council to outline any key variations (including reasons for the variations) to projects and programmes to those shown in year 2 (2007/08) of Council's 2006-16 Long-Term Plan.

The key variations for the following projects and programmes are outlined in Sections 6.1 – 6.5 of this plan, i.e.:

- City Growth:
 - Withdrawal and Review of the Rotokauri Structure Plan
 - Hamilton Urban Growth Strategy
- District Plan Related Projects
 - Local Area Plans for Hamilton East and Frankton Residential Areas
 - District Plan / Long-Term Plan Projects
- City Strategic Framework
- Bylaws Review
- Monitoring Progress Towards Hamilton's Community Outcomes.

All other variations are shown by the relevant significant service in Sections 6.7 – 6.9. Each of Council's 25 significant services are grouped under one of the three Strategic Framework Statements of Strategic Intent (Investing in Our People, Creating Identity and Prosperity, and Protecting Our Future).

The significant services sections include:

- Key variations to that shown in year 2 (2007/08) of Council's 2006-16 Long-Term Plan
- Highlights of projects and programmes for 2007/08
- The service level provision
- Value of key infrastructural assets (where applicable)
- Key performance measures and targets for intended levels of service for year 2 (2007/08) of Council's 2006-16 Long-Term Plan.

Note: As required by Section 85(2)(a) of the Local Government Act 2002, the service level provision (including the value of key infrastructural assets where applicable) and performance measures and targets for 2007/08 have been reproduced from Council's 2006-16 Long-Term Plan (pages 80-193).

6.1 City Growth

A. Withdrawal and Review of the Rotokauri Structure Plan

Council's Decision to Withdraw the Structure Plan

Page 17 of Council's 2006-16 Long-Term Plan states that:

"In order to ensure a continuous supply of land is available for economic development, Council has prepared a structure plan for the Rotokauri growth cell in the north-west of the city. This provides for a range of land uses to help achieve a sustainable pattern of development and integration with existing activities. It includes the Waiwhakareke Natural Heritage Park (Horseshoe Lake), a significant new reserve of citywide significance. Rezoning of Stage 1 of the structure plan has been notified. Hearings to consider and resolve submissions are anticipated to take place by mid-2006."

The Rotokauri Structure Plan (Variation 8 to Hamilton City's District Plan) was publicly notified on 26 September 2005. Following the consideration of public submissions, Council resolved on 1 November 2006 that Variation 8 (Rotokauri Structure Plan) be withdrawn.

Reason

The reason for this decision was that the Structure Plan in the form outlined in the 2006-16 Long-Term Plan was not considered to completely fulfill Council's objectives in terms of CityScope (Council's urban design strategy) and Access Hamilton (even taking into account amendments that staff were recommending in response to submissions).

In addition, some submitters to Variation 8 sought further changes at the hearing that were beyond the scope of their original submissions. This indicated that development expectations had altered significantly since the Structure Plan was originally notified.

Withdrawal of Variation 8 will enable a revised Rotokauri Structure Plan to be prepared that achieves better alignment with CityScope, delivers effective integration with the evolving transportation network and Access Hamilton and makes better provision for community services.

Council has now adopted a project brief and work programme that will enable a replacement structure plan for Rotokauri to be progressed to public notification (anticipated to be in September 2007).

In November 2006 Council endorsed the following Vision for Rotokauri:
Planning for the sustainable expansion of the City into Rotokauri, through a coherent, integrated and people-focused mixed use development based on best practice urban design principles.

To achieve this the following objectives have been defined for the project:

- Prepare a robust planning framework that will deliver the Vision.
- Promote a range of infrastructure that will contribute to the delivery of the Vision.
- Develop a programme of works to facilitate the implementation of the Structure Plan in a timely and orderly manner.

It is anticipated that the revised Structure Plan will consider:

- Integrated transportation – including an East-West arterial link, provision for a transport node, and assessment of the network capacity
- a Town Centre that will provide a range of functions commensurate with the population of Rotokauri – define role, scale and location and achieve high quality urban design
- Community Facilities – provide for a range of services to be established including: education, library, medical, emergency services, sports park, Wintec
- both mixed and high density residential development – Waiwhakareke catchment and Town Centre environs

- Staging of development in relation to the availability of infrastructure.

The various projects and programmes that will be affected by the Structure Plan's delay are outlined in the relevant significant services in Sections 6.7 - 6.9 (in general, the scheduling of all Rotokauri projects outlined in Council's 2006-16 Long-Term Plan have been delayed by one year). The following projects are affected by the Structure Plan's delay:

- Rotokauri Wastewater Trunkmains – Strategic Action Plan #547.0 (\$516,000)
- Rotokauri Stormwater Management Plan – Strategic Action Plan #502.0 (\$10,000)
- Rotokauri Stormwater Pipe Network - Strategic Action Plan #548.0 (\$2.626m)
- Rotokauri Water Supply Trunkmains – Strategic Action Plan #549.0 (\$337,000)
- Rotokauri Roading Future Growth – Strategic Action Plan #554.0 (\$14.999m)
- Revenue from the sale of Waiwhakareke Lake Subdivision (\$8.255m).

B. Hamilton Urban Growth Strategy

Strategic Action Plan # 189.0 (\$227,000 in 2007/08)

The original description for this project in the 2006-16 Long-Term Plan was that *"this programme enables Council to continue to undertake planning towards longer-term development of the city, in response to ongoing growth and development pressures. It incorporates both sub-regional initiatives, boundary adjustments, and the statutory planning of new city growth cells"*. Funding provision for this project has been increased from \$25,800 to \$227,000 in 2007/08.



Development of a sub-regional growth strategy involving Hamilton City, Waikato District and Waipa District will be undertaken in 2007/08 (\$227,000) and 2008/09 (\$227,000), with a review planned for 2012/13 (\$10,000). A scoping report on this project has been completed and is currently being adopted by the partner councils. It is anticipated that Environment Waikato will also become a partner in the project.

Reason: Although the need for a combined strategy has existed for some time, it is only recently that all three councils have agreed to develop a sub-regional growth strategy, i.e. in September 2006 Hamilton City Council considered a number of boundary issues between Waipa and Waikato Districts. It was resolved that Hamilton City Council support a Hamilton Sub-Regional Growth Strategy between the three councils. The acceleration in growth surrounding Hamilton City (particularly in Waikato District) has highlighted the need for the councils to work more closely together in terms of structure and infrastructure planning (including transport infrastructure – particularly in regard to servicing growth areas).

6.2 District Plan Related Projects

A. Local Area Plans for Hamilton East and Frankton Residential Areas

Council has allocated funding provision of \$250,000 in 2007/08 to develop comprehensive local area plans for Hamilton East and Frankton residential areas. These plans will enable:

- Development of project briefs
- Appointment of a facilitator to conduct community workshops and consultation
- Heritage/character and tree assessments to be undertaken
- Preparation of relevant design guidelines
- Promotion of variations to the Proposed District Plan.

Council will also highlight the relationship between the two local area plans and the proposed Heritage Policy, which will consider the need for further area studies.

Reason: Council received a strong message from the community during the Proposed 2007/08 Annual Plan public submission process that heritage is an extremely important issue. In particular, 125 submissions were received requesting that Council designate a special character area in Hamilton East.

B. District Plan / Long-Term Plan Projects

Additional funding provision of \$120,000 has been made in 2007/08 to enable six key District Plan projects and one Long-Term Plan project to be undertaken using external consultants. The total cost of the projects is \$170,000, less a carryover of \$50,000 from 2006/07. The seven projects are:

- Hayes Paddock Proposed Variation
- Stage 1 Peacocke Rezoning Variation
- Waipa Airport Proposed Plan Change
- Industrial Rezoning off Ruakura Road (Variation)
- Review of Reserve Contributions Variation
- Review of Roding, Transport and Parking Variation
- Potential Amendment(s) to the Long-Term Plan.

Reason: The additional funding provision will enable these key District Plan/Long-Term Plan projects to be brought forward and form part of the 2007/08 work programme.

6.3 City Strategic Framework

New Strategic Action Plan #813.0 (\$74,000 in 2007/08)

This is a new SAP that makes funding provision for the development of seven of the eight city-wide strategies identified in Council's new City Strategic Framework (CityScope has already been developed and adopted - refer page 41, Volume 1 of Council's 2006-16 Long-Term Plan for an outline on the City Strategic Framework).

Reason: The strategies will provide a focus for the city's development and will help 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.

The seven strategies to be developed are:

- Creativity and Identity
- Social Well-Being
- Urban Growth (incorporating the Hamilton Sub-Regional Growth Strategy – refer Section 6.1, SAP# 189.0)

- Environment
- Access Hamilton (incorporating a decision-making framework)
- Economic Development (review of existing strategy)
- Active Communities.

The strategies will be developed between 2007/08 to 2009/10 (with total funding provision of \$148,000 over the three-year period).

6.4 Bylaws Review

New Strategic Action Plan #810.0 (\$75,000 in 2007/08)

This is a new SAP to cover the costs of reviewing Council's bylaws.

Reason: Council must review its bylaws as required by Sections 158 to 160A of the Local Government Act 2002. A total of 21 bylaws are to be reviewed within the period covered by Council's 2006-16 Long-Term Plan. Total funding provision of \$109,000 has been made in the period covered by the 2006-16 Long-Term Plan.

Bylaws are clustered and will be reviewed together as follows:

Cluster	Review Period
One: <ul style="list-style-type: none"> • Parks, Domains and Reserves Bylaw 1999 • Public Swimming Pools Bylaw 1976 • Public Library Bylaws 1960 	2007/08
Two: <ul style="list-style-type: none"> • Through Truck Bylaw 2000 • Vehicle Crossing Construction Bylaw 1994 • Road Traffic Bylaw 1996 • Parking Bylaw 2004 • Speed Limit Bylaw 2004 	2007/08
Three: <ul style="list-style-type: none"> • Fire Prevention Bylaw 1993 • Cemetery and Crematorium Bylaw 1991 • Skating Bylaw 1996 • Public Places Liquor Control Bylaw 2005 	June – December 2007
Four: <ul style="list-style-type: none"> • Animal Traps Bylaw 1970 • Sanitation – Hamilton Borough Council Bylaw (No. 2) 1922 Sanitation (Stables, Pig Styes and Poultry) • Water Supply Bylaw 1999 • Refuse Bylaw 2002 	July 2007 – January 2008
Five: <ul style="list-style-type: none"> • Trading in Public Places Bylaw 1999 • Public Places and Signs Bylaw 1996 	August 2007 – February 2008
Six: <ul style="list-style-type: none"> • Dog Control Bylaw 2004 • Prostitution Bylaw 2004 • Trade Waste Bylaw 2006 	March 2008 – March 2009 February 2014 – February 2015

6.5 Monitoring Progress Towards Hamilton's Community Outcomes

Introduction

As noted in Council's 2006-16 Long-Term Plan (Volume 1, Section 8.0), since 2002 Council has maintained a comprehensive sustainability indicator monitoring programme. Hamilton's Sustainability Indicators comprise a set of 25 indicators that provide a way to measure (directly or indirectly) changes to Hamilton's environmental, social, economic and cultural well-being (www.myhamilton.org.nz).



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. Considerable community consultation took place prior to Hamilton's new community outcomes being finalised in October 2005 (refer Section 7.0 in Council's 2006-16 Long-Term Plan).

Although Council performs a wide range of activities and contributes in different ways to a number of Hamilton's Community Outcomes, it is only one of many organisations that promote community well-being in the city. Other organisations such as the private sector, government agencies, health and social service agencies and iwi/Maori organisations also make a vital contribution and have the mandate, resources and ability to influence progress towards Hamilton's Community Outcomes. The community outcomes will enable increased participation and collaboration between these organisations and assist in making Hamilton a more sustainable city.

The Local Government Act 2002 (Section 92) requires Council to report not less than once every three years on progress made towards Hamilton's Community Outcomes. However, given the importance of the community outcomes for Hamilton, it is planned to report on them annually (as per the annual reporting protocol of Hamilton's Sustainability Indicators).

Developing Community Outcomes Progress Indicators

Hamilton's sustainability indicators (which were developed by the community for the community through an extensive community consultation/engagement process) have been aligned to monitor progress towards Hamilton's Community Outcomes. Through this exercise a number of 'gaps' were identified where the current sustainability indicators do not adequately measure the community's progress towards a particular outcome. These gaps were addressed by analysing and including new measures for which data is already collected as part of other best practise monitoring projects:

- Council's participation in the Quality of Life Project – comprises 215 measures (Volume 1, Section 8.2 of Council's 2006-16 Long-Term Plan, www.bigcities.govt.nz). The purpose of this internationally recognised project is to provide information to decision-makers to improve the quality of life in major New Zealand urban areas.
- Council's participation in the nationally recognised Waikato regional community outcome monitoring group known as MARCO (Monitoring and Reporting Community Outcomes) – comprises over 190 measures (Volume 1, Section 8.3 of Council's 2006-16 Long-Term Plan, www.choosingfutures.co.nz). MARCO is a multi-agency working group (comprising representatives from Environment Waikato,

the region's constituent councils as well as the Waikato District Health Board and Department of Labour).

- Measures from the national Linked Indicator Programme (LIP) – 43 indicators (Volume 1, Section 8.3 of Council's 2006-16 Long-Term Plan). The LIP is a whole of government project aimed at identifying a core set of indicators to measure sustainable development in New Zealand (refer www.stats.govt.nz/analytical-reports/linked-indicators).

In addition to the above analysis, feedback was sought from a number of key stakeholders (the New Zealand Police, Waikato District Health Board, Ministry of Social Development and Te Runanga o Kirikiriroa).

New Set of Community Outcomes Progress Indicators

Hamilton's Community Outcomes and the indicators that will be used to monitor these outcomes (now known as Community Outcomes Progress Indicators) are outlined below. The indicators are grouped under the seven community outcome themes. To recognise the significant community involvement in the development of Hamilton's Sustainability Indicators (as shown in pages 51 to 53 of Council's 2006-16 Long-Term Plan) the majority have been retained and aligned to the relevant community outcome. Where appropriate, the Community Outcomes Progress Indicators shown utilise information from the monitoring programmes outlined in this section.

Note: The original Sustainability Indicators are shown in bold

HAMILTON'S COMMUNITY OUTCOMES AND COMMUNITY OUTCOMES PROGRESS INDICATORS

<i>SUSTAINABLE AND WELL-PLANNED</i>
"An attractive city that is planned for the well-being of people and nature, now and in the future"
<p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 1.1 Is easy to get around so everybody can access services and facilities. 1.2 Is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport. 1.3 Has integrated transport systems that connect it to New Zealand and the world. 1.4 Protects and enhances its green spaces and natural environment for everyone to value and enjoy. 1.5 Uses processes of sustainable urban design that enhance neighbourhood communities. 1.6 Sustainably manages resources such as water and energy. 1.7 Encourages and enables people to recycle and minimise waste.
COMMUNITY OUTCOMES PROGRESS INDICATORS
<ul style="list-style-type: none"> • Travel times on key routes • Road traffic volumes • Means of travel to work • Car ownership per household • Total passenger numbers using public transport • Residents' rating of public transport in their city • Residents' satisfaction with Council provided cycling facilities • Residents' satisfaction with Council provided walkways/footpaths • Road crashes and casualties involving pedestrians and cyclists • Number of schools and children using walking school buses • Air pollution (including particulate matter (PM₁₀) levels, benzene levels, residents' perception of air pollution)

- **Percent of confirmed contaminated sites remediated**
- **Residents' perception of neighbourhood noise**
- **Bird counts**
- **Area of green space in the city per resident**
- **Ratio of greenfield to infill development**
- Percentage of resource consent applications that received pre-application urban design comments and percentage of those comments actioned
- **Ecological health of the Waikato River**
- **Ecological health of Lake Rotorua**
- **Average daily water usage per person**
- **Hamilton's residential energy consumption**
- **Waste per person from the household kerbside collection**
- **Recyclables per person from the household kerbside collection**
- Materials collected for reuse/recycling at Hamilton's Refuse Transfer Station
- Waste diverted from landfill via the Hamilton Organic Centre

VIBRANT AND CREATIVE

"A city that encourages creativity for a vibrant lifestyle"

HAMILTON PEOPLE WANT A CITY THAT:

- 2.1 Is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.
- 2.2 Has a vibrant arts and music scene and supports and celebrates its artists, festivals and facilities.
- 2.3 Acknowledges and celebrates the creativity of Maori arts and culture.
- 2.4 Respects and celebrates its diverse communities.
- 2.5 Values and protects heritage sites, buildings and landmarks.
- 2.6 Has an attractive and lively city centre.
- 2.7 Celebrates and promotes its talent and creativity.

COMMUNITY OUTCOMES PROGRESS INDICATORS

- **Visitor guest nights and hotel/motel occupancy rates**
- Number of conferences held
- Number of events listed on the What's On Hamilton website
- **Residents' use of Council's arts and culture facilities**
- Residents' perception that their city is a place that has a culturally rich and diverse arts scene
- Cultural industries
- **Residents' perceptions of the effect of increased diversity in lifestyles and cultures on their city**
- **Number of built heritage and sites of archaeological, historic and cultural significance in the current District Plan**
- **Residents' rating of feeling safe in Hamilton's central city at night**
- Number of people living in the central city area
- Value of building consents issued for the CBD (new, alterations, additions)

UNIQUE IDENTITY

"A city with a strong identity that recognises the significance of its river and history"

HAMILTON PEOPLE WANT A CITY THAT:

- 3.1 Treasures and enjoys the Waikato River.
- 3.2 Acknowledges and celebrates the unique place of Waikato Maori.
- 3.3 Is not too big and not too small, providing everything that makes life convenient without the problems of other cities.
- 3.4 Fosters pride in its natural and built environments and encourages people to work together to keep these clean and tidy.
- 3.5 Is a great place to learn, work and play, where people are proud of the education sector and embrace student culture.
- 3.6 Supports research, education and innovation, and is recognised as a centre of excellence.
- 3.7 Supports its significant youth population by providing targeted activities and services.

COMMUNITY OUTCOMES PROGRESS INDICATORS
<ul style="list-style-type: none"> • Recreational health of the Waikato River • Maori involvement in public decision-making • Percentage of Maori speakers in Hamilton's total population • Proportion of Maori speakers in Hamilton's Maori population • Number of street trees planted and number of trees protected • Participation in native tree restoration projects • Participation in the Enviro-schools programme • Residents' rating of sense of pride in the way their city looks and feels • Enrolments with Hamilton tertiary education organisations • Participation in school-based community education courses • School leaver qualifications • Participation in early childhood education • Number of modern apprenticeships currently in progress • Percentage of pupils stood down, suspended, expelled and excluded • Truancy rates • Research funding received by tertiary education organisations • Youth unemployment • Teenage pregnancies • Number of students enrolled in alternative education programmes • Number of youth enrolled with Hamilton's Youth Transition Service

SAFETY AND COMMUNITY SPIRIT <i>"A safe, friendly city where all people feel connected and valued"</i>
<p>HAMILTON PEOPLE WANT A CITY THAT:</p> <p>4.1 Has safe roads and low crime rates, where people can feel secure at all times.</p> <p>4.2 Promotes awareness and involvement in community activities and events.</p> <p>4.3 Enables ethnic communities to feel connected and valued.</p> <p>4.4 Addresses social issues and values volunteers.</p> <p>4.5 Builds socially engaged, responsive communities.</p>
COMMUNITY OUTCOMES PROGRESS INDICATORS
<ul style="list-style-type: none"> • Crime (including dwelling burglaries, theft from motor vehicles, unlawful theft and taking of motor vehicles, violent offences, family violence, sexual offences, dishonesty offences) • Road crashes and casualties • Residents' perception of dangerous driving as a problem • Residents' perceptions of safety in the CBD and in neighbourhoods • Number of discrimination complaints to the Human Rights Commission • Residents' perception of the effect of increased diversity of lifestyles and cultures upon the community • Number of food parcels supplied to residents • Unpaid work • Residents' rating of graffiti as a problem • Number of care and protection notifications to Child Youth and Family Services • Residents' sense of community within their local neighbourhood • Residents' agreeing that it is important to feel a sense of community with others in their local neighbourhood • Residents' frequency of feeling isolated in the past 12 months • Residents' involvement in social networks and groups

HEALTHY AND HAPPY <i>"Active and healthy people with access to affordable facilities and services"</i>	
<p>HAMILTON PEOPLE WANT A CITY THAT:</p> <p>5.1 Provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.</p> <p>5.2 Provides affordable, responsive and accessible activities and health care for people of all ages and abilities.</p> <p>5.3 Is an ideal place for family and whanau, with lots of activities and places for tamariki and rangatahi to enjoy.</p> <p>5.4 Provides access for all people to a range of healthy, affordable, quality housing.</p>	
COMMUNITY OUTCOMES PROGRESS INDICATORS	
<ul style="list-style-type: none"> • Drinking water standard • Life expectancy • Health expectancy • Prevalence of cigarette smoking • Low birth weight babies • Hospitalisations for attempted suicide/death by suicide • Residents' rating of how happy they are • Residents' rating of their own health • Residents' frequency of physical activity • Residents' use of Council's sports and recreational facilities • Residents' satisfaction with quality and quantity of leisure time • Number of doctors (GP's) per head of the population • Residents' rating of access to medical services • Number of new residential dwellings consented • Proportion of dwellings owned or rented by the occupants • House sale price index • Home mortgage affordability (Waikato Region) • Median rent • Percentage of weekly household expenditure spent on housing costs • Number and priority status of applicants on the waiting list of Housing New Zealand housing • Percentage of people in private dwellings living in crowded households • Residents' perception that their income meets everyday needs 	

INTELLIGENT AND PROGRESSIVE CITY <i>"Business growth that is in harmony with the city's identity and community spirit"</i>	
<p>HAMILTON PEOPLE WANT A CITY THAT:</p> <p>6.1 Is recognised as the thriving economic hub for the Waikato region and provider of regional services.</p> <p>6.2 Attracts and retains sustainable, innovative businesses.</p> <p>6.3 Offers a range of job opportunities throughout the city to suit all skill levels.</p> <p>6.4 Is progressive and cosmopolitan, creating an environment for business success.</p> <p>6.5 Attracts and retains people and investment and grows great ideas.</p>	
COMMUNITY OUTCOMES PROGRESS INDICATORS	
<ul style="list-style-type: none"> • Number of businesses and total employment • Number of businesses of different sizes • Retail sales in Hamilton as a percentage of retail sales in the Waikato Region • Proportion of employees in Hamilton to that of the Waikato Region • Business gains, losses and survival rates • Research and development undertaken by businesses (<i>awaiting the availability of data for this indicator</i>) • Employment / unemployment rate • Labour force participation rate 	

- Number of filled jobs
- **Average hourly earnings**
- Distribution of income
- Residents' rating of how well their skills are utilised in their current job
- Value of consents for new non-residential buildings
- Telecommunications infrastructure (*awaiting the availability of data for this indicator*)
- Number of employees by key Economic Development Strategy clusters
- Personal bankruptcies and involuntary company liquidations and receiverships

WORKING TOGETHER

"Collaborative decision-making and planning are common practice"

HAMILTON PEOPLE WANT A CITY THAT:

- 7.1 Engages all local communities in planning and developing the city's future.
- 7.2 Ensures Maori are respected as a partner in decision-making and have a voice on issues that affect the city.
- 7.3 Has organisations that work together to achieve all community outcomes.

COMMUNITY OUTCOMES PROGRESS INDICATORS

- **Community satisfaction with Council's provision of opportunities for community involvement in decision-making**
- Residents' rating of agreement that decisions made by their council are in the best interests of the city
- **Percentage of voter turnout at general/local authority elections**
- Maori residents' satisfaction with Council's provision of opportunities for community involvement in decision-making
- Maori residents' rating of the extent of public influence on Council decision-making
- Maori residents' rating of agreement that decisions made by Council are in the best interests of the city
- **Written description of formal relationships between Maori organisations and local/central government in the city**
- Number of organisations working collaboratively on Council-led citywide strategies

6.6 Introduction to Variations Shown by Significant Service

This section is structured by each of Council's 25 significant services and includes:

- Key variations to that shown in year 2 (2007/08) of Council's 2006-16 Long-Term Plan
- Highlights of projects and programmes for 2007/08
- Service level provision
- Value of key infrastructural assets (where applicable)
- Key performance measures and targets for intended levels of service for year 2 (2007/08) of Council's 2006-16 Long-Term Plan.

Each of Council's 25 significant services are grouped under one of the three Strategic Framework Statements of Strategic Intent (A: Investing in Our People, B: Creating Identity and C: Prosperity, and Protecting Our Future).

Note: As required by Section 85(2)(a) of the Local Government Act 2002, the service level provision (including the value of key infrastructural assets where applicable) and performance measures and targets for 2007/08 have been reproduced from Council's 2006-16 Long-Term Plan (pages 80-193). Section 85(2)(b) also requires Council to outline any key variations (including reasons for the variations) to that shown in year 2 (2007/08) of Council's 2006-16 Long-Term Plan.

6.7 City Strategic Framework A: Investing In Our People

(Kaupapa Rautaki mo te taone nui A: Ko te Iwi)

PROJECTED COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
OPERATING EXPENDITURE		
Community development	3,197	3,085
Community facilities	5,717	5,665
Emergency management	812	834
Partnership with maori	273	265
Representation and civic affairs	5,653	6,011
Environmental health	1,585	1,623
Parks and gardens	12,651	12,912
Sports areas	3,074	3,213
Swimming facilities	5,893	5,881
Total Operating Expenditure	38,855	39,489
Less OPERATING REVENUE		
Community development	396	314
Community facilities	2,671	2,804
Emergency management	329	319
Representation and civic affairs	198	174
Environmental health	528	580
Parks and gardens	803	760
Sports areas	132	132
Swimming facilities	2,034	2,051
Total Operating Revenue	7,091	7,134
Net Cost of Service	31,764	32,355
Total operating expenditure funded by:		
Operating revenue	7,091	7,134
Rates	31,764	32,355
Total Operating Expenditure	38,855	39,489
CAPITAL EXPENDITURE		
Community facilities	4,336	784
Parks and gardens	17,621	17,621
Sports areas	870	1,617
Swimming facilities	3,643	3,375
Total Capital Expenditure	26,470	23,397
Total capital expenditure funded by:		
Loans (DCL)	14,148	14,146
Loans (rates)	5,394	5,178
Other Reserves	239	124
Subsidies	1,776	0
Other Revenue	1,722	537
Depreciation (rates)	3,191	3,412
Total Capital Expenditure	26,470	23,397

City Strategic Framework A: Investing In Our People includes the following significant services:

- Community Development
- Community Facilities
- Emergency Management
- Partnership with Maori
- Representation and Civic Affairs
- Environmental Health
- Parks and Gardens
- Sports Areas
- Swimming Facilities.

6.7.1 Community Development

(NGAA HAAPORI WHAKATUPU)

(Page 84 of Council's 2006-16 Long-Term Plan)

Contact: Community Development

☎ 838 6626

📠 838 6751

@ CommunityDevelopment@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Change to significant service name: The significant service entitled Community Support has changed its name to Community Development.

Reason: The name change better reflects the key services delivered by the Community Development Unit.

Highlights of Projects and Programmes for 2007/08

Recurring Grants - Strategic Action Plan #71.0 (\$304,000 in 2007/08)

This programme provides ongoing financial assistance to programmes that contribute to the well-being of the people in Hamilton City. Recurring grants include: Community Bus, After School and Holiday programmes, Age Concern, Senior and Youth Sports, Hamilton Citizens Advice Bureau, Youth Events, Youth Awards and Children's Day Celebrations.

The Community Assistance Fund - Strategic Action Plan #72.0 (\$209,000 in 2007/08)

The Community Assistance Fund is distributed annually to community organisations for projects and programmes that meet the criteria of non-profit groups contributing to community well-being. Applications are received annually in March and funded according to set criteria. An allocation committee comprising councillors and community members approves funding and reports to Council in July each year.



Community Houses Operating Grants - Strategic Action Plan #76.0 (\$407,000 in 2007/08)

This funding provides for operational grants to community houses/centres that work in partnership with Council to provide focal points for community and neighbourhood development.

Service Level Provision for Community Development

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 / Youth Development Advisors)
- Employment Preparation (work experience programme).

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 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 Team is based in the community and include five Neighbourhood Development Advisors and six Youth Development Advisors who are situated in various localities throughout Hamilton.

The Employment Preparation services provide work experience programmes in partnership with Ministry of Social Development and Work and Income New Zealand.

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

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	37

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Community Development. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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.

Performance measure		Target 2007/08
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.	✓

6.7.2 Community Facilities

(NGAA WHARE-AA-IWI)

(Page 87 of Council's 2006-16 Long-Term Plan)

Contact: Community Development

☎ 838 6626

📠 838 6751

@ CommunityDevelopment@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Housing Upgrade Programme – Strategic Action Plan #654.0 (\$3.552m in 2007/08)

In 2004 a review of Council's housing stock was completed and a seven-year Housing Upgrade Programme was adopted as part of the 2006-16 Long-Term Plan. The programme was approved on a cost neutral basis and funded from the sale of three Council assets and subject to Housing New Zealand Corporation (HNZC) funding. The Housing Upgrade Programme has been put on hold for a year.

Reason: HNZC's expectation for funding allocation for 2007/08 was reduced from \$30m to \$12m in the national Budget report. As a result, funding available to Council for the 2007/08 housing upgrade programme was withdrawn.

Council decided that the remainder of the seven-year upgrade programme be put on hold for a year and an application to the Local Government Housing Fund be sent for the 2008/09 financial year. This is dependent on HNZN having the funds available.

Council will also formally advise central government of the effect of this reduction in funding and seek the reinstatement of funds to previous levels in light of the current national budget surplus.

Highlights of Projects and Programmes for 2007/08

Purchase of a Second Cremator Unit – Strategic Action Plan #513.0 (\$356,000 in 2007/08)

Hamilton Park Cemetery and Crematorium has one cremator unit which is currently running above its optimum usage per annum. The current rate of cremations is trending upwards and this project allows for a second unit to be purchased and installed to meet increasing demand and preserve the life of the first unit.

Service Level Provision for Community Facilities

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 451 units in 26 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 16 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-one public toilets are provided in total throughout the city, with 29 in sports areas, 16 in parks and gardens and six in other locations.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	28,552

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Community Facilities. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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 92
2.	Stocks of cemetery plots on hand cater for a minimum of 5 years usage based on current consumption.	✓
3.	Achieve the following CSI score for housing tenants, as measured every two years by Council's customer satisfaction survey programme.	95
4.	The booking system for the hireage of all halls and leased building 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.	71

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.3 Emergency Management

(ROOPUU WHAKAHAERE OHORERE)

(Page 91 of Council's 2006-16 Long-Term Plan)

Contact: City Safe Unit

☎ 838 6699

📠 838 6599

@ EmergencyManagement@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).



Service Level Provision for Emergency Management

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 the 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	536

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Emergency Management. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
1.	Achieve the following CSI scores from key stakeholders, as measured by Council's customer satisfaction survey programme.	78
2.	Assist with the review and ongoing development of the CDEM Group Plan (every five years).	(No target for 2007/08)*
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 2007/08)**
----	---	---------------------------

* 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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.4 Partnership With Maori

(HONONGA KI TE IWI MAORI)

(Page 94 of Council's 2006-16 Long-Term Plan)

Contact: Strategic Group

☎ 838 6810

📠 838 6464

@ Strategic@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Partnership with Maori

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

Council is committed to the principles of the Treaty of Waitangi and the partnership relationship between staff and Maori. Council also recognises the importance of Kingitanga in the Waikato, and values the distinctive contribution and complementary roles of both mana whenua¹ and maataa waka².



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

1 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.

2 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.

organisations that assist Council in ensuring 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 toward a strong community for all people. This relationship is achieved through the operation of Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee. Te Runanga o Kirikiriroa also administer Council's Maori Project Fund on behalf of Council. This fund is used to support community initiatives specifically targeting Maori and Pacific Island communities.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Partnership with Maori. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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.

Performance measure		Target 2007/08
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.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

6.7.5 Representation and Civic Affairs

(MANATUU MAANGAI WHAKATINANA)

(Page 97 of Council's 2006-16 Long-Term Plan)

Contact: Finance and Administration

☎ 838 6742

☎ 838 6616

@ FinanceAndAdministration@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

2007 Triennial Elections

Council will undertake the triennial election in October 2007 for the election of mayor and councillors. On 13 May 2006, a referendum was conducted to determine whether the First-Past-the-Post (FPP) or Single Transferable Vote (STV) voting system would be used for the 2007 and 2010 triennial Council elections. The 2007 election will be held using the FPP system of voting as a result of this referendum. In addition, the number of councillors will be reduced from 13 to 12, who will be elected from two wards, with six councillors representing the West Ward and six councillors representing the East Ward. The West Ward and the East Ward will be divided by the Waikato River.

Publish Council's Governance Statement

Council is required under Section 40 of the Local Government Act 2002 to produce a new Local Governance Statement within six months of a local authority triennial election, i.e. by April 2008. A governance statement contains information that will help people understand how to keep informed of Council's initiatives and planning processes to enable the community to influence Council's decision-making through community consultation.

Production of Council's 2006/07 Annual Report

Council will produce its 2006/07 Annual Report, which will cover the first year of Council's 2006-16 Long-Term Plan and be prepared in accordance with the new International Financial Reporting Standards. The annual report shows how the actual activities, services and performance of Council measured up to the intended levels of service and performance as set out in the first year of the long-term plan. A summary of the annual report will also be published.

Service Level Provision for Representation and Civic Affairs

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 13 councillors and operates under a ward system: East Ward (3 councillors), West Ward (5 councillors) and South Ward (5 councillors). For the 2007 election the number of councillors will be reduced to 12, who

will be elected from two wards (the East Ward and the West Ward). The referendum conducted on 13 May 2006 determined that the First Past the Post voting system will 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.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Representation and Civic Affairs. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
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 75
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. 	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.6 Environmental Health

(TE WHAIAO HAUORA)

(Page 100 of Council's 2006-16 Long-Term Plan)

Contact: Environmental Health

☎ 838 6633

📠 838 6458

@ EnvironmentalHealth@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

There are no major changes to the Environmental Health significant service that constitute a variation, as defined in Section 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Environmental Health

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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, a vehicle crime reduction programme and a youth-at-risk initiative. A Liquor Control Bylaw is in effect in the central city 24 hours a day, seven days a week.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Environmental Health. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
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. 	77 77 77
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 76
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.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.7 Parks and Gardens

(WAAHI PAAKA ME NGAA MAARA)

(Page 104 of Council's 2006-16 Long-Term Plan)

Contact: Parks and Gardens

☎ 838 6622

📠 838 6651

@ ParksAndGardens@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

There are no major changes to the Parks and Gardens significant service that constitute a variation, as defined in Section 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Replacement of Lake Domain Tearooms - Strategic Action Plan #341.0 (\$2.425m in 2007/08)

Hamilton Lake Domain is one of Hamilton's most significant parks. The original tearooms at the Domain were built by voluntary effort during the 1950's and have been added to over many years. The facility does not meet current expectations and it needs replacement. This project allows for the construction of a versatile new facility that will

complement the park and incorporate design elements reflecting the aspirations outlined in CityScope, Council's urban design strategy.

Land Purchase for Reserves – Strategic Action Plan #118.0 (\$13.202m in 2007/08)

The reserves covered by this programme provide for active recreation, neighbourhood parks and other purposes prescribed in Hamilton's District Plan. This programme combines two elements: occasional payments for acquisition of small quantities of reserve land and strategic land purchases to provide recreational open space in the city's new areas. All purchases will be funded by development contributions.

Recreation Equipment Programme – Strategic Action Plan #137.0 (\$201,200 in 2007/08)

In 2007/08 this programme provides for the development of new neighbourhood playgrounds at Pountney Park and Elliott Park and for the upgrade of existing playgrounds at Tawa Park, Caernarvon Park, Chelmsford Park, Dominion Park and Heath Park.



Service Level Provision for Parks and Gardens

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 144 parks and gardens totalling approximately 582 hectares. Provided within this area are:

- 34.3 kilometres of paths (which include pedestrian and cycle paths)
- 48 playgrounds (plus a further 37 playgrounds 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	78,527

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Parks and Gardens. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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.	360,000
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 90 87 82 78 78 82

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.8 Sports Areas

(WAAHI HAAKINAKINA)

(Page 108 of Council's 2006-16 Long-Term Plan)

Contact: Parks and Gardens

☎ 838 6622

📠 838 6651

@ ParksAndGardens@hcc.govt.nz



Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Changing Rooms and Car Park Development at Gower Park – Strategic Action Plan #162.0 (\$630,000 in 2007/08) and #135.0 (\$100,000 in 2007/08)

Development of playing fields and facilities such as changing rooms and car parks is demand driven. Gower Park is one of the largest sports parks in Hamilton and the current

changing rooms and car park were built at the beginning of the park's development. These facilities, located off Alison Street, are no longer adequate to accommodate the park's eight playing fields. This project provides for a new changing room facility and car park to be developed at the park's Sandleigh Road entrance.

Service Level Provision for Sports Areas

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

Sports areas in Hamilton are developed and maintained to meet the community's active leisure needs. There are 59 sports areas in Hamilton comprising 441 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 Strand 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	47,171

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Sports Areas. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
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.	78

3.	Achieve the following usage for sports areas, as measured by Council's Annual Residents Survey.	46%
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

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.7.9 Swimming Facilities

(WAAHI KAUKAU)

(Page 112 of Council's 2006-16 Long-Term Plan)

Contact: Waterworld

☎ 849 4389

📠 838 3510

@ Waterworld@hcc.govt.nz



Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Lido and Hydroslide Leisure Pool - Strategic Action Plan #216.0 (\$3.003m in 2007/08)

This project will create leisure space for family and youth in the current Lido Pool at Waterworld. A key focus of this redevelopment will be the construction of a new hydroslide facility closer to the Lido Pool. A new toddlers play area will also be constructed, which will allow 'safe-play' in an area that will have splash pads and water fountains to entertain toddlers. Funding for this project in the 2007/08 year has reduced from \$3.271m to \$3.003m.

Reason: The existing hydroslide was closed earlier than anticipated. Funding of \$268,000 was brought forward from 2007/08 to 2006/07 for design work to be completed for the new hydroslide. This will allow construction of the new hydroslide to begin earlier.

Service Level Provision for Swimming Facilities

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 hydrosides, 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
- Te Rapa Primary School
- Hillcrest Normal 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	12,076

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Swimming Facilities. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
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.	✓
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8 City Strategic Framework B: Creating Identity and Prosperity

(Kaupapa Rautaki mo te taone nui B: Mana Motuhake)

PROJECTED COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
OPERATING EXPENDITURE		
Environmental services	9,321	11,495
Economic development	1,069	1,018
City promotion	1,827	2,091
Hamilton city theatres	3,075	3,186
Hamilton city libraries	7,518	7,528
Waikato museum of art and history	4,768	4,906
Event facilities	8,409	8,507
Hamilton zoo	2,701	2,764
Total Operating Expenditure	38,688	41,495
Less OPERATING REVENUE		
Environmental services	9,358	11,726
City promotion	0	261
Hamilton city theatres	1,057	1,024
Hamilton city libraries	782	758
Waikato museum of art and history	455	375
Event facilities	3,297	3,237
Hamilton zoo	716	760
Total Operating Revenue	15,665	18,141
Net Cost of Service	23,023	23,354
Total operating expenditure funded by:		
Operating revenue	15,665	18,141
Rates	23,023	23,354
Total Operating Expenditure	38,688	41,495
CAPITAL EXPENDITURE		
Environmental services	62	62
Economic development	52	4,854
Hamilton city theatres	800	800
Hamilton city libraries	2,479	2,479
Waikato museum of art and history	167	297
Event facilities	10,414	8,294
Hamilton zoo	451	451
Total Capital Expenditure	14,425	17,237
Total capital expenditure funded by:		
Loans (DCL)	1,120	910
Loans (rates)	10,557	12,052
Other revenue	0	1,500
Depreciation (rates)	2,748	2,775
Total Capital Expenditure	14,425	17,237

City Strategic Framework B: Creating Identity and Prosperity includes the following significant services:

- Environmental Services
 - Animal Care and Control
 - Building Control
 - Parking Enforcement
 - Planning Guidance
- Economic Development
- City Promotion
- Hamilton City Theatres
- Hamilton City Libraries
- Waikato Museum of Art and History
- Event Facilities
- Hamilton Zoo.

6.8.1 Environmental Services

(NGAA RATONGA TAIAO)

(Page 121 of Council's 2006-16 Long-Term Plan)

6.8.2 Animal Care and Control

(MANA WHAKAHAERE KARAREHE)

(Page 122 of Council's 2006-16 Long-Term Plan)

Contact: Animal Care and Parking Enforcement

☎ 838 6632

📠 838 6915

@ AnimalCare@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Animal Care and Control

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	774

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Animal Care and Control. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
1.	Achieve the following CSI score for the dog control service, as measured by Council's Annual Residents Survey.	76
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.3 Building Control

(MANA WHAKAHAERE WHARE)

(Page 124 of Council's 2006-16 Long-Term Plan)

Contact: Building Control

☎ 838 6677

📠 838 6684

@ Building@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Accreditation as a Building Consent Authority

Council's Building Control Unit is required by the Building Act 2004 to achieve registration as a Building Consent Authority (BCA), by meeting the requirements of the Department of Building and Housing. Registration as a BCA is a requirement for

organisations that are responsible for ensuring that all building work carried out in their area complies with legislation. The Building Control Unit will be audited to ensure that the appropriate quality standards, processes and number of qualified staff are sufficiently maintained for the Unit to carry out its role.



Service Level Provision for Building Control

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 Solutions³ 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 26,000 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	7

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Building Control. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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.

³ 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 2007/08
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.	(No target for 2007/08)*
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.	1850
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.	✓

*The Customer Satisfaction survey for Building Control is conducted every two years – the most recent survey was carried out in 2006/07, with the next survey planned for 2008/09.

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.4 Parking Enforcement

(URUHI (NA) WAAHI TUU O NGAA WAKA)

(Page 127 of Council's 2006-16 Long-Term Plan)

Contact: Animal Care and Parking Enforcement

☎ 838 6888

📠 838 6429

@ ParkingEnforcement@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Parking Enforcement

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	212

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Parking Enforcement. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
1.	Achieve the following coverage of parking officer patrols on a continuous scheduled basis throughout the central business district and suburbs.	75%
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.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.5 Planning Guidance

(HANGA TIKANGA AARAHITANGA)

(Page 130 of Council's 2006-16 Long-Term Plan)

Contact: Planning Guidance

☎ 838 6800

📠 838 6819

@ PlanningGuidance@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Planning Guidance

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 1000 scheme lots and issues around 400 certificates for approval of land Transfer Survey Plans.

As part of the city's new city 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.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Planning Guidance. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
1.	Achieve the following CSI score for overall customer satisfaction, as measured every two years by Council's customer satisfaction survey programme.	(No target for 2007/08)*
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.	✓

* The Customer Satisfaction survey for Planning Guidance is conducted every two years – the most recent survey was carried out in 2006/07, with the next survey planned for 2008/09.

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.6 Economic Development

(RATONGA PUTEA)

(Page 134 of Council's 2006-16 Long-Term Plan)

Contact: Strategic

☎ 838 6810

📠 838 6464

@ strategic@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

There are no major changes to the Economic Development significant service that constitute a variation, as defined in Section 4.2 of this plan (including any budget changes exceeding \$100,000).

Service Level Provision for Economic Development

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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
- B2H (Business to Hamilton).

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

Hamilton's Economic Development Strategy (last updated in 2005) provides the framework and guidance for economic development priorities in and around the city. The strategy confirms that Ag-Biotech remains a priority for economic development in the city moving forward. In addition, Council provides key information about the city and its performance that is relevant in an economic development context.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Economic Development. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
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 6 monthly reviews of The Katolyst Group's key performance indicators.	✓
4.	Support development of Waikato Innovation Park, ensuring ongoing building occupancy of 90% minimum.	✓
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 (06/07) sealing car park (07/08). 	✓
6.	Manage City Development Committee funding to a minimum of 3 projects per year to support economic development in Hamilton.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

6.8.7 City Promotion

(NGAA RATONGA WHAKAPIKI)

(Page 137 of Council's 2006-16 Long-Term Plan)

Contact: Communication and Marketing

☎ 838 6679

📠 838 6761

@ CommunicationAndMarketing@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

V8 Supercars Event

Hamilton will stage the first V8 Supercars Street Race in New Zealand this year in April 2008. Hamilton secured the event for the city following an agreement with the race promoter and after Council obtained a resource consent to hold the race here for the next seven years. The event is expected to attract approximately 60,000 spectators a day for three days. The race will take place on a street course through Frankton and alongside Waikato Stadium and Seddon Park close to the CBD. The event is expected to have an international television audience of 880 million people.



Service Level Provision for City Promotion

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 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, Boathouse 8s, 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 will form 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.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for City Promotion. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
1.	Attain the following average number of monthly visits to the website www.hamilton.co.nz .	55,000
2.	Achieve the following CSI score for City News, as measured by Council's Annual Residents Survey.	78
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 .	900 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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.8 Hamilton City Theatres

(NGAA WHARE TAPERE O KIRIKIRIROA)

(Page 140 of Council's 2006-16 Long-Term Plan)

Contact: Arts and Culture

☎ 838 6603

☎ 838 6601

@ PerformingArts@hcc.govt.nz



Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Change to Significant Service Name: The significant service entitled Performing Arts has changed its name to Hamilton City Theatres.

Reason: The name change better reflects the current branding of Council-owned theatres (Founders Memorial Theatre, The Meteor and the Clarence Street Theatre).

Highlights of Projects and Programmes for 2007/08

Founders Theatre Air Conditioning – Strategic Action Plan #695.0 (\$511,000 in 2007/08)
Installation of air conditioning at the Founders Theatre will significantly increase comfort levels for audiences and performers in both summer and winter. Installation is scheduled to take place during January and February 2008.

Clarence St Theatre⁴ Upgrade – Strategic Action Plan #220.0 and #150.0 (\$129,619 in 2007/08)

There has been a staged programme to bring this theatre up to a standard that will assist in attracting an enhanced range of quality productions. In 2007 the carpet and seating in the upstairs balcony area will be replaced and the kitchen refurbished.

Service Level Provision for Performing Arts

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	9,433

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Hamilton City Theatres. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

⁴ This theatre has been re-named from The Community Theatre to Clarence St Theatre. The new name reflects its location and gives it a clear identity.

Objective:

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

Performance measure		Target 2007/08
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.	60%
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 	40%
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 	75 65 70

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.9 Hamilton City Libraries

(TE WHARE PUKAPUKA O KIRIKIROA)

(Page 143 of Council's 2006-16 Long-Term Plan)

Contact: Hamilton City Libraries

☎ 838 6830

📠 838 6858

@ HamiltonCityLibraries@hcc.govt.nz

Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Libraries Collection Purchases – Strategic Action Plan #106.0 (\$1.095m in 2007/08)

Demographics and interests of the community are continually monitored to ensure collection purchases reflect any changes in demand. This ensures that Hamilton City library collections remain current and maintain a high level of customer satisfaction and usage.



Libraries Information and Communication Technology – Strategic Action Plan #700.0 (\$18,000 in 2007/08)

New leased internet access terminals will be installed for customers in 2007/08 in accordance with the ongoing implementation of the libraries Information Technology Plan. The intent is to provide customers with access to exponentially increasing amounts of on-line information.

North-East Sector Land Purchase for New Library – Strategic Action Plan #107.0 (\$1.245m in 2007/08)

It is expected that land will be purchased in preparation for the development of a new library in the north-east sector of Hamilton. Construction of this library, which is planned to start in 2012/13, will ensure Hamilton continues to meet national population standards for library facility space. The new library will be sited in an area surrounded by commercial development, schools and community facilities.

Service Level Provision for Hamilton City Libraries

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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**.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	5,390

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Hamilton City Libraries. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
1.	Achieve the following active registered borrowers as a percentage of city residents.	61 %
2.	Achieve the following number of visits to the Hamilton City Libraries web site per year.	1.5 million
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 80

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.10 Waikato Museum of Art and History

(TE WHARE TAONGA O WAIKATO)

(Page 146 of Council's 2006-16 Long-Term Plan)

Contact: Waikato Museum

☎ 838 6553

📠 838 6571

@ WaikatoMuseum@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Rangiriri Restoration – Strategic Action Plan #709.0 (\$130,000 in 2007/08)

\$130,000 has been moved from the unfunded to the funded section of the 2006-16 Long-Term Plan for the Rangiriri river boat restoration. This historic vessel on the riverbank of Memorial Park represents the arrival of founding militia settlers to Hamilton. Stage one of the project includes the lifting, repositioning and preservative treatment of the hull plus preparatory foundation work for stage two. Stages two and three will include landscaping, viewing areas and a protective roof for the vessel. Funding for stages two and three will be considered as part of the 2009-19 Long-Term Plan.

Reason: Additional funding is required to complete stage one of the project and for preparatory work for stage two.

Highlights of Projects and Programmes for 2007/08

Beale Cottage Garden – Strategic Action Plan #705.0 (\$19,000 in 2007/08)

Restoration of the Beale Cottage Garden will be completed during 2007/08 to create a replica of the garden as it was during Dr Beale's occupation. The garden and house are expected to be open, on occasion, for viewing by the public.

Upgrade of Museum Security System – Strategic Action Plan #708.0 (\$41,000 in 2007/08)

The security system at the Museum will be upgraded to bring the system up to the standard required for international and significant touring exhibitions. When completed this is expected to enhance the ability of the Museum to offer an extended range of events and exhibitions to Hamilton residents and visitors. It will also offer enhanced security for the permanent collections held by the Museum.



Service Level Provision for Waikato Museum of Art and History

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 Waikato region. The Museum's collections are focused on the Waikato region and constitute a major part of our cultural heritage, as well as science and the fine arts. The Waikato Museum of Art and History is located at the southern end of Hamilton's Central Business District.

The Excite Science Centre is located within the Museum and provides exhibitions and educational programmes based on science and technologies.

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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	29,692

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Waikato Museum of Art and History. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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 	175,000 35,000
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 80
4.	Achieve the following CSI score for Museum visitors, as measured by Council's Customer Satisfaction Survey Programme.	85

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.11 Event Facilities

(WAAHI TAIWHANGA)

(Page 149 of Council's 2006-16 Long-Term Plan)

Contact: Waikato Stadium

☎ 958 5800

📠 958 5815

@ Admin@waikatostadium.co.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Note: There is a proposed amendment to the Claudelands Event Centre project. Details are contained in Section 5.0 and Part B of this document.

Events Centre Telecommunications Upgrade - Strategic Action Plan #684.0 (\$113,500 in 2007/08)

The Claudelands Events Centre Telecommunications Upgrade includes the extension of the fibre network from Sonning Carpark in River Road to the Claudelands Events Centre. It will also complete the internal connection of the system (including switches, Wireless Local Area Network and internal cabling) to enable the venue to meet user expectations. The upgrade is expected to generate additional revenue from being able to compete successfully against other New Zealand venues for the event and function business. Funding for this project has been deferred from 2007/08 to 2008/09.

Reason: If the proposed changes to the Claudelands Events Centre Project (refer Section 5.2) are adopted, the telecommunications upgrade will align more effectively with the design and construction programme of the new events centre.

Service Level Provision for Event Facilities

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

Waikato Stadium, Seddon Park, Claudelands Events Centre and the Hamilton 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 25,000, 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Seddon Park	3,658
Stadium	29,945
Claudelands	5,791
Hamilton Leisure Centre	1,544
Total Value of Key Assets	40,938

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Event Facilities. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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 Claudeland's Events Centre. 	85 76 70
2.	Achieve the following CSI score for Waikato Stadium venue hirers, as measured annually by Council's customer satisfaction survey programme.	85
3.	Achieve the following CSI score for the Hamilton City Leisure Centre, as measured by Council's Annual Residents Survey.	65
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 Claudeland's Events Centre. 	31 31 48
5.	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 Claudeland's Events Centre. 	16 6 6

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.8.12 Hamilton Zoo

(TE WHARE KARAREHE)

Contact: Hamilton Zoo

(Page 153 of Council's 2006-16 Long-Term Plan)

☎ 838 6720

📠 838 6960

@ zooinfo@hcc.govt.nz



Key Variations to Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Security Perimeter Fence - Strategic Action Plan #768.0 (\$276,000 in 2007/08)

This is stage one of a three staged project to construct a new security fence around the perimeter of the Zoo. The primary function of the fence is to stop external access to the Zoo, and to act as the final deterrent to any animal that escapes out of the Zoo. A specific design will be developed to ensure these objectives are achieved.

Service Level Provision for Hamilton Zoo

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 600 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. It 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	4,294

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Hamilton Zoo. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
1.	Achieve the following CSI score for user satisfaction with Hamilton Zoo, as measured by Council's customer satisfaction survey programme.	90
2.	Achieve the following usage of Hamilton Zoo, as measured by Council's Annual Residents Survey.	50%
3.	Achieve the following number of visits to Hamilton Zoo annually.	120,000

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).	15,000

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9 City Strategic Framework C: Protecting Our Future

(Kaupapa Rautaki mo te taone nui C: Ko te hapai o ki mua)

PROJECTED COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
EXPENDITURE		
Wastewater management	13,452	14,054
Stormwater management	6,865	7,609
Recycling/refuse collection	6,788	5,877
Water supply	12,896	14,054
Sustainable environment	695	706
Transport: Road network management	26,552	26,957
Transport: Access Hamilton	4,109	4,794
Endowment and investment property portfolio management	2,189	2,323
Total Expenditure	73,546	76,374
Less REVENUE		
Wastewater management	2,114	2,363
Stormwater management	11	11
Recycling/refuse collection	1,031	999
Water supply	4,455	5,066
Transport: Road network management	3,948	3,928
Transport: Access Hamilton	411	799
Endowment and investment property portfolio management	5,083	5,096
Total Revenue	17,053	18,262
Net Cost of Service	56,493	58,112
Total operating expenditure funded by:		
Operating revenue	17,053	18,262
Rates	56,493	58,112
Total Operating Expenditure	73,546	76,374
CAPITAL EXPENDITURE		
Wastewater management	9,020	5,218
Stormwater management	6,236	3,610
Recycling/refuse collection	84	84
Water supply	6,909	6,848
Transport: Road network management	36,806	18,765
Transport: Access Hamilton	24,493	24,803
Total Capital Expenditure	83,548	59,328
Total capital expenditure funded by:		
Loans (reserves & Access Hamilton)	11,256	11,724
Loans (DCL)	30,625	19,945
Loans (rates)	18,114	4,313
Other reserves	136	497
Subsidies	11,098	11,350
Other revenue	640	640
Depreciation (rates)	11,679	10,859
Total Capital Expenditure	83,548	59,328

City Strategic Framework C: Protecting Our Future includes the following significant services:

- Wastewater Management
- Stormwater Management
- Recycling/Refuse Collection
- Water Supply
- Sustainable Environment
- Transport: Road Network Management
- Transport: Access Hamilton
- Endowment and Investment Property Portfolio Management.

6.9.1 Wastewater Management

(TE ROOPUU WHAKAHAERE PARAWHAKAKINO)

(Page 162 of Council's 2006-16 Long-Term Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Wastewater Treatment Plant Upgrade – Strategic Action Plan #238.0

Commencement of the upgrade of the Wastewater Treatment Plan planned for 2007/08 (\$4.011m) has been deferred to 2008/09.

Reason: The resource consent application for this project is still being processed by Environment Waikato.

Rototuna Wastewater Trunkmains – Strategic Action Plan #242.0 (\$1.266m in 2007/08)

Funding has increased from \$500,500 to \$904,032 for the construction of a new wastewater pump station and approximately 500m of trunkmains in the northern area of Rototuna to provide for growth. Construction of wastewater trunkmains from Borman Road to Sylvester Road has also been moved forward from 2008/09 to 2007/08 to align with the road construction programme.

The funding for this work has been increased from \$83,000 to \$138,288, to reflect increased construction costs. A new project has also been added in 2007/08 to install approximately 460m of new wastewater pipes at a cost of \$223,944, in conjunction with planned road upgrade works in River Road.



Reason: The extent of the programme has increased and the budget has been revised to more accurately reflect the construction costs for contracts of this type.

Rotokauri Wastewater Trunkmains – Strategic Action Plan #547.0

All work associated with the Rotokauri growth cell (including \$516,000 for this project in 2007/08) has been deferred due to the withdrawal and review of the Rotokauri Structure Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

Replacement of Pump Station SCADA System - Strategic Action Plan 249.0 (\$258,000 in 2007/08)

The wastewater SCADA (Supervisory Control and Data Acquisition) system monitors the city's wastewater pumping stations. Part of this funding (\$40,000) has been deferred from 2007/08 to 2008/09 for the staged replacement of the wastewater pump station SCADA system.

Reason: This will ensure alignment of funding with the resources available to implement the construction programme.

Highlights of Projects and Programmes for 2007/08

Peacocke Wastewater – Strategic Action Plan #797.0 (\$361,000 in 2007/08)

This project provides for the investigation and design of a suitable solution for wastewater disposal from Stage 1 of the Peacocke growth cell.

Service Level Provision for Wastewater Management

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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:

- 760km of pipes ranging from 100mm to 1800mm in diameter
- 14,125 manholes
- 122 pumping stations
- Five major wastewater pipe bridges
- One wastewater treatment plant.

Value of Key Infrastructural Assets (as at 30 June 2006)

<i>Asset</i>	<i>\$(000)</i>
Wastewater Treatment Plant	38,815
Reticulation Network	170,683
Total Value of Key Assets	209,498

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Wastewater Management. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
1.	Achieve the following CSI score for the wastewater system, as measured by Council's Annual Residents Survey.	75
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.2 Stormwater Management

(TE ROOPUU WHAKAHAERE WAI-AAWHA)

(Page 166 of Council's 2006-16 Long-Term Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Rotokauri Stormwater Management Plan – Strategic Action Plan #502.0

All work associated with the Rotokauri growth cell (including \$10,000 for this project in 2007/08) has been deferred due to the withdrawal and review of the Rotokauri Structure Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

Rotokauri Stormwater Pipe Network - Strategic Action Plan #548.0

All work associated with the Rotokauri growth cell (including \$2.626m for this project in 2007/08) has been deferred due to the withdrawal and review of the Rotokauri Structure

Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

Highlights of Projects and Programmes for 2007/08

Rototuna Stormwater - Strategic Action Plan #170.0 (\$2.099m in 2007/08)

Extension of the stormwater network to enable urban growth in Rototuna continues. The stormwater system will be extended by constructing the first stage of a floodway channel to the northeast and a control weir in the existing floodway near Magellan Rise.



Stormwater Network Hydraulic Modelling – Strategic Action Plan #181.0 (\$35,000 in 2007/08)

Development of a new hydraulic model of Hamilton's stormwater network continues. This work ensures that the city's stormwater network is designed to best practice standards, thus minimising flooding of public property.

Stormwater Secondary Flowpath Citywide Assessment – Strategic Action Plan #570.0 (\$129,000 in 2007/08)

Identification and assessment of the adequacy of all secondary flowpaths for stormwater in Hamilton's urban area commences. Controlled secondary flowpaths are necessary during periods of heavy rainfall to prevent flooding of houses.

Service Level Provision for Stormwater Management

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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:

- 607km of piping (ranging from 225mm to 2300mm in diameter)
- 11,388 manholes
- 90km of open drains and natural watercourses.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	206,984

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Stormwater Management. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
1.	Achieve the following CSI score for the stormwater system, as measured by Council's Annual Residents Survey.	70
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.3 Recycling / Refuse Collection

(WHAKAHOU (TIA) KOOHINGA RAAPIHI)

(Page 170 of Council's 2006-16 Long-Term Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

There are no major changes to the Recycling/Refuse Collection significant service that constitute a variation, as defined in Section 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Horotiu Landfill Aftercare Works – Strategic Action Plan #746.0 (\$14,000 in 2007/08)

This project allows for the regular review of resource consent conditions and for annual upgrades at Horotiu Landfill after its closure on 31 December 2006.

Closed Landfill Improvements – Strategic Action Plan #563.0 (\$41,000 in 2007/08)

Improvements continue to be made to the gas and leachate control systems at Willoughby and Rototuna closed landfills to ensure compliance with resource consent conditions.



Service Level Provision for Recycling/Refuse Collection

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

Recycling and Refuse Collection provides for the weekly collection of household recyclables and refuse from over 48,000 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets	45,286

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Recycling/Refuse Collection. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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 Refuse Transfer Station Hamilton Organic Centre. 	83 83 80 84
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.4 Water Supply

(TUKUA WAI)

(Page 173 of Council's 2006-16 Long-Term Plan)

Contact: Water and Waste Services

☎ 838 6999

📠 838 6998

@ WaterAndWasteServices@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Water Treatment Station Asset Renewals - Strategic Action Plan #294.0

Funding of \$310,000 for the lowlift pump motor control centre at the Water Treatment Station has been deleted from 2007/08.

Reason: This work was completed in 2005/06 as part of the Water Treatment Station upgrade.

Water Treatment Station Capital Improvements - Strategic Action Plan #519.0

Funding of \$103,000 has been provided to construct an alum sludge storage tank at the Water Treatment Station in 2007/08.

Reason: Additional storage of alum sludge is required to balance flows into the wastewater network and ensure trade waste consent compliance.

Water Network Fitting Renewals - Strategic Action Plan #270.0

Funding of \$131,000 for this project has been brought forward from 2011/12 to 2007/08.

Reason: More water meters require replacement than previously planned.

Rototuna Water Supply Trunkmains - Strategic Action Plan #262.0 (\$743,000 in 2007/08)

Funding has been increased from \$219,000 to \$564,504 for the construction of trunkmains in Cumberland Drive Stage 1. The project to install trunkmains in Horsham Downs Road has been split into two projects, from number 91 Horsham Downs Road to Northridge Drive in 2007/08 (\$177,504) and from Northridge Drive to Borman Road in 2010/11 (\$180,600). The overall funding in 2007/08 has increased from \$391,000 to \$743,000.

Reason: The budget has been revised to more accurately reflect the cost for this type of work. Work in Horsham Downs Road has been altered to align with the road construction programme.

Rotokauri Water Supply Trunkmains - Strategic Action Plan #549.0

All work associated with the Rotokauri growth cell (including \$337,000 for this project in 2007/08) has been deferred due to the withdrawal and review of the Rotokauri Structure Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

Highlights of Projects and Programmes for 2007/08

Bulkmain Augmentation and Extension – Strategic Action Plan #277.0 (\$1.82m in 2007/08)

In conjunction with the construction of Wairere Drive from Hukanui to Tramway Road, the eastern bulk watermain will be extended along Wairere Drive in 2007/08. This project is necessary to ensure that the water supply meets urban growth requirements.

Water Loss Study – Strategic Action Plan #591.0 (\$46,000 in 2007/08)

Investigation of causes of water loss from the reticulation network and determination of methods to minimise these losses continues. Work will also continue on implementing the action plan for the Council's 'Water Demand Management Plan,' which was prepared in support of the resource consent for water abstraction at the Water Treatment Station.

Service Level Provision for Water Supply

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 network (except for Temple View) maintains an 'Aa' grading by the Ministry of Health. The 'A' grades the water treatment process and the 'a' grades the water reticulation (distribution) network. It is expected that Temple View will be graded by the Ministry of Health in 2006.⁵

An average of 50 million litres of water is produced by the Water Treatment Station on a daily basis. The system services over 130,000 Hamilton residents through more than 48,000 household connections and over 3000 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.

⁵ 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, as well as the Hamilton and Temple View distribution zones.

The water supply network includes:

- One water treatment station
- Eight reservoirs
- Nine pump stations
- 1011km of pipes ranging from 20mm to 620mm in diameter.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Water Treatment Plant	24,988
Reticulation Network	155,292
Total Value of Key Assets	180,280

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Water Supply. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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.	✓
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 76 68 84
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.5 Sustainable Environment

(TAUTOKO TE TAIAO)

(Page 177 of Council's 2006-16 Long-Term Plan)

Contact: Strategic

☎ 838 6810

📠 838 6464

@ Sustain@hcc.govt.nz

Key Variations To Year 2 (2007/08) 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 4.2 of this plan (including any budget changes exceeding \$100,000).

Highlights of Projects and Programmes for 2007/08

Environmental Education Programme – Strategic Action Plan #203.0 (\$86,000 in 2007/08)

Council's Environmental Education Programme is the primary vehicle to assist Council to encourage and empower Hamilton residents to have positive impacts on the environment. The programme identifies a number of different target groups and focuses on partnerships to improve the sustainability of the city. One current focus of the programme, which supports the vision of Council's CityScope Strategy, is a seminar series and workshop programme on Sustainable Urban Design. This programme explores designs that improve comfort and health, reduce natural resource consumption, save money and contribute to a sustainable urban future for Hamilton.

Gully Restoration Programme – Strategic Action Plan #208.0 (\$10,000 in 2007/08)

The Gully Restoration Programme is an initiative that 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.



Service Level Provision for Sustainable Environment

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 the 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.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Sustainable Environment. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

Objective:

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

Performance measure		Target 2007/08
1.	'Know It?...Live it' community environmental education programme database membership increased by 10% annually.	825
2.	Gully restoration programme membership increased by 10% annually.	726
3.	Achieve the following number of schools participating in the EnviroSchools programme.	25
4.	Review and implement components of the 10-year Waste Management Plan.	Gaseous component of plan reviewed
5.	Achieve the following weights for Council's internal daily waste stream.	40kg
6.	Administer and distribute the Envirofund to groups undertaking projects and programmes that contribute to environmental sustainability in the city.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.6 Transport: Road Network Management

(NGA WHAKAHAERE O NGA HARI WAKA)

(Page 182 of Council's 2006-16 Long-Term Plan)

Contact: Roads and Traffic

☎ 838 6868

📠 838 6440

@ RoadsAndTraffic@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Rotokauri Roding Future Growth – Strategic Action Plan #554.0 (\$1.23m in 2007/08)

All work associated with the Rotokauri growth cell (including \$14.999m for this project) has been deferred due to the withdrawal and review of the Rotokauri Structure Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

Funding for the upgrade of Brymer Road (between Farnborough Drive and Baverstock Road) to urban standard and for a new roundabout at the intersection of Te Kowhai Road and The Boulevard (\$1.23m) remains in the 2007/08 programme.

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

School Speed Zones – New Strategic Action Plan #827.0 (\$260,000 in 2007/08)

In response to a national campaign to reduce the speeds in areas where school children are at risk, Council is proposing to install 40kph time-based static signs at all schools in Hamilton. Land Transport New Zealand approval for the project and funding is yet to be agreed.

Reason: Council is of the view that supporting the national speed reduction campaign around schools is a priority, particularly in regards to safety.



Highlights of Projects and Programmes for 2007/08

Rototuna Roding Growth - River Road – part of Strategic Action Plan #555.0 (\$3.655m in 2007/08)

This project provides for the reconstruction of River Road to urban standard between a point north of Sylvester Road and approximately 1858 River Road. The work will include on-road cycle facilities, pedestrian facilities, kerb and channel, street lighting and sealed road pavement.

Rototuna Roding Growth – Gordonton Road – part of Strategic Action Plan #555.0 (\$116,600 in 2007/08)

This project provides for the designation of a strip of land along Gordonton Road, between Crosby Road and Borman Road, to protect the corridor for future road widening and urban upgrade.

Tainui Contribution to Te Rapa Four-Laning

Council is paying Transit New Zealand a contribution of \$2.6m (funded by an Access Hamilton loan) towards the cost of four-laning Te Rapa Road from Church Road to Avalon Drive, and upgrading the Avalon Drive/Wairere Drive intersection. Tainui will be funding the first three years of the interest costs (\$206,000 each year) on Council's \$2.6m contribution to the project.

Service Level Provision for Road Network Management

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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:

- 582km of carriageways
- 1,029km of kerb and channel (excluding state highway)
- 57 traffic bridges, large culverts, pedestrian/cycle bridges and underpasses
- traffic signals at 49 intersections (including state highways)
- Hamilton Transport Centre
- 152 bus shelters
- 13,716 signs
- 15,206 street lights
- 882km of footpaths
- 45km of on-road cycle lanes and off-road cycle paths
- 1019 off-street car park spaces
- 830 metered and 490 time-controlled, on-street parking spaces in the CBD.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Transport Centre	1,460
Central Area Parking	37
Roads	966,618
Traffic	1,654
Footpaths, Cycleways and Verges	30,773
Streets	7,418
Total Value of Key Assets	1,007,960

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Road Network Management. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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 73 70 70 68 70 70 70
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:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.7 Transport: Access Hamilton

(TE ROOPUU TAUTOKO HAPORI)

(Page 187 of Council's 2006-16 Long-Term Plan)

Contact: Roads and Traffic

☎ 838 6868

📠 838 6440

@ RoadsAndTraffic@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

School/Business Travel Plans – Strategic Action Plan #741.0 (\$227,000 in 2007/08)

The purpose of this programme is to develop and promote the introduction and use of School and Business Travel Plans in the city. The 2007/08 budget for this project has been increased from \$62,000 to \$227,000.

Reason: This project has been changed to enable a pilot School Travel Plan project to be carried out during the 2007/08 and 2008/09 financial years for selected schools in Hamilton East, subject to funding support from Land Transport New Zealand.

Grey Street/Claudlands Road Intersection Upgrade – Strategic Action Plan #735.0 (\$206,000 in 2007/08)

Funding of \$206,000 for this project has been brought forward from 2008/09 to 2007/08.

Reason: Funding has been brought forward to carry out a full investigation and commence the intersection design for this project before the construction phase starts in 2008/09.



Peachgrove Road/East Street/Te Aroha Street Intersections – Strategic Action Plan #529.0 (\$103,000 in 2007/08)

Funding of \$103,000 for this project has been brought forward from 2009/10 to 2007/08.

Reason: Funding has been brought forward to carry out a full investigation and commence the intersection design for this project, so that it can be constructed at the same time as a new link between Ruakura Road and East Street (which is funded by Strategic Action Plan #375.0).

Traffic Model Update – Strategic Action Plan #50.0 (\$232,000 in 2007/08)

Additional funding of \$232,000 has been allocated in 2007/08 for Council's contribution to the development of a Waikato Regional Transportation Model, in partnership with Transit New Zealand, Environment Waikato, Land Transport New Zealand, and Waikato, Waipa, Taupo and Matamata Piako District Councils. The model will provide an authoritative, unified traffic model for the Waikato region, which can be used for growth planning, land use impact assessments and project evaluations. The model will be developed over the next two years, at a total cost of \$2m.

Reason: Council was originally planning to conduct its own traffic model update for the city, but will now be working in partnership with others in the region for this project. The total \$2m cost for the project has been shared amongst the contributing partners.

Bus Priority Improvement Routes - Strategic Action Plan #729.0 (\$352,000 in 2007/08)

To ensure the continued improvement of bus travel times around the city, the installation of special bus priority facilities will be required. This could include special traffic lanes, loading areas, bus priority at intersections or facilities to adjust traffic signals. A review of the bus network and routes is currently being undertaken as part of the review of the Regional Passenger Transport Plan. Bus priority improvements are likely to be required in the central business district and Hamilton East. Land Transport New Zealand subsidy is still to be approved.



Reason: This package of work will strengthen the Access Hamilton programme and encourage greater uptake of public transport within the city.

After Midnight City Bus Service – Strategic Action Plan #475.0 (\$41,000 in 2007/08)

This service, which provides for a subsidised evening bus service from the central city to the suburbs on Friday and Saturday nights, has been removed from Council's SAP programme.

Reason: The after midnight city bus service is now fully funded by Environment Waikato.

Highlights of Projects and Programmes for 2007/08

Wairere Drive - Strategic Action Plan #544.0 (\$9.503m in 2007/08)

The Wairere Drive project is a package of works on the city's ring road corridor. The project is designed to upgrade existing sections of Wairere Drive to four lanes and to build new sections of road to provide a strategic road corridor (the city's ring road), linking northern and eastern areas of the city. When the corridor is fully complete, it will form a strategic link to the state highway network.

The work planned for 2007/08 includes 4-laning from Pukete Road to Avalon Drive, and a construction start on a new section of road from Hukanui Road roundabout to Tramway Road. Funding assistance of 55% has been approved by the Land Transport New Zealand Board for the Hukanui Road to Tramway Road extension, the largest sum of funding assistance the city has received for any project to date.

Mill Street Intersections - Strategic Action Plan #527.0 (\$619,000 in 2007/08)

The Mill Street intersections are a series of junctions on the fringe of the CBD that are to be upgraded to allow better traffic movements along the cross city connector and improve access into the CBD. The upgrading will also enable better pedestrian movement at these intersections.

Boundary Road - Strategic Action Plan #803.0 (\$186,000 in 2007/08)

The work programmed in 2007/08 is to investigate a number of options along Boundary Road to improve pedestrian and cycling facilities on the Whitiara Bridge and to upgrade the junctions at Casey Avenue and Heaphy Terrace. Potential improvement options will also be investigated at the Five Cross Roads intersection.

Service Level Provision for Access Hamilton

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

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 10-year work programme 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.

Key Performance Measures and Targets for Intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Access Hamilton. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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. 	57 60
2.	Achieve the following total number of kilometres of pedestrian and cycle networks in the city.	45.5km
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.	12
5.	Achieve the following usage of cycling facilities within the city, as measured by Council's Annual Residents Survey.	25%

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

6.9.8 Endowment and Investment Property Portfolio Management

(TE TAIAO WHAI TIKANGA ROOPUU WHAKAHAERE)

(Page 192 of Council's 2006-16 Long-Term Plan)

Contact: Property and Risk Management

☎ 838 6736

📠 838 6612

@ PropertyAndRiskManagement@hcc.govt.nz

Key Variations to Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Sale of Waiwhakareke Lake Subdivision

All work associated with the Rotokauri growth cell has been deferred due to the withdrawal and review of the Rotokauri Structure Plan, pending notification of a new Structure Plan for the area (anticipated to be September 2007).

As a result, the Waiwhakareke Lake subdivision development (SAP #802.0 - \$4m in 2006/07), which was scheduled to occur in 2006/07 was delayed, and subsequently the sale of Waiwhakareke Lake subdivision (\$8.255m in 2007/08) has also been deferred until 2008/09.

For more information on the Rotokauri Structure Plan variation (including reasons for the variation), refer to Section 6.1.

Highlights of Projects and Programmes for 2007/08

Sale of Excess Land at Horotiu Landfill

Council has decided to sell surplus land around the Horotiu Landfill area and will use the proceeds from the land sales to repay debt.

Service Level Provision for Endowment and Investment Property Portfolio Management

This section outlines what the significant service does, including the levels of service currently provided and the key assets (including the value of key infrastructural assets where applicable).

Endowment and Investment Property Portfolio Management administers 114 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.

Value of Key Infrastructural Assets (as at 30 June 2006)

Asset	\$(000)
Total Value of Key Assets e.g. BNZ building, Carter Holt Harvey building	49,468

Key Performance Measures and Targets for intended Levels of Service

The following performance measures and targets are regarded as important to maintain and enhance the intended levels of service for Endowment and Investment Property Portfolio Management. In many cases, targets for performance measures have been 'stretched' to reflect Council's ongoing commitment to continuously improve its service delivery.

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 2007/08
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.	✓

Note:

Unless otherwise stated, all key performance measures will be completed on or before 30 June for each financial year.

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 Annual Residents Survey.

7.0 Land Transport Programme for 2007/08

(TE HOTAKA HARI NGAA WAKA 2007/08)

7.1 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:

- (a) assists economic development; and
- (b) assists safety and personal security; and
- (c) improves access and mobility; and
- (d) protects and promotes public health; and
- (e) 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.

This section (Section 7.0) outlines Council's Land Transport Programme for 2007/08. Other sections in this 2007/08 Annual Plan also form part of the 2007/08 Land Transport Programme, i.e.:

- (i) the significant service activity statements entitled 'Transport: Road Network Management' and 'Transport: Access Hamilton' (refer Section 6.0)
- (ii) the information contained in Section 8.0 (the Financial Section) that relates to the 'Transport: Road Network Management' and 'Transport: Access Hamilton' significant services.

The sections noted above (i.e. Sections 6.0 and 8.0) should be read in conjunction with the relevant parts of Council's 2006-16 Long-Term 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)
- Designation of the corridor on the eastern side of the city (the Hamilton Eastern Arterial).

7.2 Council's Land Transport Programme

This section outlines Council's Land Transport Programme for the 2007/08 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
- Local Government Act 1974 and 2002
- Waikato Regional Land Transport Strategy 2006-16 (Operative)
- New Zealand Transport Strategy
- 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
- Transport Sector Strategic Directions Document 2006/07
- National Land Transport Programme Guidelines: 2007/08 Land Transport Programmes
- Hamilton City Proposed District Plan (November 2001, References Version).

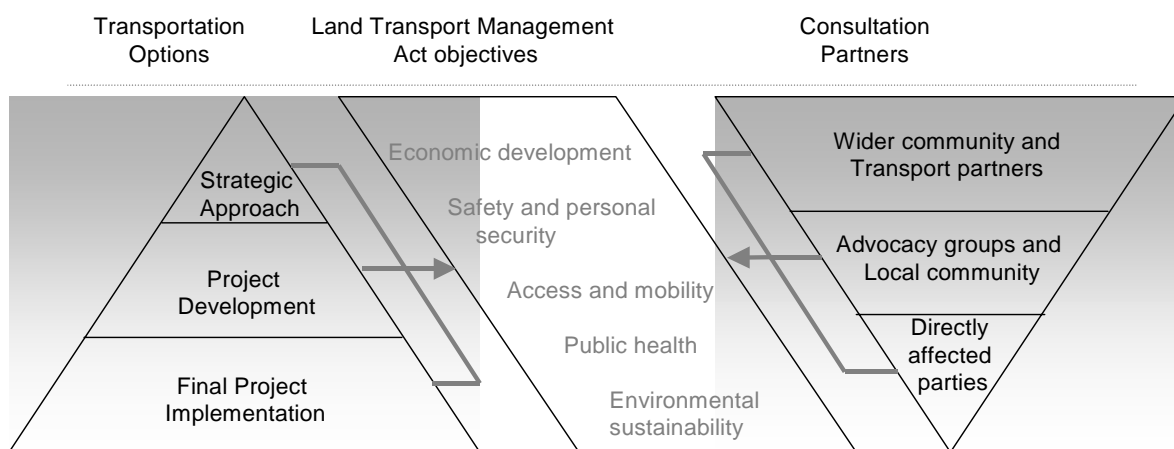
In considering and developing transport packages and individual transport projects and programmes, Council also takes into account a number of local strategies and studies. Key inputs that inform Council's project development processes include:

- Hamilton Integrated Transportation Study 1999
- Hamilton Alternative 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 1999
- Hamilton City Council Disability Strategy 2005

- Passenger Transport Partnership Group – Bus Priority Investigation: Preliminary Investigation of Sample Hamilton Sites 2006
- Hamilton – Auckland Commuter Rail Service Feasibility Study 2006
- Report of the Waikato Region Joint Officials Group on Land Transport 2006.

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.

7.3 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 2007/08. 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 this 2007/08 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-

Part A: Hamilton City Council's 2007/08 Annual Plan

Term Plan, as well as Section 8.0 (Financial Section) of this 2007/08 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 2007/08 (\$)	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	1,084,000	487,800		+	+		
Routine Drainage Maintenance	346,000	155,700		+		+	+
Structure Maintenance	103,000	46,350		+			
Environmental Maintenance	586,000	263,700				+	
Traffic Services Maintenance	2,320,000	1,044,000	+	+	+		+
Operational Traffic Management	273,000	122,850	+	+	+	+	
Cycle path Maintenance	193,000	86,850		+	+	+	+
Level Crossing Warning Devices	12,000	5,400		+			
Network and Asset Management	1,122,000	504,900	+	+	+		
Activity Total	6,039,000	2,717,550					
Activity Class 3 - Renewal of Local Roads							
Sealed Road Resurfacing	1,723,000	775,350		+	+		
Drainage Renewals	1,094,000	492,300		+		+	+
Pavement Rehabilitation	851,000	382,950		+	+		
Traffic Services Renewals	701,000	315,450	+	+	+		+
Activity Total	4,369,000	1,966,050					
Activity Class 5 - Improvement of Local Roads							
New Roads and Bridges	19,925,900	10,959,245	+	+	+		
Minor Improvements	833,000	458,150	+	+	+		
Activity Total	20,758,900	11,417,395					
Activity Class 8 - Use of the Land Transport System							
Strategic Studies	232,200	127,710	+	+	+	+	+
Community Programmes	346,700	190,685		+	+		+
Cycle Facilities	1,227,800	675,290		+	+	+	+
System Use Studies	247,600	136,180	+	+	+	+	+
Activity Total	2,054,300	1,129,865					
Activity Class 9 - Passenger Transport							
Bus and Ferry Infrastructure	361,200	198,660			+	+	+
Passenger Transport Road Improvements	351,600	193,380			+		
Activity Total	712,800	392,040					
Total	33,934,000	17,622,900					

8.0 Financial Section

(TE TAHA PUTEA)

8.1 Financial Overview

Rates Levied

For the 2007/08 financial year, the Council has budgeted income from rates of \$92.249m (2006/07 \$85.3m). Rates income will increase by 8.12 per cent for the 2007/08 year, which includes the Access Hamilton targeted rate. Taking account of growth in the city's rating base, this represents an average increase of 5.94 per cent to existing Hamilton ratepayers. The rate table below shows the total rates and rate increase for year 2 of the 2006-16 LTCCP (LTCCP) and the 2007/08 Annual Plan excluding and including the adjustment for growth in the city's rating base.

\$m	LTCCP	Annual Plan
	2007/08	2007/08
Total rates levy	\$91.9m	\$92.2m
Rates levy (total increase)	7.72%	8.12%
less rating growth (new ratepayers)	(\$1.4m)	(\$1.86m)
Rates levy increase to existing ratepayers	6.08%	5.94%
Targeted rate - Access Hamilton	0.00%	0.00%
Inflation (CPI) adjustment	3.20%	3.20%
Rate increase to existing ratepayers above inflation (CPI) adjustment	2.88%	2.74%

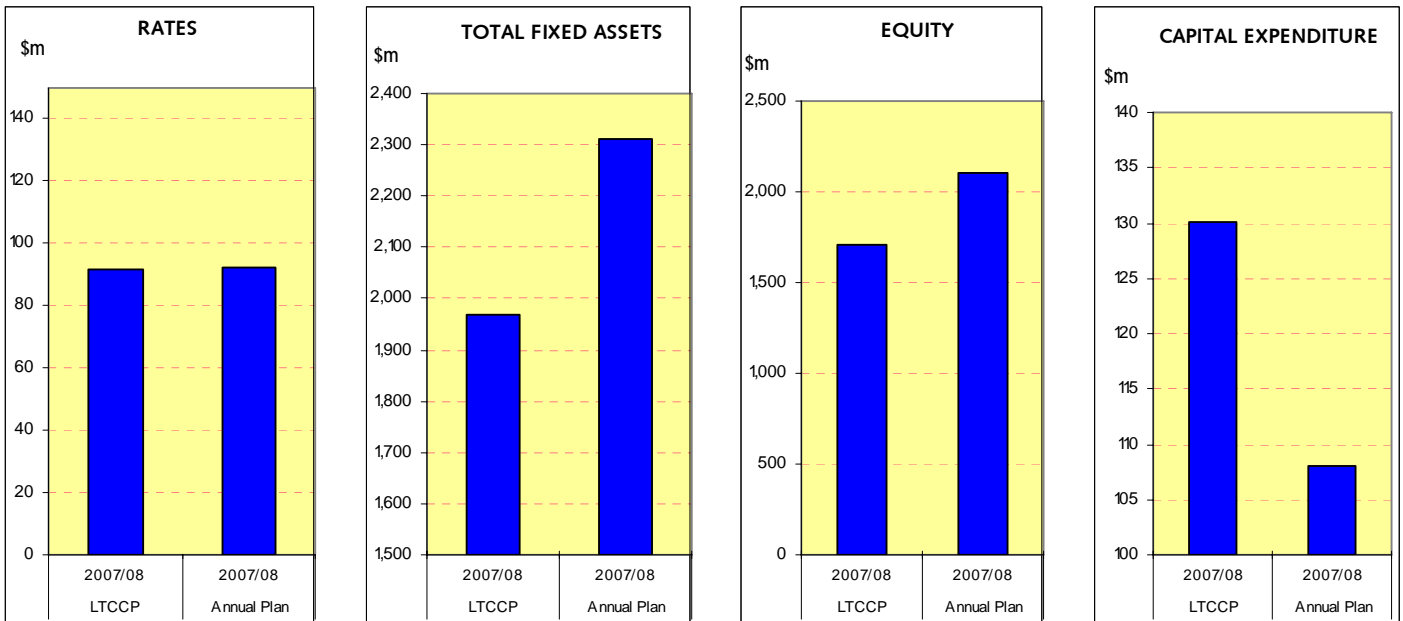
Rates by Property Section

The indicative rates levy for 2007/08 on the average value of each property sector is:

\$	Annual Plan
	2007/08
residential	1,446
inner city	953
commercial	8,764
multi-unit	3,794
rural residential	2,972
rural large	4,501
rural small	1,771

Financial Summary

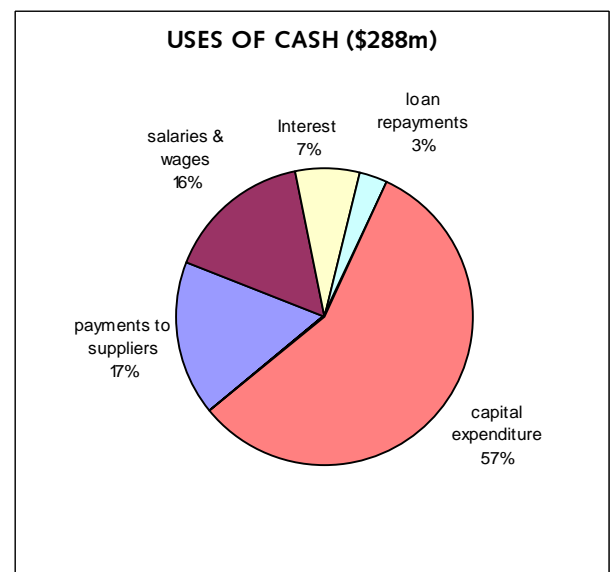
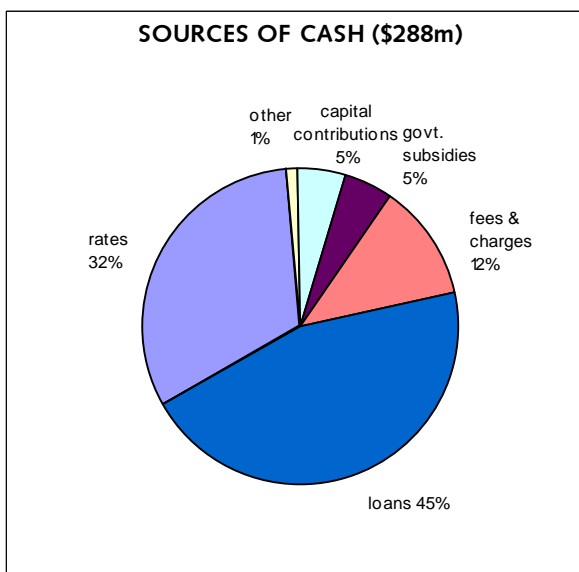
A graphical presentation of key financial statistics for June 2007 as indicated in the LTCCP and the 2007/08 Annual Plan is shown as follows.



	LTCCP 2007/08	Annual Plan 2007/08
Rates (incl penalties less remissions and rates charged to Council properties)	92	92
Total fixed assets	1,967	2,310
Equity	1,713	2,101
Capital expenditure	130	108

Cash Flow

The estimated sources and uses of cash for the year ended 30 June 2008 is summarised as follows:



City Debt

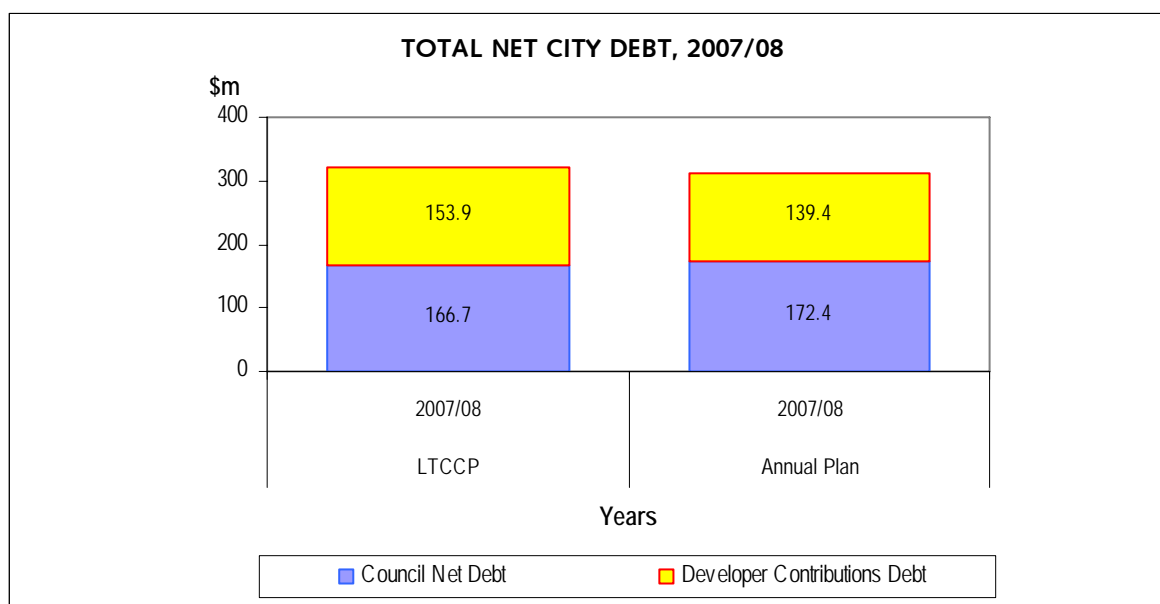
The overall level of net city debt including internal borrowing will total \$311.8m for the 2007/08 financial year. This compares to \$320.6m for 2007/08 as indicated in the LTCCP. Council has budgeted for internal borrowing from special funds and other cash funds of \$25m. Rather than sourcing all its 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:

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

Debt funded by development contributions at the end of the 2007/08 financial year is \$139.4m.

The graph below shows the total net city debt levels for June 2008 as indicated in the LTCCP and in the 2007/08 Annual Plan, split between Council net debt and debt to be funded by development contributions.



Debt Balances (including internal borrowing)

	LTCCP	Annual Plan
\$m	2007/08	2007/08
Funded by Reserves & Access Hamilton (Knox St Carpark)	7.7	8.1
Funded by Access Hamilton Reserve	22.1	24.7
Funded by Rates	136.9	139.7
Closing Balance - Council Net Debt	166.7	172.4
Funded by Development Contributions	153.9	139.4
TOTAL CLOSING BALANCE NET DEBT	320.6	311.8

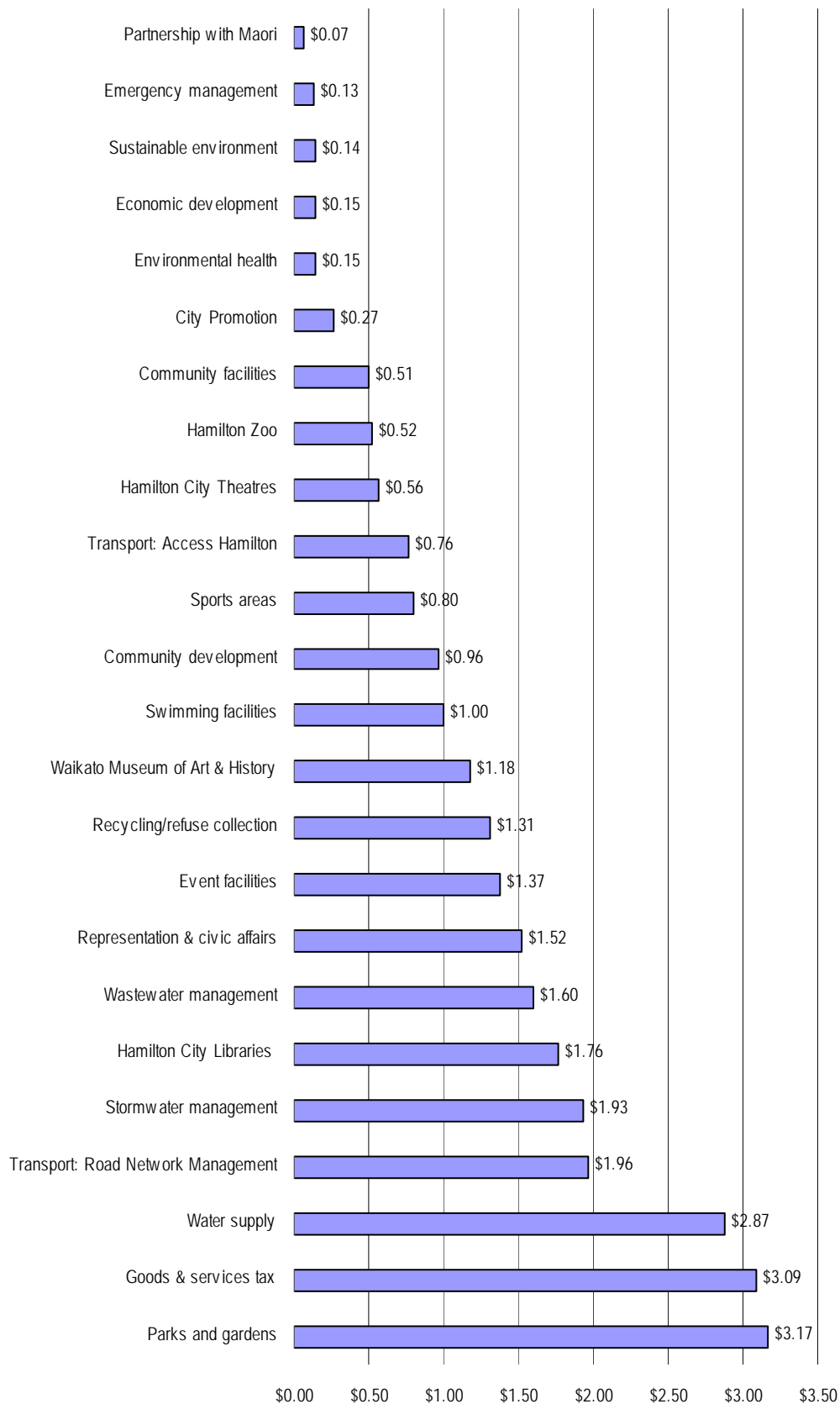
Debt Servicing Performance Limits

	LTCCP	Annual Plan
	2007/08	2007/08
Policy Limits - Council Net debt		
1. Interest on Council debt (excluding interest on DCL * debt) as % of total rating income (Max 20%)	11.3%	10.7%
2. Net debt (Council) as % of total income (Max 180%) (excluding total DCL contributions received p.a. in income)	114%	114%
3. Net debt (Council) per capita	1,204	1,232
Policy Limits - Total Net debt		
1. Net debt as % of total assets (Max 25%)	16%	13%
2. Net debt as % of total income (Max 300%)	202%	192%
3. Interest (total) as % of total income (Max 20%) (including total DCL contributions received p.a. in income)	13.2%	12%
4. Liquidity (on total net debt & working capital) (Min 110%)	113.0%	112.5%

* Development Contributions Levy

Indicative Residential Rates

For 2007/08, the rates levy on the average value Hamilton home will be \$1,446, that is, about \$28 per week. The indicative rates levy per week is presented graphically below for each significant service of Council.



8.2 Statement of Accounting Policies for the Year Ended 30 June 2008

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 2008.

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 at least on five yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant and equipment within a class has a carrying value that is materially different from its fair value.

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 market value where possible otherwise depreciated replacement cost. The most recent valuation was performed by Beca and Quotable Value and the valuation effective as at 1 July 2001.
- **Plant and Equipment (excluding vehicles)** have been valued at market value where possible otherwise cost less depreciation. The most recent valuation was performed by Beca and the valuation effective as at 1 July 2001.
- **Zoo Animals** have been valued at estimated replacement cost by the Zoo Manager. The most recent valuation was effective as at 1 July 2001.
- **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 2001.
- **Infrastructural Assets (excluding land)** have been valued at depreciated replacement cost by independent valuers. The most recent valuations were performed by Beca and MWH, and the valuations were effective as at 1 July 2005.
- **Land Under Roads** was valued based on fair value of adjacent land determined by Beca effective 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. 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 capitalised 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 and Properties for Resale**

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 an independent valuer, Attewell Gerbich Havill Ltd.

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 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 over their estimated useful lives.

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, such as the 7.69 per cent share in Local Shared Services Ltd and 3.17 per cent share in New Zealand Local Government Insurance Company Ltd. 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.

- **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 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, 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.

Within reserves a transfer is made to Horotiu Aftercare Reserve, which exists to fund the aftercare costs of the Horotiu Landfill after the site closes in December 2006.

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 2008. 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).

8.3 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 2008/09. 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 2008/09. 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 7.95% in 2007/08, 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 7.76% for 2007/08.

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.

8.4 Financial Statements

Proposed Statement of Financial Performance For the Year Ended 30 June 2008

	Note	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Revenue			
Rates	1	91,549	91,840
Other revenue	2	73,167	75,106
Other gains/(losses)		1,350	1,750
Total Operating Revenue		166,066	168,696
Expenditure			
Other expenses	3	90,645	95,031
Finance costs	4	20,414	19,562
Depreciation and amortisation	5	34,357	37,247
Total Operating Expenditure		145,416	151,840
Share of Associate's retained surplus		670	670
Net Surplus		21,320	17,526

Projected Statement of Changes in Equity For the Year Ended 30 June 2008

	Note	LTP 2007/08 \$000	Annual Plan 32355 \$000
Equity balance at 1 July		1,630,684	2,011,721
Net surplus for the year		21,320	17,526
Net increase in revaluation of assets		61,207	71,786
Total recognised revenue/(expense) for the year		82,528	89,312
Equity at 30 June 2008		1,713,211	2,101,033

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 2008

	Note	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Equity			
Retained earnings	9	1,374,862	1,350,776
Revaluation reserves	9	324,385	734,270
Restricted reserves	9	3,891	3,929
Council created reserves	9	10,073	12,058
Total Equity		1,713,211	2,101,033
Assets			
Current Assets			
Cash and cash equivalents		0	0
Other financial assets	6	1,513	1,551
Trade and other receivables		10,320	10,615
Inventories		571	655
Derivative financial instruments		543	317
Total Current Assets		12,947	13,138
Non-Current Assets			
Property, plant and equipment		1,967,122	2,309,765
Investment property		43,551	56,875
Intangible assets		6,808	4,697
Other financial assets	6	3,774	3,990
Investment in associates	7	15,217	30,861
Derivative financial instruments		0	531
Total Non-Current Assets		2,036,472	2,406,719
Total Assets		2,049,419	2,419,857
Liabilities			
Current Liabilities			
Trade and other payables		20,640	16,500
Employee benefits		3,500	3,500
Borrowings	8	8,655	20,128
Finance lease liability		775	775
Derivative financial instruments		506	59
Total Current Liabilities		34,076	40,962
Non-Current Liabilities			
Employee benefits		1,500	1,300
Finance lease liability		2,918	2,143
Borrowings	8	293,372	268,134
Landfill aftercare provision		3,542	6,285
Derivative financial instruments		800	0
Total Non-Current Liabilities		302,132	277,862
Total Liabilities		336,208	318,824
Net Assets		1,713,211	2,101,033

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 2008

	Note	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Cash flows from operating activities			
Cash will be provided from:			
Rates revenue	1	91,549	91,840
Fees, rents and charges		32,773	36,426
Petrol tax		1,032	1,000
Government operating subsidies and grants		3,114	3,189
Government capital subsidies and grants	2	12,874	11,350
Other capital contributions	2	15,009	14,793
Interest received	2	114	97
Dividends	2	251	251
		156,716	158,946
Cash will be applied to:			
Salaries and wages		44,421	47,379
Payments for supplies and services		46,429	47,656
Interest paid		19,839	19,562
		110,689	114,597
Net Cash Inflow from Operating Activities		46,027	44,349
Cash flows from investing activities			
Cash will be provided from:			
Sinking funds withdrawn		0	350
Sale of assets		8,255	0
		8,255	350
Cash will be applied to:			
Purchase of fixed assets		130,035	163,844
		130,035	163,844
Net Cash (Outflow) from Investing Activities		(121,780)	(163,494)
Cash flows from financing activities			
Cash will be provided from:			
Loans uplifted		92,833	129,019
Finance leases raised		0	200
		92,833	129,219
Cash will be applied to:			
Loan repayments		16,304	8,767
Finance lease repayments		776	1,307
		17,080	10,074
Net Cash Inflow from Financing Activities		75,753	119,145
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

Part A: Hamilton City Council's 2007/08 Annual Plan

Proposed Capital Expenditure Statement For the Year Ended 30 June 2008

		LTP 2007/08 \$000	Annual Plan 2007/08 \$000								
	SAP			FUNDED BY							Funding
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Investing in our People											
Cemeteries and crematorium											
Hamilton Park road maintenance	53.0	109	109							109	
Hamilton Park cemetery gully development	317.0	31	31							31	
Cremator and maintenance	T 513.0	304	356			356					
Hamilton Park cemetery cremator maintenance	T 613.0	52									
City beautification											
Asset renewal (city beautification)	65.0	10	10							10	
Hamilton Gardens											
Hamilton Gardens development	99.0	157	157		15					141	
Asset Renewals (structures) Hamilton Gardens	T 754.0		18							18	
Housing services PMU											
Housing upgrade programme	654.0	3,552									HU/UC
Parks and gardens											
Land purchase for reserves	118.0	13,202	13,202		13,202						
Land acquisition/development of esplanade programme	120.0	21	21		9					11	
Cultural sites (incl Waahi Tapu) recognition programme	121.0	18	18							18	
Gully park development programme	122.0	21	21				21				PW
Hamilton Lake Domain redevelopment	125.0	62	62							62	
Asset renewals (structures)-Parks and Gardens	129.0	38	38							38	
Riverbank stability programme	130.0	103	103				103				PW
Claudlands Park development	131.0	258	258		108					150	
Taitua Arboretum development	134.0	44	44		20					25	
Carpark development programme	135.0	100	100							100	
Pedestrian linkage on parks	136.0	180	180							180	
Recreation equipment programme	137.0	201	201							201	
Nursery upgrade	138.0	47	47							47	
Carpark maintenance programme	139.0	154	154							154	
Parks & Gardens asset renewals	143.0	83	83							83	
Riverside walkways signposting	146.0	42	42							42	
Replacement of Lake Domain tearooms	341.0	2,425	2,425		607	1,818					
Park seats	483.0	10	10							10	
Waiwhakareke Natural Heritage Park funding	609.0	153	153		38				62	53	UC
Asset renewals (structures)-Hamilton Gardens	T 754.0	18									
Porritt Stadium-surface drainage and irrigation	760.0	96	96							96	
Porritt Stadium caretakers shed	761.0	95	95							95	
Land acquisition infill	800.0	83	83		83						
Sports areas											
Minogue Park netball courts resurfacing	158.0	189	189							189	
Provision of changing rooms on parks	162.0	630	630							630	
Asset renewals-Sports Areas	163.0	52	52							52	
Cricket Wicket renovations at Jansen/Galloway Parks	N 834.0		148							148	
Galloway Park sports changing rooms & public toilet	N 835.0		600						475	125	
Swimming facilities											
Asset renewal Waterworld	212.0	155	155							155	
Asset renewal Gallagher Aquatic Centre	213.0	41	41							41	
Lido and Hydroslide Leisure Pool	R 216.0	3,271	3,003			3,003					
Changing room refurbishment-Gallagher Aquatic Centre	713.0	175	175							175	
Toilets											
Public toilets	221.0	288	288		64					224	
Total Investing in our people		26,470	23,397		14,147	5,178	124		537	3,412	

Part A: Hamilton City Council's 2007/08 Annual Plan

Proposed Capital Expenditure Statement For the Year Ended 30 June 2008

		LTP 2007/08 \$000	Annual Plan 2007/08 \$000								
	SAP			FUNDED BY							Funding
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Creating Identity and Prosperity											
Animal care and control											
Wire mesh cover for exercise yards	616.0	41	41							41	
Economic development											
Christmas decorations	85.0	52	52							52	
V8 Supercars track construction	T 825.0		4,802			3,302			1,500		UC
Libraries											
Library collection purchases	106.0	1,095	1,095							1,095	
North east sector library land purchase	107.0	1,246	1,246		910	335					
Libraries asset renewal	698.0	60	60							60	
Libraries improvement programme	699.0	61	61							61	
Libraries information & communication technology	700.0	18	18							18	
Parking enforcement											
Parking meter replacement	117.0	21	21							21	
Hamilton City Theatres											
Theatre improvements programme	219.0	68	68							68	
Theatres equipment renewals	220.0	221	221							221	
Founders Theatre air conditioning	695.0	511	511			511					
Claudlands Events Centre											
Claudlands indoor stadium/events centre upgrade	R/T 524.0	2,322	7,903			7,903					
Claudlands Event Centre upgrade	T 666.0	7,599									
Equipment hire pool	667.0	15	15							15	
Renewals	671.0	121	121							121	
Telecommunications upgrade	D 684.0	103									
Waikato Museum of Art and History											
Beale Cottage heritage garden	705.0	20	20							20	
Museum development fund	708.0	41	41							41	
Rangiriri restoration stage 2	B 709.0		130							130	
Museum renewals	710.0	106	106							106	
Waikato Stadium											
Waikato Stadium No.2 ground redevelopment	372.0	117	117							117	
Waikato Stadium asset renewal	531.0	44	44							44	
Waikato Stadium wireless LAN	665.0	10	10							10	
Seddon Park											
Seddon Park asset renewals	532.0	31	31							31	
Seddon Park fibre installation/ voice data upgrade	693.0	52	52							52	
Zoo											
Renewal animal enclosures	718.0	83	83							83	
Renewal buildings structures etc	719.0	93	93							93	
Security perimeter fencing	768.0	276	276							276	
Creating identity and prosperity		14,425	17,237		910	12,052			1,500	2,775	

Part A: Hamilton City Council's 2007/08 Annual Plan

Proposed Capital Expenditure Statement For the Year Ended 30 June 2008

		LTP 2007/08 \$000	Annual Plan 2007/08 \$000								
	SAP			FUNDED BY							Funding
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Protecting our Future											
Transport: Access Hamilton											
Norton Rd (investigation and design)	27.0	2,906	2,906	2,906							
E1 East Hamilton arterial design & construction	375.0	9,701	9,701	2,837	1,528			5,335			
Mill St intersections (Tristram-Willoughby-Anglesea)	527.0	619	619	181	98			341			
Peachgrove-East St, Te Aroha-Peachgrove	B 529.0		103	67	36						
Ruakura Rd (Peachgrove to E1)	530.0	103	103	30	17			57			
Ulster-Willoughby link	537.0	72	72	72							
Wairere Drive (designation, land, intersections, 4 laning etc)	544.0	9,503	9,503	4,687	2,525			2,290			
Cycleway construction (Access Hamilton)	545.0	653	653	191	103			359			
Bus infrastructure	728.0	103	103	46				57			
Grey Claudeland intersection upgrading	B 735.0		206	206							
Walking cycleway Grandview to Minogue Park	744.0	72	72	72							
Off road walkway cycleway programme (new)	778.0	575	575	231			28	316			PW
Boundary Rd-Fifth Ave improvements	803.0	186	186	54	30			102			
Carriageways management											
Subdivision associated works	17.0	119	119		119						
Miscellaneous land purchases	30.0	52	52							52	
Kerb and channel replacement	40.0	1,094	1,094					492		602	
Area wide treatment	41.0	751	751					338		413	
Bridge resurfacing	42.0	52	52					24		28	
Carriageways reseals	44.0	1,469	1,469					660		808	
Stormwater quality improvements	46.0	52	52					24		28	
Rotokauri roading future growth	D 554.0	16,229	1,230		1,230						
Rototuna roading growth	555.0	8,101	8,101		6,899	1,202					
Implementation of disability strategy	765.0	26	26							26	
Central area off-street parking											
Off street carpark resurfacing	236.0	14	14							14	
Footpaths, cycleways and verges											
Footpaths & verges shape correction	92.0	1,342	1,342							1,342	
Litter bins	94.0	21	21							21	
Footpath construction	97.0	77	77							77	
Refuse (excl Horotiu)											
Closed landfill consent requirements	563.0	41	41							41	
Renewals at closed landfills	564.0	28	28							28	
Refuse disposal (Horotiu)											
Horotiu aftercare	746.0	14	14							14	
Stormwater reticulation											
Customer connections to the network	165.0	258	258						258		UC
Stormwater impact mitigation	167.0	119	119							119	
Rototuna/Flagstaff trunks	170.0	2,099	2,099		2,099						
Reticulation network renewals	175.0	218	218							218	
Upgrade network to prevent flooding	176.0	650	650							650	
River outfall improvements	178.0	57	57							57	
Renew stormwater outlets to kerbs	180.0	31	31							31	
Project Watershed emergency works	388.0	88	88				88				PW
Rotokauri pipe network	D 548.0	2,626									
Renewals associated with Avalon Drive bypass	567.0	21	21							21	
Peacocke pipe network	573.0	24	24		24						
Peacocke mitigation wetlands	574.0	46	46		46						

Proposed Capital Expenditure Statement For the Year Ended 30 June 2008

	LTP 2007/08 \$000		Annual Plan 2007/08 \$000								
	SAP			FUNDED BY							Funding
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Traffic services/street lighting											
Minor safety improvements	222.0	310	310					170		139	
Traffic improvements	223.0	155	155					85		70	
Traffic calming	224.0	258	258					142		116	
Amenity lighting	226.0	36	36							36	
Installation of new street lights	227.0	206	206					114		93	
CBD improvements	T 228.0	5,676	2,374			2,374					
Bus shelters	229.0	21	21				21				BS
Street furniture	230.0	21	21							21	
Replacement of existing street lights	231.0	344	344					155		189	
Traffic signal renewal	232.0	124	124					56		68	
Street sign renewal	233.0	182	182					82		100	
Traffic signal controller replacement	234.0	52	52					23		28	
Safety barriers renewal	235.0	26	26					12		14	
School speed zones (signage & education)	N 827.0		260	143				117			
Wastewater reticulation											
Customer connections to the network	239.0	206	206						206		UC
Contributions for increasing pipe sizes in subdivisions	241.0	52	52			52					
Rototuna wastewater trunk mains	R 242.0	501	1,266		1,266						
Network upgrade to subdivisional standards	245.0	464	464							464	
Refurbishment of interceptors & trunk services	247.0	826	826							826	
Replacement of pumping station SCADA system	D 249.0	258	218							218	
Replacement asbestos cement rising mains	250.0	88	88							88	
Pump station asset management upgrades	251.0	186	186							186	
Pump station storage	253.0	124	124							124	
Corrosion venting of interceptors	255.0	15	15							15	
Rotokauri wastewater trunkmains	D 547.0	516									
Pump station electrical components	577.0	144	144							144	
Peacocke wastewater trunkmains	581.0	103	103		103						
WW renewals associated with Avalon Drive bypass	749.0	191	191							191	
Peacocke stage 1	797.0	361	361		361						
Wastewater treatment plant											
Wastewater Treatment Plant upgrade	D 238.0	4,011									
WWTP capital improvements	305.0	418	418				361			57	MR
WWTP sludge lagoon	306.0	361	361								
WWTP asset renewals	307.0	194	194							194	
Water reticulation											
Customer connections to the water network	261.0	175	175						175		UC
Rototuna water supply trunkmains	R 262.0	391	743		743						
Contribution for increasing pipe sizes in subdivisions	264.0	21	21		21						
Water network new mains	267.0	568	568							568	
Water network mains renewal	269.0	1,032	1,032							1,032	
Water network fitting renewals	R 270.0	280	411							411	
Bulkmain valve automation	272.0	83	83							83	
Bulkmain augmentation & extension	277.0	1,820	1,820		1,820						
Rotokauri water supply trunkmains	D 549.0	337									
Installation of new water meters	561.0	10	10							10	
Citywide backflow device installation	565.0	258	258							258	
Peacocke water supply trunkmains	593.0	12	12		12						
Network upgrades for infill development	595.0	619	619		619						
Renewals associated with Avalon Drive bypass	753.0	77	77							77	
Water treatment station											
Reservoir asset renewals	278.0	37	37							37	
WTS asset renewal	D 294.0	414	104							104	
WTS filter improvements	298.0	155	155							155	
Reservoir capital improvements	304.0	52	52							52	
WTS capital improvements (resource)	R 519.0	537	640		192	376				72	
Capital improvements	764.0	31	31							31	
Protecting Our Future		83,548	59,328	11,724	19,944	4,313	497	11,350	640	10,859	

Part A: Hamilton City Council's 2007/08 Annual Plan

Proposed Capital Expenditure Statement For the Year Ended 30 June 2008

		LTP 2007/08 \$000	Annual Plan 2007/08 \$000								
	SAP			FUNDED BY							Funding
	No.	Expenditure	Expenditure	Loans by Res	Loans by DCL	Loans by Rates	Reserves	Subsidies	Other Revenue	Depn	Source
Corporate Contribution											
Design services											
Survey equipment renewal	546.0	10	10							10	
Information management											
Data capture	R 102.0	181	103							103	
IT system upgrades	444.0	121	121							121	
IT system enhancements	639.0	504	504							504	
Property and risk management (support)											
Vehicles and plant replacement	149.0	1,099	1,099				155			944	VR
Property management capital asset renewal	R 150.0	2,929	2,845							2,845	
Emergency mgmt replace radio telephone repeater	618.0	10	10							10	
Pensioner Housing renewals	647.0	419	419							419	
Additional plant and fleet purchase for WEC	670.0	30	30							30	
Additional Fleet	726.0	169	169							169	
Public toilet upgrades	773.0	95	95							95	
Utilities											
Tools of trade	642.0	26	26							26	
Corporate Contribution		5,592	5,431				155			5,276	
Total		130,035	105,392	11,724	35,001	21,542	776	11,350	2,677	22,322	

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 2008

Note 1: Rates Revenue

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
General Rates	88,911	89,019
Targeted rates attributable to activities:		
Access Hamilton	2,560	2,560
100% non-rateable land	392	580
50% non-rateable land	41	90
	91,904	92,249
Rates penalties	568	570
Less rates remissions	(245)	(300)
Less rates charged to Council properties	(678)	(679)
Total Rates Revenue	91,549	91,840

Note 2: Other Revenue

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Revenue		
Investing in our people	7,091	7,134
Creating identity and prosperity	15,665	18,141
Protecting our future	17,053	18,262
	39,809	43,537
Less internal revenue	(3,922)	(3,922)
Total Revenue	35,887	39,615
Capital Contributions		
Land Transport New Zealand capital subsidies	11,098	11,350
Housing New Zealand subsidies	1,776	0
Vested assets	8,000	8,000
Contributions to Project Watershed reserve	621	621
Contributions to DCL reserve/infrastructural reserve	11,966	10,818
Contributions for Bus shelter (Adshel) reserve	59	59
Other contributions/grants	2,362	2,677
Total Capital Contributions	35,883	33,525
Sundry Revenue		
Petrol tax	1,032	1,000
Dividends	251	251
Investment income	114	97
Other income	0	618
Total Sundry Revenue	1,397	1,966
Total Other Revenue	73,167	75,106

Proposed Financial Statements for the Year ended 30 June 2008

Note 3: Other Expenses

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Investing in our people	38,855	39,489
Creating identity and prosperity	38,688	41,495
Protecting our future	73,546	76,374
	151,089	157,358
Less internal expenditure	(3,922)	(3,922)
Less rates charged to Council properties	(678)	(679)
Less interest on internal borrowing	(1,104)	(1,321)
Total external expenses	145,385	151,436
Other expenditure	31	404
	145,416	151,840
less finance costs	(20,414)	(19,562)
less depreciation and amortisation	(34,357)	(37,247)
Total Other Expenses	90,645	95,031

Note 4: Finance Costs

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Interest expense		
Interest on bank borrowings	20,350	19,440
Interest on leased assets	64	122
Total Finance Costs	20,414	19,562

Note 5: Depreciation and Amortisation

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Depreciation	33,898	36,801
Amortisation	459	446
Total Depreciation and Amortisation	34,357	37,247

Proposed Financial Statements for the Year ended 30 June 2008

Note 6: Other Financial Assets

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Current portion		
Loans and receivables		
Mortgage		0
Short term deposits with maturities of 4-12 months		39
Held to maturity		
Sinking fund investments	1,513	1,512
Total current portion	1,513	1,551
Non-current portion		
Loans and receivables		
Held to maturity		
Loan to CTC Aviation Training (NZ) Ltd	3,259	3,259
Other Investments		
Shares in Hamilton Properties Ltd	0	0
Shares in Local Authority Shared Services Ltd	1	222
Shares in NZ Local Government Insurance Co Ltd	514	509
Total non-current portion	3,774	3,990

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
- Shared Valuation Data shares	220,514	13.72
NZ Local Government Insurance Co Ltd	202,729	3.17

Note 7: Investment in Associates

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Hamilton Riverview Hotel Ltd (Novotel)	4,053	12,091
Waikato Regional Airport Ltd	10,494	18,100
Share of movement in asset revaluation reserve	670	670
Estimated balance at 30 June 2008	15,217	30,861

Investments in Associates are comprised as follows:	Number of shares	% Holding
Hamilton Riverview Hotel Ltd (Novotel)	42	41.38
Waikato Regional Airport Ltd	1,430,000	50.00

Proposed Financial Statements for the Year ended 30 June 2008

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 2007/08 \$000	Annual Plan 2007/08 \$000
Maturity analysis		
Payable no later than one year	10,275	21,748
Later than one, and not later than two years	8,594	27,174
Later than two years and not later than five years	52,045	91,013
Later than five years	231,114	148,327
Net Term Debt (excluding lease liabilities)	302,027	288,262
Payable no later than one year	10,275	21,748
Less renewal loans to be raised	1,620	1,620
Current	8,655	20,128
Non-current	293,372	268,134
Net Term Debt (excluding Internal Borrowing)	302,027	288,262
Sinking Funds	(1,513)	(1,512)
EECA Loans	57	57
Internal Borrowing	20,000	25,000
Net Term Debt (including Internal Borrowing)	320,571	311,807
Overall net debt will be funded in subsequent years as follows:		
Funded by Reserves & Access Hamilton (Knox St Carpark)	7,715	8,099
Funded by Access Hamilton Reserve	22,106	24,675
Funded by Rates	136,923	139,670
Closing Balance Council Net Debt	166,744	172,444
Funded by Development Contributions	153,827	139,363
Closing Balance Total Net Debt	320,571	311,807

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%	11%	10.8%
2. Net debt (council) as % of total income (excluding total DCL contributions received p.a. in income)	Max 180%	114%	114%
3. Net Debt (Council) per capita	Max \$1800	\$1,204	\$1,232

Policy Limits - Total Net debt

1. Net debt as % of total assets	Max 25%	16%	13%
2. Net debt as % of total income	Max 300%	202%	192%
3. Interest (total) as % of total income (including total DCL contributions received p.a. in income)	Max 20%	13.2%	12.1%
4. Liquidity (on total net debt & working capital)	Min 110%	113%	112.5%

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 2008

Note 9: Equity

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Retained Earnings		
Opening balance	1,353,217	1,334,616
Net surplus	21,320	17,526
Transfers (to)/from restricted and council created reserves	325	361
Total Retained Earnings	1,374,862	1,352,503
Revaluation Reserves		
General asset revaluation reserves		
Opening balance	263,178	662,484
Increase in revaluation of assets including intangible assets	61,207	71,786
Closing Balance	324,385	734,270
Restricted Reserves		
Cemetery plot maintenance in perpetuity	1,580	1,450
Domain endowment fund	2,275	2,443
Waikato art gallery endowment	36	36
Total Restricted Reserves	3,891	3,929
Council Created Reserves		
Access Hamilton	781	880
Berm levy reserve	0	1
Bus shelter (Adshel)	150	80
Dame Hilda Ross library memorial	2	2
Disaster recovery	3,898	3,910
General interest reserve	0	4
Horotiu reserve	114	0
Mighty River Power Reserve	0	329
Museum collection	185	167
Peachgrove lounge site development	45	35
Project watershed	346	346
Roman Catholic schools library	5	5
Rotokauri/Te Rapa land sale	4,327	4,253
Septic tank reserve	(37)	(37)
Storm damage reserve	116	223
Waitawhiriwhiri plant reserve	0	38
WINTEC recreation area development reserve	0	(2)
Zoo animal acquisition	141	97
Total Council Created Reserves	10,073	10,331
Total Restricted and Council Created Reserves	13,964	14,260
Total Equity	1,713,211	2,101,033

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 2008

Note 10: Capital Expenditure

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Capital Expenditure disclosed in Statements of Strategic Intent		
Investing in our People	26,470	23,397
Creating Identity and Prosperity	14,425	17,237
Protecting our Future	83,548	59,328
Capital Expenditure incurred by Corporate Business Units and Support Services (detailed below)		
Corporate Contribution	5,592	5,430
Total Capital Expenditure	130,035	105,392
Total capital expenditure funded by:		
Loans (Reserves & Access Hamilton)	11,256	11,724
Loans (DCL)	45,893	35,001
Loans (Rates)	34,065	21,542
Other reserves	530	776
Subsidies	12,874	11,350
Other revenue	2,362	2,677
Depreciation (Rates)	23,055	22,322
Total Capital Expenditure	130,035	105,392
Capital Expenditure incurred by Corporate Business Units and Support Services		
Design services	10	10
Information management	805	728
Property management	4,751	4,667
Utilities	26	26
Total	5,592	5,431
Capital expenditure funded by:		
Other reserves	155	155
Depreciation (rates)	5,437	5,276
Total	5,592	5,431

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 2007/08 \$000	Annual Plan 2007/08 \$000
Roads and traffic business unit		
Operating costs	1,873	2,308
Less revenue:		
In-house professional services	(1,056)	(1,248)
Other revenue	(1,423)	(1,655)
Net (Surplus) / Deficit	(606)	(595)
Design services business unit		
Operating costs	3,311	3,789
Less revenue:		
In-house professional services	(877)	(986)
Other revenue	(2,370)	(2,666)
Net (Surplus) / Deficit	64	137

Proposed Financial Statements for the Year ended 30 June 2008

Note 12: Commitments and Contingencies

	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
Commitments		
Capital expenditure commitments	20,640	20,640
Non cancellable operating lease commitments	1,334	1,334
Total Commitments	21,974	21,974
Contingencies		
Loan guarantees ¹	372	372
Uncalled capital Waikato Regional Airport Ltd ²	10,800	10,800
Insurance claim excess and other claims	568	568
Total Contingencies	11,740	11,740

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.

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 2007/08 \$000							
	FUNDED BY						
	SAP No	Expenditure Type	Total Cost	Rates	Loans by Res	Loans by DCL	Loans by Rates
A - Investing in our People							
Cemeteries and crematorium							
Cemetery road maintenance Hamilton East	56.0	C	392	392			
Social development							
North east sector new community centre	611.0	C	155	90		65	
Creating Identity and Prosperity							
Economic development							
CBD entertainment fund 1	763.0	M	52	52			
Strategic thinking programme	795.0	M	103	103			
Hamilton City Theatres							
Founders Theatre stage enlargement	696.0	C	722				722
Founders west foyer development	697.0	C	206				206
Waikato Museum of Art and History							
Museum access	704.0	C	516	516			
Cultural entrance	707.0	C	826	826			
Seddon Park							
Catering concession and public toilet block	685.0	C	85				85
Pavilion air conditioning	688.0	C	67	67			
Pavilion air conditioning O&M impact	688.1	M	5	5			
Public sound and pa system	690.0	C	52	52			
Renewal & upgrade of the path surrounding the perimeter of the Oval	692.0	R	146	146			
Protecting our Future							
Carriageways management							
Powerline undergrounding programme unfunded	395.0	M	317	317			
Corporate Contribution							
Communication and marketing							
City christmas tree	625.0	C	175	175			
Works and Services Management							
Home energy efficiency measures programme	619.0	M	31	31			
Total			3,850	2,772		65	1,013

TOTAL OPERATING EXPENDITURE

ALL FIGURES IN \$000s	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
INVESTING IN OUR PEOPLE		
Community development	3,197	3,085
Community facilities	5,717	5,665
Emergency management	812	834
Partnership with maori	273	265
Representation and civic affairs	5,653	6,011
Environmental health	1,585	1,623
Parks and gardens	12,651	12,912
Sports areas	3,074	3,213
Swimming facilities	5,893	5,881
Subtotal Operating Expenditure	38,855	39,489
CREATING IDENTITY AND PROSPERITY		
Environmental services	9,321	11,495
Economic development	1,069	1,018
City promotion	1,827	2,091
Hamilton city theatres	3,075	3,186
Hamilton city libraries	7,518	7,528
Waikato museum of art and history	4,768	4,906
Event facilities	8,409	8,507
Hamilton zoo	2,701	2,764
Subtotal Operating Expenditure	38,688	41,495
PROTECTING OUR FUTURE		
Wastewater management	13,452	14,054
Stormwater management	6,865	7,609
Recycling/refuse collection	6,788	5,877
Water supply	12,896	14,054
Sustainable environment	695	706
Transport: Road network management	26,552	26,957
Transport: Access Hamilton	4,109	4,794
Endowment and investment property portfolio management	2,189	2,323
Subtotal Operating Expenditure	73,546	76,374
Total Operating Expenditure	151,089	157,358

TOTAL OPERATING REVENUE

ALL FIGURES IN \$000s	LTP 2007/08 \$000	Annual Plan 2007/08 \$000
INVESTING IN OUR PEOPLE		
Community development	396	314
Community facilities	2,671	2,804
Emergency management	329	319
Representation and civic affairs	198	174
Environmental health	528	580
Parks and gardens	803	760
Sports areas	132	132
Swimming facilities	2,034	2,051
Subtotal Operating Revenue	7,091	7,134
CREATING IDENTITY AND PROSPERITY		
Environmental services	9,358	11,726
City Promotion	0	261
Hamilton city theatres	1,057	1,024
Hamilton city libraries	782	758
Waikato museum of art and history	455	375
Event facilities	3,297	3,237
Hamilton zoo	716	760
Subtotal Operating Revenue	15,665	18,141
PROTECTING OUR FUTURE		
Wastewater management	2,114	2,363
Stormwater management	11	11
Recycling/refuse collection	1,031	999
Water supply	4,455	5,066
Transport: Road network management	3,948	3,928
Transport: Access Hamilton	411	799
Endowment and investment property portfolio management	5,083	5,096
Subtotal Operating Revenue	17,053	18,262
Total Operating Revenue	39,809	43,537

NET COST

ALL FIGURES IN \$000s	LTCCP 2007/08 \$000	Annual Plan 2007/08 \$000
INVESTING IN OUR PEOPLE		
Community development	2,801	2,771
Community facilities	3,046	2,861
Emergency management	483	515
Partnership with maori	273	265
Representation and civic affairs	5,455	5,837
Environmental health	1,057	1,043
Parks and gardens	11,848	12,152
Sports areas	2,942	3,081
Swimming facilities	3,859	3,830
Subtotal Net Cost of Service	31,764	32,355
CREATING IDENTITY AND PROSPERITY		
Environmental services	(37)	(231)
Economic development	1,069	1,018
City promotion	1,827	1,830
Hamilton city theatres	2,018	2,162
Hamilton city libraries	6,736	6,770
Waikato museum of art and history	4,313	4,531
Event facilities	5,112	5,270
Hamilton zoo	1,985	2,004
Subtotal Net Cost of Service	23,023	23,354
PROTECTING OUR FUTURE		
Wastewater management	11,338	11,691
Stormwater management	6,854	7,598
Recycling/refuse collection	5,757	4,878
Water supply	8,441	8,988
Sustainable environment	695	706
Transport: Road network management	22,604	23,029
Transport: Access Hamilton	3,698	3,995
Endowment and investment property portfolio management	(2,894)	(2,773)
Subtotal Net Cost of Service	56,493	58,112
Total Net Cost of Service	111,280	113,821

RECOVERY RATIOS

	LTCCP 2007/08 \$000	Annual Plan 2007/08 \$000
INVESTING IN OUR PEOPLE		
Community development	12%	10%
Community facilities	47%	49%
Emergency management	41%	38%
Partnership with maori	0%	0%
Representation and civic affairs	3.5%	2.9%
Environmental health	33%	36%
Parks and gardens	6%	6%
Sports areas	4%	4%
Swimming facilities	35%	35%
Subtotal Recovery Ratio	18%	18%
CREATING IDENTITY AND PROSPERITY		
Environmental services	100%	102%
Economic development	0%	0%
City promotion	0%	12%
Hamilton city theatres	34%	32%
Hamilton city libraries	10%	10%
Waikato museum of art and history	10%	8%
Event facilities	39%	38%
Hamilton zoo	27%	27%
Subtotal Recovery Ratio	40%	44%
PROTECTING OUR FUTURE		
Wastewater management	16%	17%
Stormwater management	0%	0%
Recycling/refuse collection	15%	17%
Water supply	35%	36%
Sustainable environment	0%	0%
Transport: Road network management	15%	15%
Transport: Access Hamilton	10%	17%
Endowment and investment property portfolio management	232%	219%
Subtotal Recovery Ratio	23%	24%
Recovery Ratio	26%	28%

8.5 Fees and Charges

The Council has reviewed fees and charges for the 2007/08 financial year. The changes to fees and charges affect the following services:

- Animal Care and Control
- Artspost
- Building Control
- Cemeteries and Crematorium
- Community Halls
- Environmental Health
- Exscite
- Hamilton City Theatres
- Hamilton Gardens
- Hamilton Zoo
- Housing Services
- Museum
- Parks and Gardens Administration
- Planning Guidance
- Sports Areas
- Stormwater and Wastewater Connections
- Swimming Facilities
- Wastewater
- Water Supply

Full details of fees and charges are available on request from the Finance and Administration Unit, 1st Floor, Municipal Offices, Garden Place.

8.6 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 Steel & Tube Building	Lot 1 DPS 76960	1.46ha

Property Reference	Property Address	Legal Description	Land Area
21700	49 Foreman Road Carter Holt Harvey Building	Lot 2 DPS 88522	1.7ha
21900	378 Avalon Drive Allied Building	Lot 4 DPS 91882	7655m ²
20027	58 Masters Avenue Masters Avenue Shops	Lots 11 & 12 DPS 8656	417m ²

8.7 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.

Council plans to sell excess land at Horotiu Landfill (\$450,000) and sell Peachgrove Road Lounge land (\$1.3m). Proceeds from the sale will be applied to debt repayment.

9.0 Funding Impact Statement

(PURONGO PUTEA)

Note: For referencing purposes, the Funding Impact Statement below retains the numbering as shown in Volume II of Council's 2006-16 Long-Term Plan (pages 132 – 145).

7.0 Funding Impact Statement

7.1 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.

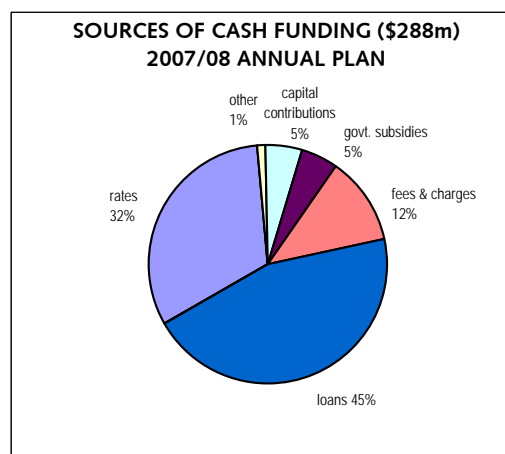
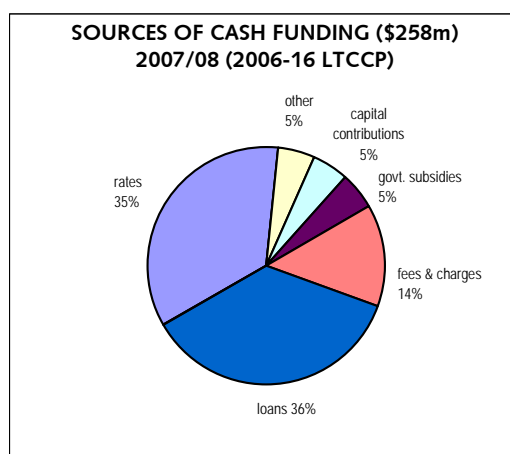
The information in the following sub-sections is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

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.

7.2 Summary of Funding Mechanisms and indication of level of funds to be produced by each mechanism

7.2.1 2007/08 Funding Mix

The mix of funding mechanisms for the City as a whole for the 2007/08 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 2007/08 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 2007/08

All figures in \$000s

	LTCCP 2007/08 Yr 2	Annual Plan 2007/08	Difference	Reasons
OPERATING REVENUE				
Fees & Charges	76,436	81,175	4,739	Increase of fees and charges over a range of services
Operating Subsidies	3,832	4,141	309	Increase of subsidies from Land Transport NZ
Rates Penalty Charges Income	568	570	2	
Capital Contributions				
Development contributions	12,646	11,498	(1,148)	Review of policy and growth predictions
Financial contributions	2,362	2,677	315	External funding for capital projects
Subsidies	12,874	11,350	(1,524)	Increase of subsidies from Land Transport NZ
Other Income (Interest, Petrol Tax)	9,652	3,831	(5,821)	Sale of Waiwhakareke Lake subdivision deferred to 2008/09
Total Operating Revenue	118,370	115,242	(3,128)	
LESS OPERATING EXPENDITURE				
Operational expenditure	140,399	147,458	7,059	Additional resourcing, cost increases recovered by fees and charges, fuel energy and maintenance charges
Interest expense	21,007	19,560	(1,447)	Debt servicing reduction due to Rotokauri growth cell projects being deferred and interest rate management programme
Other expenses	276	330	54	Increase in rate remissions granted due to change in policy
Total Operating Expenditure	161,682	167,348	5,666	
PLUS OTHER FUNDING				
Loans	91,213	68,267	(22,946)	Loan raising not required due to Rotokauri growth cell projects being deferred
Transfer from special & general reserves	17,666	16,668	(998)	Impact of changes to the timing and cost revision of projects
Total Other Funding	108,879	84,935	(23,944)	
LESS OTHER EXPENDITURE				
Capital expenditure	130,035	105,392	(24,643)	Rotokauri growth cell projects and wastewater treatment plant upgrade deferred
Debt repayments	15,267	9,724	(5,543)	Debt repayment reduced due to Rotokauri growth cell projects being deferred and delay in sale of project
Transfer to special & general reserves	16,496	14,901	(1,595)	Reduction in development contributions revenue and delay in sale of subdivision
Total Other Expenditure	161,798	130,017	(31,781)	
NET RATES REQUIRED	96,231	97,188	957	
RATES FUNDED FROM				
General Rate	88,911	89,019	108	Net impact of changes in 2007/08 Annual Plan
Targeted Rates				
General rate-50% non-rateable properties	41	90	49	Increase in rates due to policy change
Targeted Rates				
Water supply (metered properties only)	4,327	4,939	612	Increase in rate to recover additional costs of providing service
Targeted Rates				
Access Hamilton	2,560	2,560	0	
Targeted Rates				
100% Non-rateable properties (Water/refuse/wastewater)	392	580	188	Increase in rates due to policy change
TOTAL RATES	96,231	97,188	957	

Note:

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.

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.

7.3 Detailed Description of Rate Funding Mechanisms

Council sets the following rates for the year commencing 1 July 2007 and ending 30 June 2008 pursuant to the powers conferred on it by the Local Government Act 2002 and the Local Government (Rating) Act 2002.

7.3.1 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 2007/08 is based on the value of land in the City as at 30 June 2007, and subject to movement of land between rating categories, and the total rate requirement and funding decisions finalised by Council for 2007/08.

This funding mechanism covers all services of Council. The total revenue sought for 2007/08 is \$100.146 million including GST (\$89.019 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 2006/07 (GST Inclusive)	Revenue (GST exclusive) 2006/07
Rates				
General Rate	Residential	1.0000	\$0.008576	\$55,925,444
	Inner City Residential	0.9570	\$0.008207	\$191,262
	Commercial/Industrial	2.2657	\$0.019431	\$30,175,686
	Multi Unit Residential	1.4314	\$0.012276	\$1,789,187
	Rural Residential	0.4940	\$0.004237	\$60,463
	Rural Small	0.3336	\$0.002861	\$649,494
	Rural Large	0.1666	\$0.001429	\$227,465

7.3.2 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, 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.

7.3.3 Uniform Annual General Charge

The current policy is that Council will not use a uniform annual general charge.

7.3.4 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 1999) 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):
 - \$240 for commercial/industrial properties, non-rateable properties, or other properties with metered supply;
 - \$180 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 -
97 cents per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
 - rural properties receiving a restricted flow supply -
73 cents 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 (cents per kilolitre) (GST inclusive)	Minimum Charge (GST inclusive)
Non-Domestic Supply Rateable/Non-Rateable City (Commercial/Industrial Properties and Non-Rateable Properties)	97.0 (after the first 240 kilolitres of consumption or supply)	\$240
Non-Domestic Supply Rural - Restricted Flow Supply (Rural Large & Rural Small Properties which receive the service)	73.0 (after the first 240 kilolitres of consumption or supply)	\$180
Outside City - (Waipa District Council & Waikato District Council properties)	97.0 (after the first 240 kilolitres of consumption or supply)	\$240
Waikato District Council (supply agreement)	73.0 after the first 240 kilolitres of consumption or supply)	\$180

(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 2007/08 is \$5.477 million including GST (\$4.868 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 2007 and ending 30 June 2008.

7.3.5 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 \$0.000145843 per dollar of capital value (GST inclusive). The total revenue sought for 2007/08 is \$2,880,000 including GST (\$2,560,000 excluding GST).

7.3.6 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 2007/08 is \$753,406 including gst (\$669,695 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 water on all 100% (fully) non-rateable properties as follows (GST inclusive):

- (a) a fixed amount of \$240 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 service (after allowing for the total revenue raised by the fixed amount of \$240 per property) is \$0.001938 (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 \$0.000832 (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 \$270 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 \$270 per property) is \$0.001596 (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.

7.3.7 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.

7.3.8 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 2007/08 is \$105,044 including GST (\$93,372 excluding GST).

7.3.9 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 \$0.004288 (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.

7.3.10 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 \$0.004288 (GST inclusive).

7.3.11 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.

7.3.12 Horsham Downs Hall Rate

Council invoices and collects the following rate on behalf of Waikato District Council. For further information refer to their 2007/08 Annual Plan. The 2007/08 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.

7.3.13 Due Dates for Payment of Rates

The due dates for rates covering the financial period 1 July 2007 to 30 June 2008 are as follows:

I N S T A L M E N T S				
Area	1	2	3	4
North East	30 Aug 2007	15 Nov 2007	14 Feb 2008	16 May 2008
South East	06 Sep 2007	22 Nov 2007	21 Feb 2008	23 May 2008
North West	13 Sep 2007	29 Nov 2007	28 Feb 2008	30 May 2008
South West	20 Sep 2007	06 Dec 2007	06 Mar 2008	06 Jun 2008

7.3.14 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 2007.
- (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 2008.

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.

7.3.15 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).

7.3.16 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.

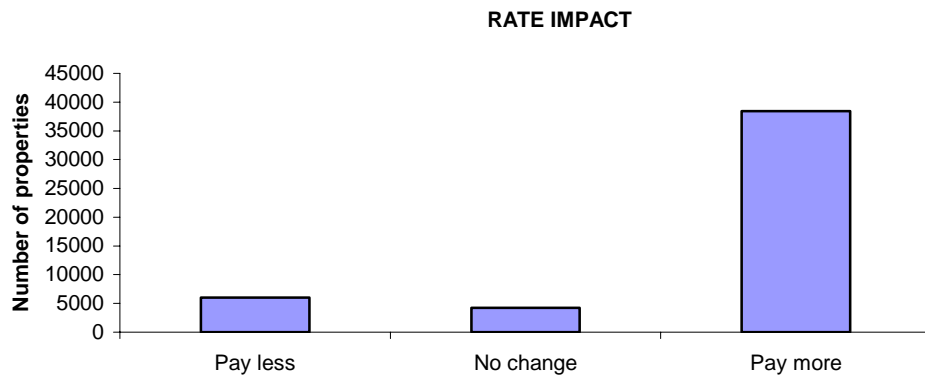
7.3.17 Funding Rationale

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.

10.0 Rating Information

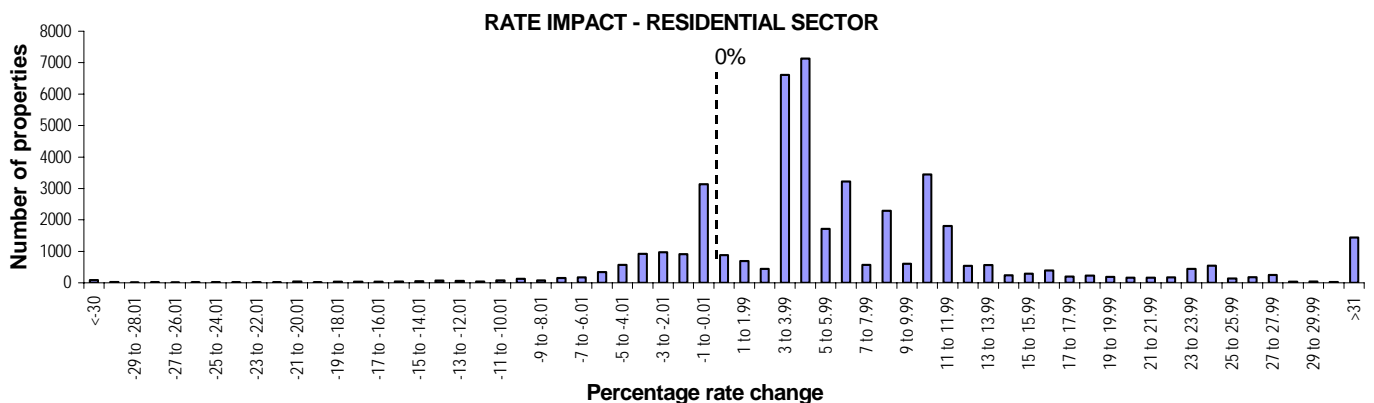
(KORERO WHAKATAU REITI)

Impact Of Rating System To Existing Ratepayers -2007/08 Rates Based On 2006 Revaluation & Amendment To Differential Factor

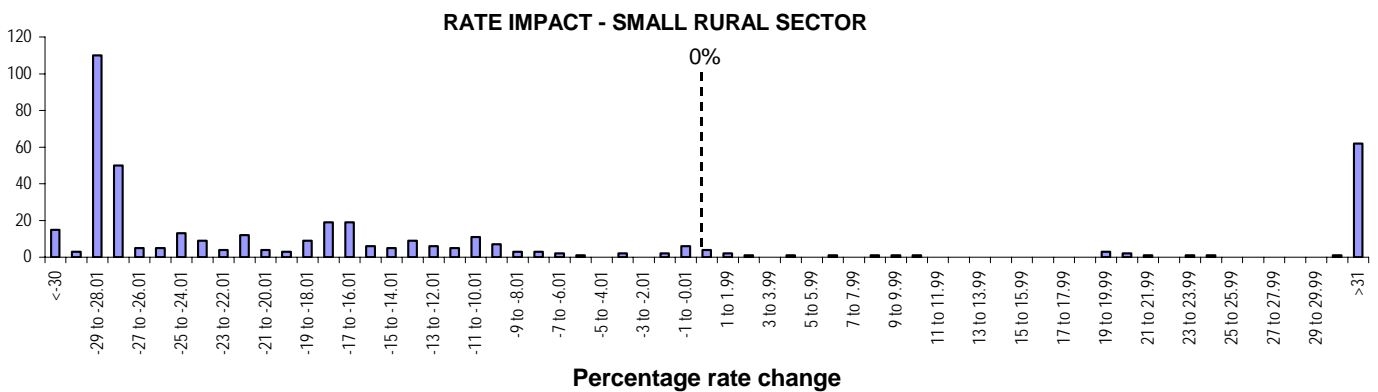
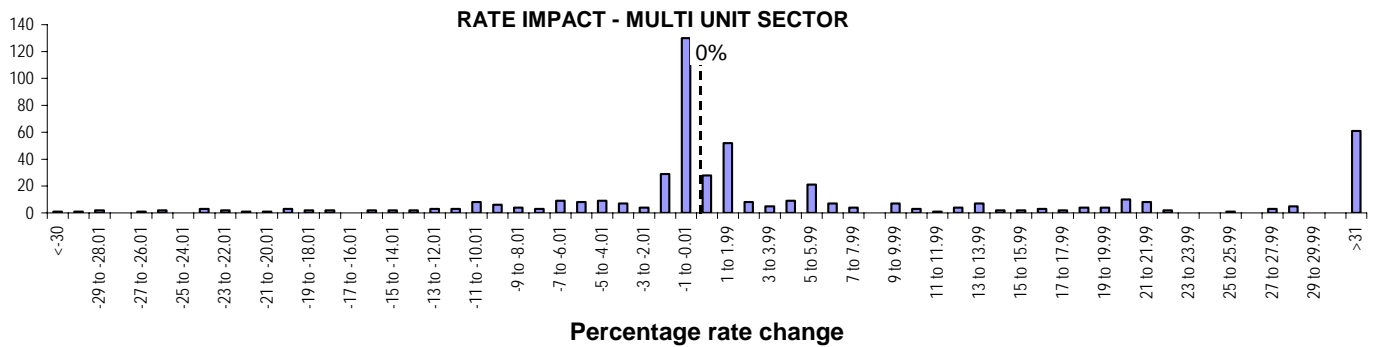
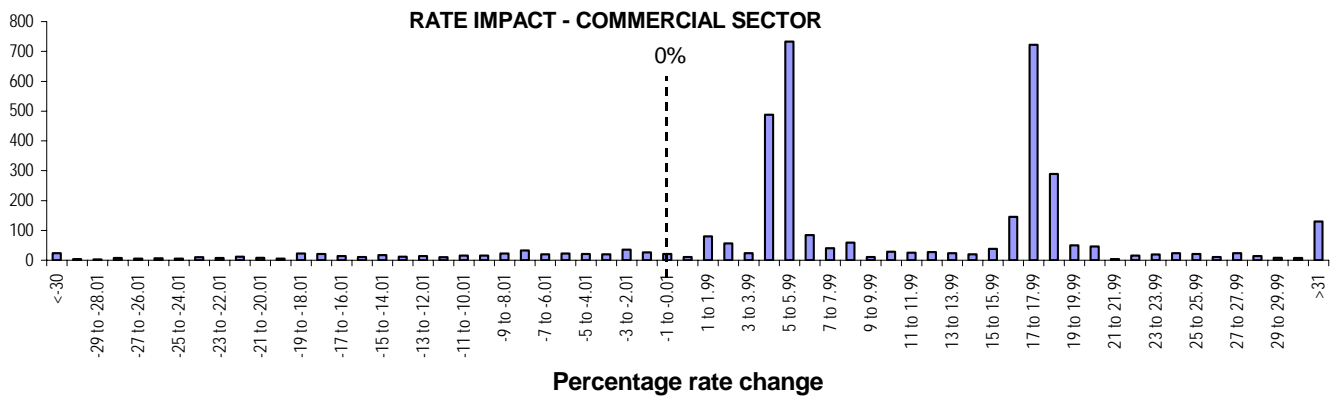


- Properties where rates move within the range of –1 % to +1 % are categorised as no change
- Properties where rates decrease greater than –1 % are categorised as pay less
- Properties where rates increase greater than 1 % are categorised as pay more.

Property Sector	Pay less	Average % decrease	No change	Pay more	Average % increase	Average % overall change
Residential	4973	-7.19%	4018	34738	9.84%	5.83%
Commercial	449	-14.50%	32	3266	11.62%	5.96%
Multi-Unit	120	-10.28%	158	235	33.85%	5.83%
Small Rural	342	-23.23%	10	79	77.60%	5.55%
Large Rural	28	-17.40%	1	21	52.12%	5.29%
Inner City	105	-21.95%	3	87	28.22%	5.77%
Rural Residential	12	-36.80%	0	12	65.00%	5.72%
TOTAL	6029	-10.83%	4222	38438	10.96%	5.68%

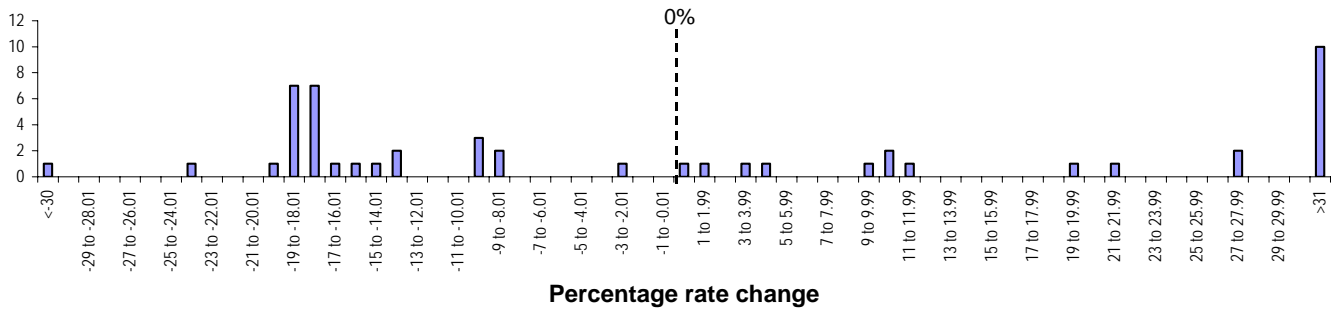


Part A: Hamilton City Council's 2007/08 Annual Plan

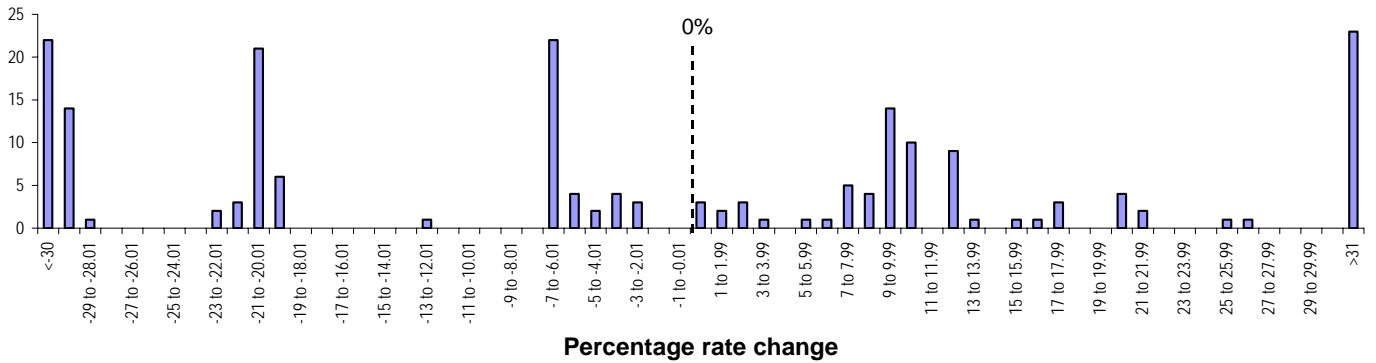


Part A: Hamilton City Council's 2007/08 Annual Plan

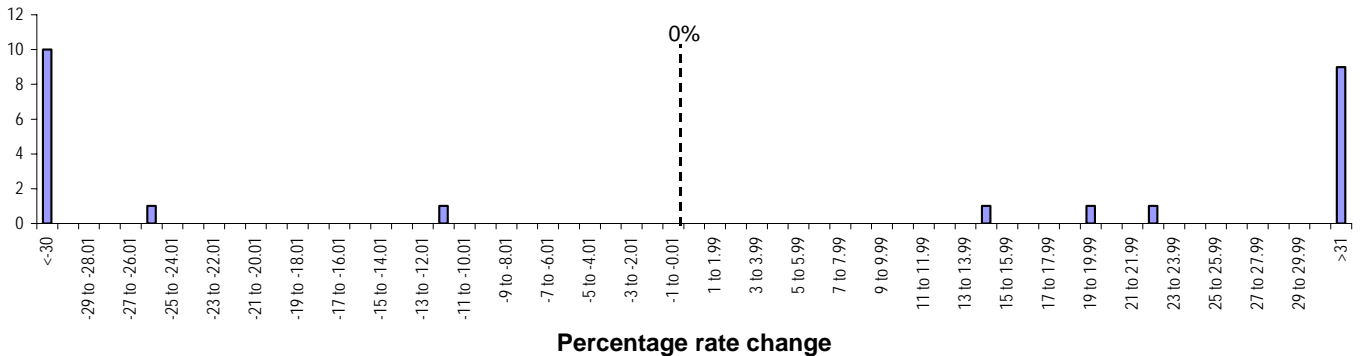
RATE IMPACT - LARGE RURAL SECTOR



RATE IMPACT - INNER CITY SECTOR



RATE IMPACT - RURAL RESIDENTIAL SECTOR



Part A: Hamilton City Council's 2007/08 Annual Plan

2007/08 Selected Sample Of Rates Adjusted For September 2006 Revaluation & Amendment To Differential Factor (Excluding Targeted Rate For Non Domestic Water)

	2003 Land Value	2006 Land Value	% Increase Land Value	2006 Capital Value	Current Rates 2006/07	Recalculated Total Rates 2007/08	Rates Difference	% Rates Change
RESIDENTIAL								
Arcus St	250,000	525,000	110%	845,000	4,864	4,626	(238)	(4.89%)
Storey Ave	61,000	134,000	120%	390,000	1,210	1,206	(4)	(0.33%)
Lake Domain Dr	213,000	370,000	74%	750,000	4,170	3,283	(888)	(21.29%)
Hamilton Parade	325,000	765,000	135%	1,275,000	6,346	6,747	400	6.31%
Crowden Plce	124,000	275,000	122%	700,000	2,454	2,461	6	0.26%
Munro St	390,000	750,000	92%	1,900,000	7,704	6,709	(995)	(12.91%)
Wellington St	84,000	194,000	131%	515,000	1,680	1,739	59	3.51%
Waimaire St	80,000	196,000	145%	405,000	1,575	1,740	165	10.47%
Longwood Plce	124,000	275,000	122%	550,000	2,439	2,439	(0)	(0.02%)
Pascal Plce	92,000	202,000	120%	550,000	1,834	1,813	(21)	(1.15%)
Fow St	50,000	125,000	150%	190,000	972	1,100	128	13.14%
River Rd	700,000	1,300,000	86%	1,930,000	13,567	11,430	(2,136)	(15.75%)
Balfour Cres	221,000	320,000	45%	585,000	4,295	2,830	(1,466)	(34.12%)
Victoria St	61,000	134,000	120%	290,000	1,201	1,191	(9)	(0.78%)
Kilmuir Place	79,000	174,000	120%	530,000	1,590	1,570	(21)	(1.29%)
Anson Ave	144,000	340,000	136%	775,000	2,839	3,029	190	6.70%
Ngaio Place	70,000	161,000	130%	345,000	1,379	1,431	52	3.80%
Lake Domain Dr	320,000	895,000	180%	1,100,000	6,182	7,836	1,655	26.77%
Casey Ave	99,000	207,000	109%	470,000	1,942	1,844	(98)	(5.06%)
Chesterman Rd	88,000	195,000	122%	440,000	1,745	1,737	(8)	(0.47%)
Temple View Property A	94,000	226,000	140%	620,000	1,897	2,029	132	6.94%
Temple View Property B	33,000	79,000	139%	220,000	663	710	46	6.95%
Temple View Property C	61,000	146,000	139%	385,000	1,223	1,308	85	6.98%
INNER CITY RESIDENTIAL APARTMENTS								
Collingwood Street	50,000	118,000	136%	208,000	912	999	87	9.51%
Garden Place	100,000	235,000	135%	535,000	1,831	2,007	175	9.58%
INDUSTRIAL								
Te Rapa Industrial	1,950,000	4,000,000	105%	9,500,000	75,285	79,110	3,826	5.08%
Te Rapa Industrial	1,125,000	2,050,000	82%	4,800,000	43,612	40,534	(3,078)	(7.06%)
Te Rapa Industrial	1,210,000	2,250,000	86%	4,900,000	46,613	44,435	(2,178)	(4.67%)
Te Rapa Industrial	111,000	228,000	105%	875,000	4,336	4,558	222	5.12%
Te Rapa Industrial	179,000	440,000	146%	1,775,000	7,038	8,809	1,771	25.16%
Te Rapa Industrial	855,000	1,755,000	105%	2,800,000	32,881	34,510	1,629	4.96%
Frankton Industrial	580,000	1,335,000	130%	2,100,000	22,323	26,247	3,924	17.58%
Frankton Industrial	70,000	170,000	143%	505,000	2,738	3,377	639	23.36%
COMMERCIAL								
Ward St	882,000	1,430,270	62%	2,288,432	33,787	28,126	(5,661)	(16.76%)
Victoria St	810,000	1,525,000	88%	3,600,000	31,153	30,158	(995)	(3.19%)
Garden Place Retail	50,000	80,000	60%	250,000	1,933	1,591	(342)	(17.70%)
Cr Ellis/Killarney Rd	122,000	230,000	89%	255,000	4,656	4,506	(149)	(3.20%)
Ellis St	180,000	415,000	131%	910,000	6,973	8,197	1,224	17.55%
Grey St	300,000	510,000	70%	1,200,000	11,771	10,085	(1,686)	(14.32%)
Te Rapa Rd	1,950,000	4,000,000	105%	9,500,000	75,285	79,110	3,826	5.08%
Suburban Commercial	4,400,000	10,120,000	130%	96,000,000	181,132	210,645	29,513	16.29%
Ward St	1,150,000	2,000,000	74%	8,840,000	44,801	40,152	(4,650)	(10.38%)
Victoria St	620,000	1,000,000	61%	2,000,000	23,924	19,723	(4,201)	(17.56%)
CBD Car Park	500,000	1,025,000	105%	6,075,000	20,082	20,803	721	3.59%
CBD Shopping Mall & Carpark	5,850,000	12,000,000	105%	86,000,000	231,501	245,717	14,217	6.14%
Te Rapa Hotel	980,000	1,990,000	103%	12,500,000	39,431	40,491	1,060	2.69%
CBD Medical	1,800,000	3,690,000	105%	11,900,000	69,848	73,437	3,589	5.14%
Te Rapa Commercial	580,000	910,000	57%	1,000,000	22,122	17,828	(4,294)	(19.41%)
CBD Retail	2,865,000	5,875,000	105%	21,590,000	111,552	117,307	5,755	5.16%
Government CBD Premises	1,800,000	4,500,000	150%	28,985,000	72,283	91,668	19,385	26.82%
Ulster Street Motel	500,000	1,150,000	130%	2,100,000	19,282	22,652	3,370	17.48%
Ulster Street Motel	650,000	1,300,000	100%	3,200,000	25,180	25,727	548	2.17%
Ulster Street Motel	325,000	770,000	137%	1,650,000	12,590	15,203	2,613	20.75%
CBD Retail	575,000	1,180,000	105%	10,370,000	23,249	24,441	1,192	5.13%
Te Rapa Commercial	1,075,000	1,825,000	70%	5,445,000	41,501	36,256	(5,245)	(12.64%)

Part A: Hamilton City Council's 2007/08 Annual Plan

Basket of Properties Category	2003 Land Value	2006 Land Value	% Increase Land Value	2006 Capital Value	Recalculated		Rates Difference	% Rates Change
					Current Rates 2006/07	Total Rates 2007/08		
MULTI UNITS								
Charlemont St - 4 Units	108,000	425,000	294%	700,000	3,157	5,319	2,163	68.52%
Firth St - 10 Units	102,000	235,000	130%	970,000	3,037	3,026	(11)	(0.35%)
RURAL RESIDENTIAL								
Baverstock Rd	210,000	985,000	369%	985,000	3,617	4,317	700	19.34%
Baverstock Rd	420,000	2,000,000	376%	2,400,000	7,215	8,823	1,608	22.29%
Baverstock Rd	160,000	460,000	188%	860,000	2,789	2,074	(715)	(25.62%)
RURAL SMALL (> 0.2 AND < 10 HECTARES)								
Lee Rd	300,000	2,600,000	767%	3,000,000	2,470	7,877	5,407	218.90%
Tramway Rd	690,000	2,200,000	219%	2,210,000	5,490	6,617	1,127	20.52%
State Highway 3	270,000	515,000	91%	527,000	2,150	1,550	(599)	(27.88%)
Weston Lea	163,000	310,000	90%	555,000	1,346	968	(378)	(28.08%)
Lee Rd	250,000	1,880,000	652%	2,200,000	2,056	5,700	3,644	177.24%
RURAL LARGE (> 10 HECTARES)								
Peacockes Rd - 167.89Ha	3,450,000	8,880,000	157%	9,700,000	12,775	14,102	1,327	10.39%
Ohaupo Rd - 23.137Ha	700,000	1,400,000	100%	2,060,000	2,701	2,301	(400)	(14.82%)
Te Kowhai	1,750,000	5,680,000	225%	6,000,000	6,461	8,990	2,529	39.15%

PART B: Amendments to Council's 2006-16 Long-Term Plan

Supporting Year 2 (2007/08) of Council's 2006-16 Long-Term Plan

Building a Vibrant Hamilton

- ***Investing in our People***
- ***Creating Identity and Prosperity***
- ***Protecting our Future***



Hamilton City Council
Private Bag 3010
Hamilton 3240
Ph: 07 838 6699
Fax: 07 838 6599
Email: Info@hcc.govt.nz
Website: www.hamilton.co.nz

1.0 Introduction to the Amendments

(HE WHAKATAKI KI NGAA TIKANGA)

As noted in Part A of Council's 2007/08 Annual Plan, Council adopted its 2006-16 Long-Term Plan on 30 June 2006.

Council is proposing to make a number of changes to Year 2 (2007/08) of the 2006-16 Long-Term Plan. While most of these changes are variations to the 2006-16 Long-Term Plan (refer Section 6.0, Part A), four changes are regarded as being amendments:

- Review of Council's Development and Financial Contributions Policy
- Changes to the Claudelands Events Centre Project
- Adjustment to the City's Rating Differential Factor
- Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'.

Details on each of these amendments are outlined as follows.

Audit Note:

The following amendments to Council's 2006-16 Long-Term Plan are an update of the existing 2006-16 Long-Term Plan. The amendments should be read in conjunction with the 2006-16 Long-Term Plan.

The original audit opinion on Council's 2006-16 Long-Term Plan and the supporting audit statement for the 2007/08 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

Council's first Development and Financial Contributions Policy was introduced on 1 July 2004 (as required by the Local Government Act 2002 (LGA)) as part of Hamilton's Community Plan 2004-14. It confirmed Council's policy to take financial contributions pursuant to Section 108 of the Resource Management Act 1991 (RMA). Financial contributions assessed under the district plan were payable in respect of the stormwater system, wastewater collection, the water supply reticulation system, the roading network and for reserves. Development contributions were not collected under this policy.

As part of Council's 2005/06 Annual Plan, a revised Development and Financial Contributions Policy was introduced on 1 July 2005 to enable the recovery of growth related capital expenditure through contributions made by developers. Adoption of this

policy reduced the level of contributions taken under the provisions of the RMA, with development contributions now collected under the LGA.

The policy was further amended as part of Council's 2006-16 Long-Term Plan and became effective on 1 July 2006. The amendment provided for the recovery of contributions towards the acquisition of reserves (in addition to contributions towards community infrastructure, stormwater, transport, wastewater and water which were previously collected). In addition, a fairer basis for the recovery of growth related capital expenditure was provided by recognising the differences in demand that arise from greenfield development as opposed to infill development.

Council's previous Development and Financial Contributions Policy is contained in Volume II of the 2006-16 Long-Term Plan (pages 157-176). An outline of the previous policy is also provided in Volume I of Council's 2006-16 Long-Term Plan (page 21 – Section 4.11).

The Development and Financial Contributions Policy is reviewed yearly. Following the 2006/07 review a number of further changes were made. These changes include both significant policy changes, and minor policy or clarification/wording changes. The areas of the policy where significant policy changes were made are:

- increases to the amount of development contributions payable
- changes in response to the judgement in the judicial review of North Shore City Council's development contributions policy
- changes to credit, exemption and discount provisions
- changes to the assessment and payment of development contributions.

The significant policy changes, including the rationale for them, are summarised in Schedule 1. Schedule 2 shows the previous and revised schedules of development contributions payable. Minor changes, including the rationale for them, are summarised in Schedule 3. Schedule 4 contains the full version of the revised Development and Financial Contributions Policy.

All of the changes have been subject to an independent legal review, which was undertaken to ensure compliance with the Local Government Act 2002. Suggestions made through this legal review process have been incorporated into the changes.

2.2 Why the Policy was Reviewed

The LGA requires Council to include its Development and Financial Contributions Policy in each three-yearly Long-Term Plan. However, Council resolved on 13 June 2006 that the policy be reviewed annually from 2006/07 (with the review to include the core growth assumptions and associated growth related special and capital programmes (Strategic Action Plans, known as SAPs – refer Part A, Section 4.2.2)). Annual review of the policy enables Council to be more responsive in planning for changes in development pressures facing the city. Operational considerations are also taken into account to further enhance the policy.

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.

The changes made to the policy during 2006/07 relate specifically to achieving the Development and Financial Contributions Policy's objective, i.e.:

"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."

2.3 Why this is an Amendment to the 2006-16 Long-Term Plan

As this policy is one of Council's 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.

2.4 Consequential Impact of the Amendment to the 2006-16 Long-Term Plan

Part B (Section 6.0) of the 2007/08 Annual Plan summarises the overall consequential financial impact of this amendment and the variations to projects that alter the development contributions levies on debt, financing costs, development and financial contributions, revenue and rates.

2.5 Further Information

For further information about the Development and Financial Contributions Policy, please contact:

Jim Carter
Development Contributions Officer
Phone: 838 6672
Fax: 838 6693
Email: james.carter@hcc.govt.nz

2.6 Schedule 1 – Significant Policy Changes

DESCRIPTION	RATIONALE	REF IN THE POLICY
Quantum of development contributions payable		
The amount of development contributions payable has increased, partly from a reduction to the maximum time period for the recovery of capital expenditure through development contributions, and partly from updating the city growth model. Partially offsetting these increases are	The maximum time period for the recovery of contributions has been reduced to more appropriately reflect the period over which projects provide capacity for growth. Reducing this time period increases the amount of the development contributions levy but will reduce the rate at which this levy increases over time.	10.6.6 10.12.20 10.12.24
	The growth model has been updated to	10.12.4

Part B: Amendments to Council's 2006-16 Long-Term Plan

DESCRIPTION	RATIONALE	REF IN THE POLICY
cost savings resulting from the deferral by one year of all growth projects in the Rotokauri cell.	reflect the latest population and unit of demand projections. These are slightly lower than the projections used for the 2006-16 Long-Term Plan, meaning that costs must be recovered over less development.	
North Shore Judicial Review		
<p>The policy has be reworded to reflect that the granting of a consent or authorisation is not the trigger for charging development contributions except in a temporal sense and that development contributions will only be charged when:</p> <p>a) The activity that the consent or service connection relates to generates demands for Council-provided reserves or infrastructure; and</p> <p>b) This demand (either alone or cumulatively with another development) requires Council to incur capital expenditure on new or additional assets or assets of increased capacity; and</p> <p>c) Third-party funding for the assets is unavailable and the developer is unwilling to directly fund or provide these assets.</p>	To ensure that Council practice is reflected in the policy as required by the Local Government Act 2002.	10.1 10.4.2-9 10.5.1 10.6.2 10.12.1 10.12.11 10.12.21 Appendix 3
The policy has also been reworded to clarify that the cost allocation methodology used took into account both who caused the need for capital expenditure and the distribution of benefits from this capital expenditure.	To ensure that Council practice is reflected in the policy as required by the Local Government Act 2002.	10.1.2 10.12.16
Credits, exemptions and discounts		
A 3 year credit for the units of demand associated with a building on a site which has been demolished, removed or destroyed will be provided. The three year period would begin on the date the building was demolished, removed or destroyed.	<p>A specific credit period in these situations is not specified in the current policy. This requires the remissions process to be used.</p> <p>The three year period proposed is within the 3-5 year range generally used by other councils.</p>	10.9.1

Part B: Amendments to Council's 2006-16 Long-Term Plan

DESCRIPTION	RATIONALE	REF IN THE POLICY
<p>On a vacant site in the infill area which had title or subdivision consent at 1 July 2005 only community infrastructure will be charged on the development of the first residential dwelling. For industrial or commercial development on these vacant sites development contributions for a consent associated with the first gross floor area on a site will only be charged in full for community infrastructure and for gross floor area in excess of 35% site coverage for industrial development and 20% for commercial development in relation to reserves, transport, water and wastewater contributions.</p> <p>Subsequent residential, industrial or commercial development on these sites will attract full development contributions as will all development of these sites which is consented from 1 July 2013.</p>	<p>The policy is currently silent on the treatment of vacant sites in the infill area with title or subdivision consent at 1 July 2005. This proposal will remedy this.</p> <p>The change will align the treatment of infill and greenfield vacant sites that existed when development contributions were on 1 July 2005. Currently, only community infrastructure is charged on the development of vacant sites where previous financial contributions had been paid (these sites are primarily in the greenfields area).</p>	<p>10.8.4 10.8.5</p>
<p>Under current policy, development on a site where previous financial contributions under the RMA have been paid is exempt from paying development contributions, except for community infrastructure.</p> <p>This exemption remains for the first residential dwelling consented on a vacant site where financial contributions have previously been paid under the RMA.</p> <p>Additional residential development on sites where previous financial contributions have been paid under the RMA would attract a discounted residential rate per unit of demand (\$8,249.10 in the infill area and \$20,882.57 in the greenfields area).</p> <p>Industrial and commercial development on sites where</p>	<p>Financial contributions went towards a much smaller capital works program than development contributions. Given this, it is appropriate that in these cases development contributions are assessed at an amount reflective of all new projects (i.e. projects not previously funded through RMA financial contributions) and not just community infrastructure.</p>	<p>10.8.3 (Tables 3a and 3b) 10.8.4 10.8.5</p>

Part B: Amendments to Council's 2006-16 Long-Term Plan

DESCRIPTION	RATIONALE	REF IN THE POLICY
previous financial contributions have been paid under the RMA would be individually assessed. In practice this means that the projects towards which financial contributions were previously paid on a site will be removed from the development contributions model. This will allow contributions for community infrastructure, reserves, stormwater, transport, wastewater and water to be recalculated and development contributions based on these new amounts to be assessed.		
Changes to the assessment and payment of development contributions		
For a new development that does not immediately connect to the Council's wastewater network the wastewater portion of the development contribution levy will be payable at the time of connection.	Currently, development that does not immediately connect to this network is still required to pay the wastewater contribution. Since this type of development places no additional demand on the wastewater network until the time of connection, it should not be subject to a wastewater development contribution until this time.	10.8.7
Dwellings providing permanent accommodation but excluded from the definition of residential dwelling will be assessed development contributions at the commercial rate and, in addition, assessed a reserves contribution based on the residential rate.	Currently, these types of developments (e.g. hospices, houses for the aged and infirm, residential centres and hostels) are excluded from the definition of residential dwellings and are assessed as commercial developments for the purposes of this policy. As commercial developments they pay no reserve contributions even though they provide accommodation for the city's permanent residential population and therefore create increased demand for parks and reserves. This change would more equitably spread the funding of parks and reserves across developments that create demand for them.	10.8.6
Development contributions for multi-staged developments may now be assessed and paid on a stage-by-stage basis.	Currently, development contributions are payable in full for all stages upon consent of the first stage of development. It would be fairer if development contributions for each stage could be assessed and paid separately, especially since there is no guarantee that future stages will actually be developed.	10.8.8

Part B: Amendments to Council's 2006-16 Long-Term Plan

DESCRIPTION	RATIONALE	REF IN THE POLICY
Payment of development contributions on building consents will now be due at the earliest of the granting of a service connection, the uplift of a code of compliance certificate or 180 days from the date the building consent was granted. In addition, development contributions are no longer assessed when land use resource consents are granted if they are linked to a subsequent building consent. Development contributions will be assessed at the building consent stage for these developments.	The Local Government Act 2002 does not provide the power for councils to withhold building consents for the non-payment of development contributions.	10.4.6 10.4.7 10.11.8
Council, at its sole discretion, will accept a bank bond to secure future payment of any development contribution more than \$50,000 (excl. GST). The maximum term for a bond agreement will be 2 years and an interest rate 2% above the Reserve Bank official cash rate will apply to the bonded amount.	Council recognises that bond arrangements may be appropriate in cases where cashflow problems may arise because development contributions are payable before income in the form of the proceeds of the sale of a building or lease/rental income is realised.	10.4.8

2.7 Schedule 2 – Schedules of Current and Proposed Development Contributions Payable

Table 3a - Greenfields

2006/07 Levies (excl. GST)

Expenditure Category	(\$000's)		
	Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	977.93	173.72	337.50
Reserves Contributions	5,301.83	0.00	0.00
Stormwater	2,119.52	477.88	477.88
Transport	1,701.94	3063.50	3,403.88
Wastewater	7,153.94	643.85	1,287.71
Water	4,293.68	300.56	515.24
Total	21,823.84	4,659.51	6,022.21

2007/08 Proposed Levies (excl. GST)

Expenditure Category	(\$000's)			
	Residential Rate per Dwelling	Discounted Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	1,375.06	1,375.06	279.81	543.58
Reserves Contributions	7,915.35	7,915.35	0	0
Stormwater	2,025.88	1,082.26	457.85	457.85
Transport	2,191.55	819.91	3,944.79	4,383.10
Wastewater	7,686.76	5,718.80	691.81	1,383.62
Water	4,810.30	3,971.19	336.72	577.24
Total	26,004.90	20,882.57	5,710.98	7,345.39

Table 3b - Infill

2006/07 Levies (excl. GST)

Expenditure Category	(\$000's)		
	Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	620.69	110.26	214.21
Reserves Contributions	149.38	0.00	0.00
Stormwater	135.01	30.51	30.51
Transport	1,701.94	3,063.50	3,403.88
Wastewater	3,440.11	309.61	619.22
Water	2,085.47	145.98	250.26
Total	8,132.60	3,659.86	4,518.08

2007/08 Proposed Levies (excl. GST)

Expenditure Category	(\$000's)			
	Residential Rate per Dwelling	Discounted Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	770.52	770.52	156.79	304.6
Reserves Contributions	197.96	197.96	0	0
Stormwater	152.66	152.66	34.5	34.5
Transport	2,191.55	819.91	3,944.79	4,383.10
Wastewater	3,804.14	3,804.14	342.37	684.75
Water	2,503.91	2,503.91	175.27	300.47
Total	9,620.74	8,249.10	4,653.73	5,707.42

2.8 Schedule 3 – Minor Policy Changes and Clarification Changes

DESCRIPTION	RATIONALE	REFERENCE
Minor policy changes		
Allowing development contributions to be paid before a remission application has been decided.	Currently requests for remissions or reductions must be made prior to development contributions being paid. Feedback from applicants suggests that this is unduly holding up the development process.	10.11.2
Rewording what the Council will consider when assessing remission or reduction requests.	Current wording states, in addition to four other issues, that the Council will consider "any other matter Council considers relevant" when assessing remission and reduction requests. This 'catch all' clause may 'invite' remission and reduction requests. The proposed rewording still allows Council to consider any issue it considers relevant but focuses on the issues likely to be foremost in the minds of Council when considering the merits of a request.	10.11.3
Rewording Policy so that development contributions are not required <i>before</i> the grant of a consent or the authorisation for a service connection.	Section 198(1) of the LGA has been amended to say that a Territorial Authority may require a development contribution <i>when</i> a resource consent, building consent or authorisation for a service connection has been granted rather than <i>before</i> it is granted. Current policy requires amendment to align it with this change to the LGA.	Appendix 3
Adding a section to the policy that identifies and summarises capital expenditure related to development contributions	To ensure that Council's Development and Financial Contributions Policy is consistent with the requirements of the Local Government Act 2002.	10.7.3
Clarification changes		
Deletion of Section relating to	It is no longer relevant.	10.4.2

Part B: Amendments to Council's 2006-16 Long-Term Plan

financial contributions under the RMA.		
Clarify that the stormwater development contribution for commercial and industrial development is based on site area <i>not</i> gross floor area.	Feedback from applicants suggests that current Policy does not state this as clearly as it could.	10.8.3 in the notes to Tables 3a and 3b
Clarification that annual adjustments to development contributions assessed but unpaid on subdivision resource consents at 1 July will be made in accordance with the percentage change to the Producer Price Index (PPI) on 1 July each year with the first of these adjustments to take place on 1 July 2007 to development contributions assessed but unpaid from the 1 July 2006 to 30 June 2007 year.	This is implied in the wording of the current Policy but is not stated as clearly as it could be.	10.8.9
New definitions added or definitions amended.	<p>Minor amendments to 'tighten' the definition of residential dwelling have been made</p> <p>Definitions of non-permanent accommodation and mobile accommodation have been added as these terms are used in the definition of residential dwelling</p> <p>A definition of retail development has been added as retail development is treated differently to other commercial development in terms of transport</p> <p>Examples of facilities that constitute community infrastructure have been added to the definition of community infrastructure as feedback from applicants has suggested that the nature of community infrastructure is not well understood</p> <p>A definition of reserves contributions has been added to clarify what this contribution will be used for</p> <p>The definition of Producer Price Index (PPI) has been amended to clarify that adjustments will relate to the PPI outputs index not the PPI inputs index and that adjustments made on 1 July each year will relate to the percentage change in the index for the 12 months to 31 March.</p> <p>Definitions of granted and issued in relation consents and authorisations have been added to differentiate the two – development contributions are assessed at the stage of grant but payable at the stage of issue</p> <p>A definition of developer has been added following issues raised in remission hearings.</p>	Appendix 1

The schedule of financial contribution payments required under the District Plan has been updated.	For consistency with the current District Plan.	Appendix 2
A table of multipliers for PPI adjustments has been added.	PPI adjustments are now made in a variety of circumstances. This table sets out what these adjustments will be.	Appendix 5
Various minor wording changes.	To correct errors or ensure consistency throughout the Policy.	Throughout

2.9 Schedule 4 – Proposed Development and Financial Contributions Policy

Note: For referencing purposes, the Proposed Development and Financial Contributions Policy below retains the numbering as shown in Volume II of Council's 2006-16 Long-Term Plan (pages 157 – 176).

10.0 Development and Financial Contributions Policy

10.1 Policy Objective and Rationale

- 10.1.1 The objective of the Policy 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.
- 10.1.2 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. Explanations must reflect a number of considerations, as set out below.

Community Outcomes

This policy will help promote the following Community Outcomes:

- Sustainable and Well-Planned
"An attractive city that is planned for the well-being of people and nature, now and in the future"

Hamilton people want a city that:

- Is easy to get around so everybody can access services and facilities.
- Is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport.
- Has integrated public transport systems that connect it to New Zealand and the world.
- Protects and enhances its green spaces and natural environment for everyone to value and enjoy.
- Uses processes of sustainable urban design that enhance neighbourhood communities.
- Sustainably manages resources such as water and energy.

- Safety and Community Spirit
"A safe, friendly city where all people feel connected and valued"

Hamilton people want a city that:

- Has safe roads and low crime rates, where people can feel secure at all times.
- Intelligent and Progressive City
"Business growth that is in harmony with the city's identity and community spirit"

Hamilton people want a city that:

- Is recognized as a thriving economic hub for the Waikato region and provider of regional services.
- Attracts and retains sustainable, innovative businesses.
- Offers a range of job opportunities throughout the city to suit all skill levels.
- Is progressive and cosmopolitan, creating an environment for business success.
- Attracts and retains people and investment and grows great ideas.

Distribution of Benefits

By definition, capital works funded by development contributions benefit newcomers. While there may be some spill-over benefits – where existing residents access infrastructure funded by development contributions – these are offset by newcomers accessing infrastructure funded by the existing community. Overall, newcomers are the primary beneficiary of these works and should therefore be the primary source of funding.

Period Over Which Benefits Occur

Most infrastructure assets have very long useful lives. In order to match the timing of benefits provided by these assets with the costs of their provision, a long-life funding mechanism must be used. This policy allows the costs of growth-related infrastructure to be spread up to 20 years, and is considered a suitable tool for aligning costs with benefits.

Need to Undertake Activity

Growth pressures are the sole driver of capital works funded by development contributions. Requiring them to be funded by the growth community thus ensures that costs are borne by those that cause them to be incurred. Doing so is both economically efficient and equitable.

Separation from Other Activities

Growth-related capital works are seldom isolated within Council's capital works programme. Rather, they are embedded in much larger projects that simultaneously cater for a number of different needs.

The use of development contributions to fund the growth components not only improves equity, but also transparency and accountability. It forces 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.

10.2 Policy Outline

- 10.2.1 This policy outlines the circumstances in which Council intends to require development or financial contributions. For statutory requirements affecting this Policy, refer to Section 106 of the Local Government Act 2002 (LGA).

10.3 Requirement

- 10.3.1 The LGA requires Council to adopt a policy on development contributions or financial contributions. Once adopted, the policy can only be altered as an amendment to Council's Long-Term Plan (LTCCP), which requires use of the Special Consultative Procedure.

10.4 Policy

- 10.4.1 From 1 July 2006 Council determined that the costs associated with new or upgraded infrastructure and reserves required to meet city growth would be funded by development contributions collected under the LGA. 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.
- 10.4.2 An application for a resource or building consent or a service connection that is granted will attract development contributions under this Policy only if the following criteria are met:
- The activity generates demands for Council-provided reserves, network infrastructure or community infrastructure; and
 - 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
 - The cost of these assets is not fully met by third party funding; and
 - The assets will not be directly provided by the developer.
- 10.4.3 Where development contributions are payable they are linked to resource and building consents (including approval of amendments to existing consents that result in increases to Units of Demand), and authorisations for service connection granted on or after 1 July 2007. They will be taken at the first opportunity, usually on a subdivision resource consent. Development Contributions will be estimated and advised to applicants at the time of granting a resource consent. The underlying zone shown in the Proposed District Plan will be used as an indicator of future use where specific details about the nature of the development are not known. To assist the calculation of a development contribution at the subdivision stage, the assessment will be based on the assumption that industrial development gross floor area will be 35% of site area and commercial development gross floor area will be 20% of site area.
- 10.4.4 Subdivision resource consents will include an advisory note that a 224(c) certificate will not be issued if a development contribution is unpaid with the exception of development contributions associated with future stages of a

multi-stage development (refer to section 10.8.8) or bonded development contributions (refer to section 10.4.8).

- 10.4.5 Land use resource consents associated with developments that do not require building consents will include an advisory note that the development must not commence prior to receipt of the full amount of development contributions owing to Council (if any), with the exception of development contributions associated with future stages of a multi-stage development (refer to section 10.8.8) or bonded development contributions (refer to section 10.4.8). Consent holders will need to advise Council in writing of their intention to commence development. At this time the required development contribution (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.

Land use resource consents associated with developments that do require building consents will not have development contributions assessed against them. Development contributions for these developments will be assessed at the building consent stage.

- 10.4.6 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 section 10.8.8) or bonded development contributions (refer to section 10.4.8). Development contributions must be paid at the earliest of the granting of a service connection, the uplift of a Code of Compliance Certificate or 180 days from the date the building consent was granted. The authorisation for service connection or Code of Compliance Certificate will be withheld until development contributions assessed against a building consent are paid in full.

- 10.4.7 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 section 10.8.8) or bonded development contributions (refer to section 10.4.8).

- 10.4.8 Council, at its sole discretion, will accept a bank bond to secure future payment of any development contribution 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.

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.

- 10.4.9 Any subsequent references to resource consents, building consents and authorisations for service connection in this Policy refer only to consents or authorisations that meet the criteria set out in section 10.4.2.
- 10.4.10 Any project by Council that has been funded in whole or in part by development contributions will not itself be liable to pay any development contributions. The Crown is exempt from the provisions of this Policy by virtue of Section 8 of the LGA 2002.

10.5 Adoption, Implementation and Review

- 10.5.1 This policy was adopted as an amendment to the Council's first full Long-Term Council Community Plan covering the period 2006-16. The policy becomes operative on 1 July 2007 and 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 10.4.2.
- Any application for one of the aforementioned consents 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.
- 10.5.2 The policy will be reviewed on an annual basis and any changes will be progressed through use of the LGA's Special Consultative Procedure.

10.6 The Benefits of the Policy

- 10.6.1 Council's approach recognises the clear distinction between the separate purposes of financial contributions under the 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.
- 10.6.2 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. It will allow Council to provide network infrastructure in an efficient manner thereby 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.
- 10.6.3 In the absence of the 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.

- 10.6.4 The costs of providing additional capacity for growth will be met by the development community. 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. 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 industry.
- 10.6.5 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 funding infrastructure as ratepayers.
- 10.6.6 The benefits of the Policy commence immediately from the date of its introduction (i.e. 1 July 2007). They provide predictability and certainty regarding urban growth throughout the LTCCP period and are capable of being reviewed and amended on an annual basis to ensure that they achieve the community's desired outcomes. For most infrastructure assets, the benefits will extend well beyond the period of the LTCCP but will be funded over a maximum period of 20 years. 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.

10.7 The 2006-16 LTCCP Capital Expenditure Programme

- 10.7.1 Table 1 summarises projected capital expenditure relating to growth and identifies their funding sources.

Table 1 – Funding Sources for Growth Related Capital Expenditure incurred after 1 July 2006

	Proposed Funding 2006/07 - 2015/16					
(\$000's)***	LTCCP Capital Programme 06/07 - 15/16 * (inc Financing)	Funded by				Dev. Contr. as a % of the LTCCP Programme
		Dev. Contr. ** (LGA 2002)	Fin. Contr. (RMA Levies)	Subsidy	Other Funding (reserve, loans, rates, & other)	
Community Infrastructure	121,800	44,178	0	0	77,622	36.27%
Reserves Contributions	108,924	89,999	0	0	18,925	82.63%
Stormwater	56,673	56,673	0	0	0	100.00%
Transport	510,632	294,441	0	79,240	136,951	57.66%
Wastewater	60,198	53,275	0	0	6,923	88.50%
Water	82,609	79,977	0	0	2,632	96.81%
Total	940,836	618,543	0	79,240	243,053	
Capital Programme	635,491	313,198	0	79,240	243,053	49.28%
Financing Charges	305,345	305,345	0	0	0	100.00%
Total	940,836	618,543	0	79,240	243,053	

Notes:

- Water, stormwater, wastewater and transport projects are network infrastructure as defined in LGA 2002.
- All figures are exclusive of GST.
 - * This is 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.
 - ** These are the development contributions expected to be received relating to * over the period that the programme provides capacity for growth (which extends beyond 2015/16) – Section 10.12.20 provides further explanation.
 - *** Adjusted for inflation.

10.7.2 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 2 summarises the costs that will be recovered through development contributions for these growth related projects.

Table 2 - 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	677
Reserves Contributions	4,395
Stormwater	435
Transport	31,732
Wastewater	44,666
Water	35,812
Total	117,717

10.7.3 Development and Financial Contributions are based on the total growth portion of capital projects in each of the six categories outlined below. All of the capital expenditure that has been identified supports and facilitates urban growth. A summary of the expenditure for each category and examples of the types of growth projects has been listed.

a) Community Infrastructure

The provision of infrastructure and the development of open spaces and reserves to provide community facilities.

Project Examples

Project 606	Rototuna Sports Park Development Programme (developing sports playing fields)
Project 783	North East Sector (new library)
Project 351	North East Sector (new pool)
Project 137	Recreation Equipment Programme (playgrounds)

b) Reserves Contributions

The purchase of land to provide recreation open space and reserves in the city.

Project Examples

Project 118	Land Purchase for Reserves (greenfields and infill)
Project 120	Esplanade Reserve Acquisition Programme

c) Stormwater

Capacity upgrades and extension of the stormwater network.

Project Examples

Project 170	Rototuna/Flagstaff Stormwater Trunkmains
Project 172	Stormwater Network Upgrades enabling infill development

d) Transport

The upgrade of existing roads, intersections and networks, construction of new transport arterials, upsizing of new collectors roads and development of the overall transport network in line with the demands of urban growth.

Project Examples

Project 554	Rotokauri Rooding Growth
Project 545	Cycleway Construction
Project 544	Wairere Drive Upgrade and 4-laning
Project 375	E1 Arterial Road Design and Build

e) Wastewater

Capacity upgrades and extension of the wastewater network and wastewater treatment station.

Project Examples

Project 238	Wastewater Treatment Plant Upgrade
Project 547	Rotokauri Wastewater Trunkmains

f) Water

Capacity upgrades and extension of the water network and water treatment station.

Project Examples

Project 262 Rototuna Watermains

Project 276 Rotokauri Reservoir and Associated Bulkmain

10.8 Schedule of Development Contributions Payable

- 10.8.1 As required by Sections 201 and 202 of the LGA 2002, Tables 3a and 3b set out the schedule of development contributions that will be required towards Council's expenditure programme. The contributions relate directly to the projected costs arising from the particular service area within the period of the LTCCP, and also 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.
- 10.8.2 Council has adopted the principle of using a Unit of Demand (UD) to compare and cost the relative demands that different activities place on infrastructure. The UD equals the demand of an average household. All other activities are expressed as 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 is explained in more detail in Section 10.12 of this Policy.
- 10.8.3 The need for additional infrastructure to provide capacity for growth differs between greenfield areas, where no infrastructure currently exists, and infill areas, where capacity can be provided through augmentation of the existing network. Development contribution rates will therefore apply differently between these areas. Map 1 (Appendix 1A) indicates the boundary between greenfield and infill areas.

Table 3a – Schedule of Development Contributions Payable: Greenfields

Expenditure Category	\$			
	Residential Rate per Dwelling	Discounted Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	1,375.06	1,375.06	279.81	543.58
Reserves Contributions	7,915.35	7,915.35	0.00	0.00
Stormwater	2,025.88	1,082.26	457.85	457.85
Transport	2,191.55	819.91	3,944.79	4,383.10
Wastewater	7,686.76	5,718.80	691.81	1,383.62
Water	4,810.30	3,971.19	336.72	577.24
Total	26,004.90	20,882.57	5,710.98	7,345.39

Table 3b – Schedule of Development Contributions Payable: Infill

\$				
Expenditure Category	Residential Rate per Dwelling	Discounted Residential Rate per Dwelling	Industrial Rate per 100m ²	Commercial Rate per 100m ²
Community Infrastructure	770.52	770.52	156.79	304.60
Reserves Contributions	197.96	197.96	0.00	0.00
Stormwater	152.66	152.66	34.50	34.50
Transport	2,191.55	819.91	3,944.79	4,383.10
Wastewater	3,804.14	3,804.14	342.37	684.75
Water	2,503.91	2,503.91	175.27	300.47
Total	9,620.74	8,249.10	4,653.73	5,707.42

Notes:

1. All figures are exclusive of GST. GST will be added at the time of payment.
2. All figures include the recovery of costs incurred on Projects in anticipation of development occurring after 1 July 2005 (as described in Table 2).
3. Industrial and commercial developments are charged at \$0 for reserves acquisition except for the circumstances outlined in Section 10.8.6.
4. The industrial and commercial rate per 100m² for stormwater relates to site area not gross floor area.
5. Development contributions for industrial and commercial development will be calculated on a pro-rata basis for each m² of gross floor area/site area.

10.8.4 Special provisions relating to residential development

Special Provision One – The Discounted Residential Rate per Dwelling applies to any consent or authorisation granted for the development, or proposed development by subdivision of a site for residential purposes where previous levies were paid under the District Plan, except for a building consent covered by the provision below.

Special Provision Two – A building consent granted for the development of the first residential dwelling on a vacant site that had title or was consented on or before 30 June 2005, is exempt from paying development contributions in respect of reserves contributions, stormwater, transport, wastewater and water. Accordingly, a development contribution will still be payable in respect of community infrastructure. For consents and authorisations for additional residential dwellings (or any other Units of Demand) on the site, the full development contribution levy will apply. This special provision will only apply to consents or authorisations granted before 1 July 2013 after which time full levies will be payable.

10.8.5 Special provisions relating to industrial and commercial development

Special Provision One – Development contributions relating to any consent or authorisation granted for industrial or commercial development, or proposed industrial or commercial development by subdivision, on a site where previous levies were paid under the District Plan will be individually assessed, except for a building consent covered by the provision below. This 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. The contributions for community infrastructure, reserves contributions, stormwater, transport, wastewater and water will then be recalculated, and development contributions payable based on these new amounts will be assessed. The onus is on the applicant to provide evidence of previous levies paid under the District Plan.

Special Provision Two – 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 will attract a reduced development contribution amount.

The reduced amount will be calculated by first assessing the full non-discounted amount of development contributions for the gross floor area related to the consent or authorisation. This amount will then be discounted by:

- The full amount of the stormwater contribution; and
- The development contribution that would be payable for gross floor area equal to 35% of site area for industrial development and 20% for commercial development in relation to the reserves, transport, wastewater and water contributions.

No discount will be given to the community infrastructure contribution and regardless of the discounts outlined above the amount of development contributions payable will not be discounted below the amount of the community infrastructure contribution.

This special provision will only apply to consents or authorisations granted before 1 July 2013 after which time full levies will be payable.

10.8.6 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 Appendix 1 for definition). 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. 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). 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.

10.8.7 The wastewater portion of the development contributions levy 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 levy will be payable. 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 2007 not

connected to Council's wastewater network will not be charged a wastewater development contribution upon connection.

- 10.8.8 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. 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.
- 10.8.9 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 2007 but unpaid at 1 July 2007. Development contributions assessed prior to 1 July 2006 are exempt from Producers Price Index (Outputs) – Construction adjustments. 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.
- 10.8.10 Often the detailed nature of a proposal will not be known until the development stage when land use resource consents or building consents will be applied for. It is expected that the averaging approach taken to estimating Units of Demand will provide for most forms of development but there may be occasions where a more rigorous assessment of demand will be needed to ensure that proper provision is made for the demand which the new development will generate. A special assessment will be made by Council in the following circumstances:
- Where a development activity is not adequately covered by the standard categories of residential, industrial or commercial (this could include for example schools or hospitals).
 - Where Council anticipates the level of demand to be more than twice the levels for any or all of the services set out in Tables 4 and 5 (such activities could include for example service stations, drive through restaurants or abattoir).
 - Where, in relation to stormwater only, a proposal provides for on-site infrastructure provision to the extent that there is no demand for off-site capacity.
- 10.8.11 A special assessment will estimate the level of demand for services arising from the development as specified in the consent application and allocate a number of Units of Demand to the development accordingly. Following this assessment, the development contribution payable in relation to any service

component will be adjusted in proportion to the estimated change in Units of Demand for the development.

- 10.8.12 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 RMA.

10.9 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 on the site (whether or not this will be retained in the development)
 - a building on a site that was either demolished, removed or destroyed by fire or any other cause, provided that if the building is not replaced within three years of its demolition, removal or destruction this credit will expire
 - a resource or building consent capable for implementation for a building on the site, granted prior to 1 July 2007 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 2007 for which a development contribution has been calculated and paid in full prior to 1 July 2007.
- 10.9.2 Calculation of the Units of Demand to determine a credit will follow the method set out in Section 10.12. 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 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 (see Appendix 1 for definition). An example of this would be an outdoor area used for retail purposes.

10.10 Enforcement

- 10.10.1 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.

10.10.2 Advisory notes to this effect will be attached to any consent and details of any outstanding development contributions will be recorded on Land Information Memoranda.

10.11 Remissions, Reductions, Refunds and Postponement

10.11.1 The development contributions policy provides the funding stream for the growth component of projects that the community has identified as being needed as the city develops.

10.11.2 Remissions or reductions in the scheduled charges may be justified in exceptional circumstances. Any requests for remissions or reductions will need to be made to Council in writing within 15 working days of a contribution requirement being imposed setting out full details of the reasons why the development contributions should be reduced or not apply.

10.11.3 As soon as reasonably practicable, Council's Statutory Management Committee will decide whether to determine the matter on the basis of the remission request papers or hold a hearing for the purposes of reviewing the request for contribution. 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.

10.11.4 The Statutory Management Committee may, at its discretion, uphold, reduce or cancel the original amount of development contribution required on the development and a formal decision will be notified to the applicant within 10 working days of the close of the hearing.

10.11.5 Decisions on individual requests will not alter the basis of the Policy itself.

10.11.6 Refunds

In accordance with Sections 209 and 210 of the LGA, development contributions (including any interest accrued) 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.

10.11.7 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.

10.11.8 Postponement

As outlined in section 10.4.8, Council, at its sole discretion, may enter into a bonding arrangement to secure the future payment of a development contribution. Apart from this, this policy does not provide an opportunity to postpone the payment of development contributions.

10.12 Significant Assumptions

10.12.1 This development and financial contributions policy responds to the anticipated effects of forecast 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 and effective basis.

10.12.2 Key inputs to the policy are:

- growth projections
- catchment areas and their relationship to Activity/Asset Management Plans
- units of demand
- Cost identification and attribution methodology and financial assumptions.

10.12.3 Growth Projections

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. 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.

10.12.4 The identification of land and the coordination of its release through rezoning and the provision of infrastructure provides 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. 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.

- 10.12.5 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 floorspace on 19.5 hectares of land and 43,241m² industrial floorspace on 28.79 hectares of land is likely to be needed through the LTCCP period. 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.
- 10.12.6 Catchment Areas and their Relationship to Activity/Asset Management Plans**
- The Community Outcomes for Hamilton set out in the 2006-16 LTCCP (Volume 1, page 45) reflects 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.
- 10.12.7 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. 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.
- 10.12.8 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.
- 10.12.9 Community infrastructure projects including reserves 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.
- 10.12.10 The city's network and community infrastructure is a significant asset that is critical to the community's well-being 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 sector.

This single network philosophy is reflected in Council's capital expenditure programme. All areas of the city will therefore receive the same level of service although there are often significant differences between the costs of providing a service to the existing built up area and greenfield site development. These differences are reflected in a catchment based approach that distinguishes greenfield site development from infill development within the existing city.

- 10.12.11 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 10.4.2. Others, however, such as wastewater pipes, are required solely to service growth in a particular area. Development contributions associated with infill developments relate solely to the augmentation of the network to maintain capacity, and to those city-wide facilities that will also service the infill areas. Development contributions from greenfield development relate to their share of capacity provided by city-wide facilities and the cost of new infrastructure needing to be provided in the growth areas. The map shown in Appendix 1A illustrates the extent of the greenfield and infill areas.

10.12.12 Units of Demand

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 projects 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 209⁶ and 210⁷.

- 10.12.13 Table 4 describes the demand characteristics of one UD for each infrastructure service. In relation to community infrastructure, these projects are characteristically qualitative rather than quantitative. The demand for community infrastructure is driven by people, 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. At the 2001 Census of population and dwellings, 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. 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

⁶ Trips and Parking Related to Land Use – Volume 1: Report

⁷ Trips and Parking Related to Land Use – Volume 2: Trip and Parking Surveys Database

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 in relation to reserves is necessitated by and accordingly will be funded entirely by residential development.

Table 4 – Units of Demand (1 Dwelling Unit)

Unit of Demand (For 1 dwelling unit)	
Community infrastructure (infill)	\$770.52
(greenfield)	\$1,375.06
Reserves Contributions (infill)	\$197.96
(greenfield)	\$7,915.35
Stormwater	55% run-off coefficient of a 600m ² section
Transport	10 vehicle trips/day
Wastewater	70% of 702 litres/household/day
Water supply	702 litres/household/day

Note:

The Unit of Demand for community infrastructure is a percentage of the growth related costs determined by resident population increase relative to total daily population comprising both the resident and non resident working population (84.1%).

10.12.14 Table 5 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. Definitions for all forms of development are provided in Appendix 1.

Table 5 – Units of Demand for Industrial and Commercial Development

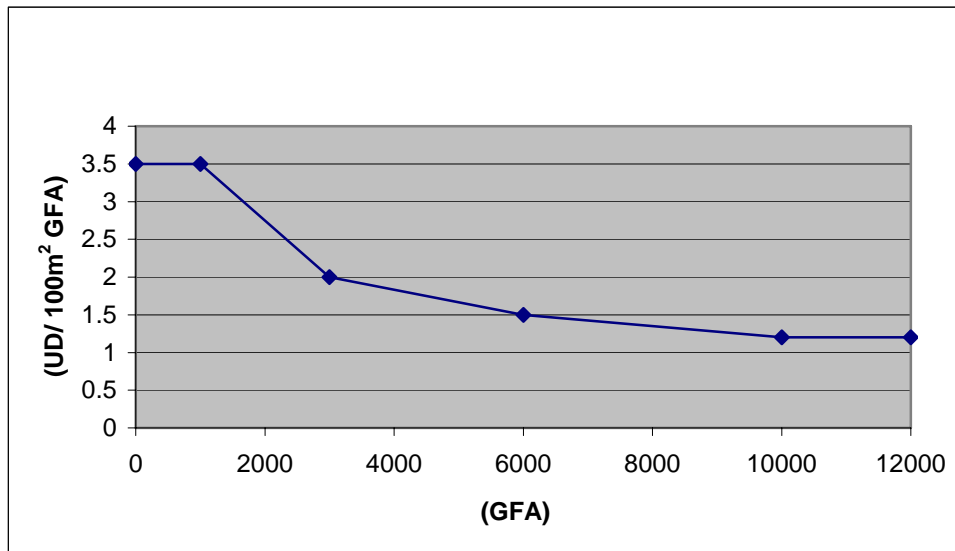
Expenditure Category	Industrial Development	Commercial Development
Community infrastructure (infill)	\$156.79/100m ²	\$304.60/100m ²
(greenfield)	\$279.81/100m ²	\$543.58/100m ²
Reserves Contributions (infill)	nil	nil
(greenfield)	nil	nil
Stormwater	0.23/100m ²	0.23/100m ²
Transport	1.8/100m ²	2.0/100m ²
Water Supply	0.07/100m ²	0.12/100m ²
Wastewater	0.09/100m ²	0.18/100m ²

Notes:

- Units of Demand for community infrastructure are a percentage of the growth related costs determined by the non-resident working population in each sector; industrial (7.4%), commercial activity (8.5%).
- Assessment of the stormwater contribution will be based on site area. All other services relate to Gross Floor Area.

- 10.12.15 The roading Unit of Demand for commercial development set out in Table 5 averages out the very wide variations arising from different retail formats. For the assessment of Units of Demand at the development stage, i.e. for land use resource consents, building consents and service connections, for retail developments only Figure 6 will be used.

Table 6 - Transport Units of Demand for Retail Development



10.12.16 Cost Identification and Attribution Methodology and Financial Assumptions

Many of the capital works programs 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).

The cost allocations underlying this Policy were based on a two-staged approach. In stage one, the method 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.
- 10.12.17 Costs (development contribution rates) are prepared on the basis of best available knowledge, acknowledging that they will be revisited at the time of each review of the draft LTCCP (3 yearly), 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. All costs (development contribution rates) are expressed as 2006 dollar values. They include inflationary movement on the basis of a weighted average per year.
- 10.12.18 All costs (development contribution rates) take account of loan charges at the annual rate used for budgeting in the Annual Plan and LTCCP.
- 10.12.19 Development Contributions are exclusive of Goods and Services Tax (GST). GST will be added after the calculation of any contributions required under this policy.
- 10.12.20 The development contribution payments 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.
- 10.12.21 Development Contributions will be required from all development (that meets the criteria set out in section 10.4.2) occurring throughout the LTCCP period towards all 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. 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. This Rule will continue to operate to the extent that it will determine the need for land in preference to cash. Where land is needed, the extent will be determined through the resource consent process but the developer's financial liability will be determined through this 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.
- 10.12.22 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 circumstances.
- 10.12.23 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.

- 10.12.24 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. 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.

Appendix 1

Definitions

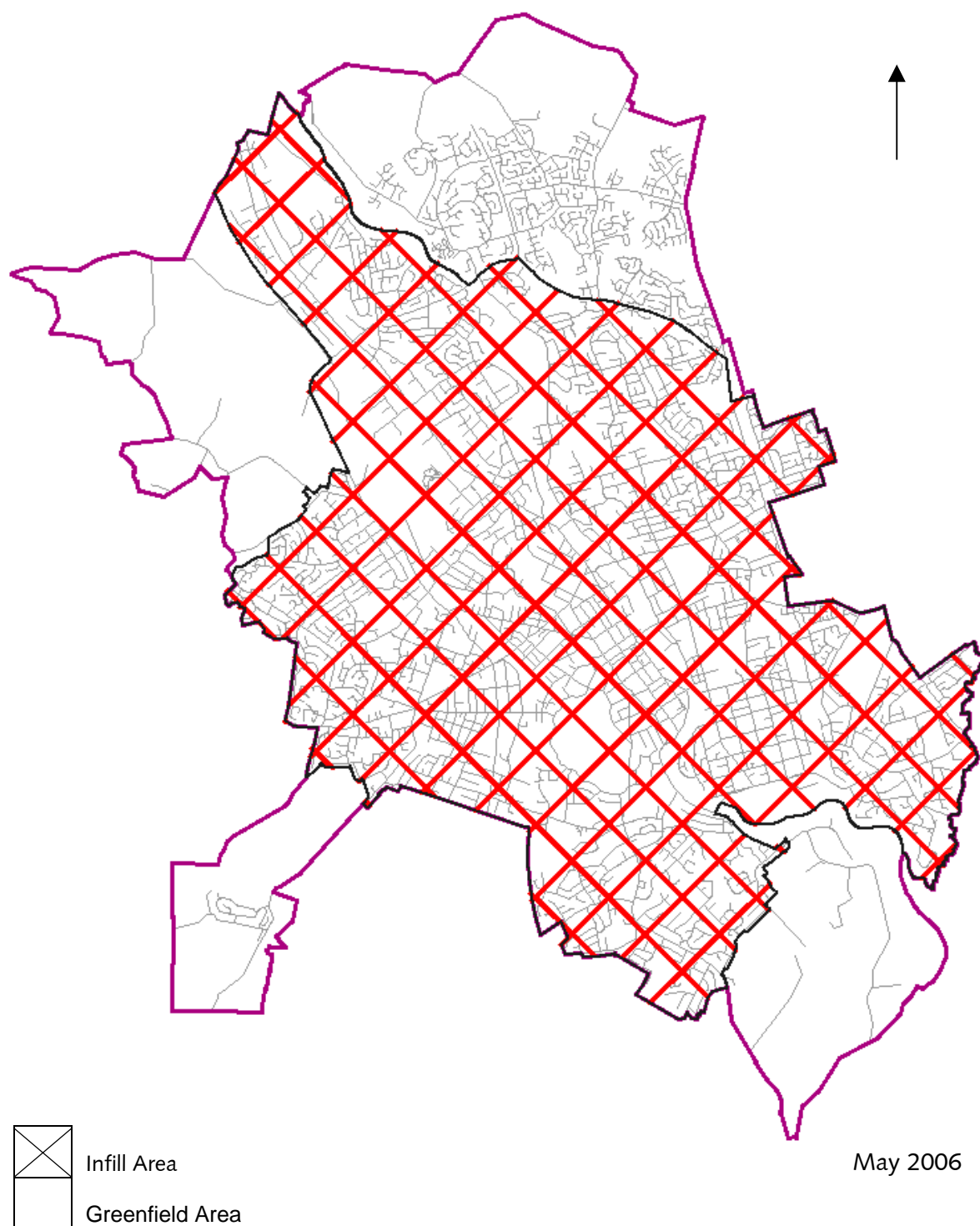
In this policy, unless otherwise stated:

- **Commercial development** means 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) means
 - a) land, or development assets on land, owned or controlled by the territorial authority to provide public amenities; and
 - b) 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** means 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)** means the sum of the overall increase in the gross floor area 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:
 - a) include car parking provided on a commercial basis, elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies;
 - b) exclude any car-parking provided to meet the operational needs of the principal activity, 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** means the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing, and repair activities.
- **Issued** in relation to consents and authorisations means that date at which the consent or service connection granted is uplifted, i.e. picked up, from the Council by the applicant.

- **Mobile accommodation** means 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** means 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.
- **Producers Price Index (Outputs) – Construction (PPI)**, is 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** means buildings or parts of buildings designed to be used by persons living alone, or as a family or as a non-family group, and 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, but 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** mean a contribution towards the purchase and development of reserves.
- **Retail development** means 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.

Appendix 1A

Boundaries of Infill/Greenfield Areas: Hamilton City



Appendix 2

Schedule of Financial Contribution Payments required by the District Plan that will not apply after 1 July 2007

Hamilton City Proposed District Plan (References Version November 2001)

Rule 6.5 – Reserves Contributions (insofar as the Rule specifies a cash sum or monetary value)

Note – in due course a variation to the Hamilton Proposed District Plan will be notified to amend Rule 6.5.

Appendix 3

STEP BY STEP GUIDE TO THE DEVELOPMENT CONTRIBUTION PROCESS

Step 1 – Request an Estimate

An estimate of the required development contribution can be requested at any time from Council by providing information regarding existing development on the site, the proposed development, and any related consents.

Step 2 – Making an Application

Applications for a resource or building consent or a request for a service connection will be processed in the normal way. Details of the application will be used to calculate the development contribution and Council's property records will be used to assess whether any credits are applicable. If necessary, additional information will be requested to enable the calculation to be made.

Step 3 – Issuing a Decision

Once a decision is made to grant a consent or authorise a service connection, applicants will be notified of the decision, the development contribution required (if any), payment options and relevant payment dates. Where development contributions are payable, all decisions will include an advisory note as follows:

for subdivision resource consents

A 224(c) certificate will not be issued until payment is received.

for landuse resource consents
associated with development that
does not need a building consent

Payment must be received prior to
development commencing.

for building consents

Payment must be received at the
earliest of the granting of a service
connection, the uplift of a code of
compliance certificate or 180 days
from the date the building consent
was granted.

for service connections

A service connection will not be
authorised until payment is received.

Step 4 – Making a Payment

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 landuse resource consents that are not linked building consents will be raised at the time the developer notifies Council of his/her intention to commence development or at an earlier time upon request by the developer. Development contributions for landuse resource consents that are linked to building consents will be assessed at the building

consent stage. Invoices relating to building consents and service connections will be raised at the time of payment or prior to this by request from the developer.

All invoices will be raised at the rates applicable at that 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.

Step 5 – Remissions or reductions

Should you seek a remission or reduction to a development contribution a request needs to be made to Council in writing within 15 working days of the contribution requirement being imposed setting out full details of the reasons why the amount should be reduced or should not apply.

Appendix 4

Worked Examples

Example 1 – Greenfield Residential Subdivision

Proposal Subdivision of one allotment with an existing house to create 4 lots. No previous RMA contributions have been paid.

Assessment

Credit given for the one existing dwelling. Development contributions are calculated for the 3 additional allotments.

$$3 \times \$26,004.90 = \$78,014.70 + \text{GST}$$

At the time of any subsequent consent or service connection application, the development contribution will be recalculated on the basis of more specific proposals. Any additional development contributions will be invoiced at that time.

Example 2 – Residential Development

Proposal Erection of a 7 unit apartment block on a newly created title in the infill area. No previous RMA contributions have been paid and there are no existing unimplemented consents for buildings.

Assessment

No existing credits. Development contributions are calculated for each of the 7 additional units.

$$7 \times \$9,620.74 = \$67,345.18 + \text{GST}$$

Example 3 – Industrial Development Building Consent

Proposal Alterations to existing building in the infill area to provide additional 480m² floorspace.

Assessment

Credit is given for all the existing floorspace. Development contributions are calculated for each square metre of additional floorspace e.g. 480. Development contributions are not payable for stormwater.

$$4.8 \times \$4,619.23 = \$22,172.03 + \text{GST}$$

Example 4 – Commercial Subdivision

Proposal Subdivision of 6,000m² bare greenfield land to create 2 commercial lots of 4,000m² (Lot 1) and 2,000m² (Lot 2). No previous RMA contributions have been paid.

Assessment

No details of the final form of development are known at this stage so assessment is based on a notional 'average' development with floorspace being 20% of site area and

contributions being required for square metre of floorspace. Stormwater calculations based on site area.

Lot 1 $4,000 \times 20\% = 800$

Water rate	$\$577.24 \times 8.00$	=	\$4,617.92
Wastewater	$\$1,383.62 \times 8.00$	=	\$11,068.96
Transport	$\$4,383.10$ $\times 8.00$	=	\$35,064.80
Community Infrastructure	$\$543.58 \times 8.00$	=	\$4,348.64
Stormwater	$\$457.85 \times 40$	=	\$18,314.00

Lot 2 $2,000 \times 20\% = 400$

Water rate	$\$577.24 \times 4.00$	=	\$2,308.96
Wastewater	$\$1,383.62 \times 4.00$	=	\$5,534.48
Transport	$\$4,383.10 \times 4.00$	=	\$17,532.40
Community Infrastructure	$\$543.58 \times 4.00$	=	\$2,174.32
Stormwater	$\$457.85 \times 20$	=	\$9,157.00
Total Development Contribution Required for Lots 1 & 2		=	\$110,121.48

At the time of any subsequent consent or service applications, the development contribution will be recalculated on the basis of more specific proposals. Any additional development contributions will be invoiced at that time or any overpayment refunded.

Appendix 5

Producer Price Index Adjustment Multipliers

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 from the adjustment date to 1 July 2007.

Adjustment Date	Multiplier	Cumulative Multiplier
1 July 2002	1.020	1.311
1 July 2003	1.025	1.285
1 July 2004	1.049	1.254
1 July 2005	1.069	1.195
1 July 2006	1.062	1.118
1 July 2007	1.053	1.053

3.0 Changes to the Claudelands Events Centre Project

(NGAA REREKEETANGA O TE TAIWHANGA O CLAUDELANDS KAUPAPA)

3.1 Introduction

The Claudelands Events Centre is a key part of Council's commitment to growing events within the city. A major upgrade of Claudelands Events Centre is proposed, with construction planned to start in 2007/08. It is one of the city's most significant public projects for the next 10 years.

Council's 2006-16 Long-Term Plan makes funding provision for a community-based recreational indoor stadium/major events hall at Claudelands Park. Since Council's adoption of the Long-Term Plan on 30 June 2006, further research has been undertaken on the Claudelands Events Centre project. This research resulted in Council considering a number of models for the facility, with the preferred model having an events-based commercial focus.

Details on why this is an amendment, the original concept, the changes to the project (and reasons for these changes), cost implications and other options considered are outlined below.

3.2 Why this is an Amendment to Council's 2006-16 Long-Term Plan

The changes to the Claudelands Events Centre project are an amendment to Council's 2006-16 Long-Term Plan according to Section 97 of the Local Government Act 2002 (LGA). Section 97 of the LGA applies to decisions of a local authority that can be taken only if provided for in the Long-Term Plan, including:

97(1)(a) A decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity

97(1)(d) A decision that will, directly or indirectly, significantly affect the capacity of the local authority, or the cost to the local authority, in relation to any activity identified in the long-term council community plan.

Given that the revised Claudelands Events Centre project will move from a community-based recreational facility to an events-based commercial model, the original intended level of service provision will be significantly altered. This alteration to the level of service provision therefore becomes an amendment to Council's 2006-16 Long-Term Plan.

Also, as noted in Part A of Council's 2007/08 Annual Plan (Section 5.1), any change to the 2006-16 Long-Term Plan that triggers Council's Significance Policy automatically becomes an amendment to the plan. Specifically, Section 8.3.2 of Council's Significance Policy notes that where Council is proposing to incur unbudgeted capital expenditure exceeding 25 percent of the value of a strategic asset, the proposal is considered to be significant and requires Council to consult with the community. The existing Claudelands Events Centre is identified as a strategic asset in Council's Significance Policy.

While the cost to build the facility increases from \$43.8m to \$61.1m (inflation adjusted), the cost of yearly operation decreases from a \$1.4m deficit to a \$0.5m surplus. That

results in a reduction of \$0.6m to the full 10 years of the 2006-16 Long-Term Plan budget, and a reduction in cost to Council of \$5.0m after 10 years of full operation (with operation beginning in 2010/11).

The revised project will result in additional capital expenditure of \$17.3m over and above the expenditure provided for in the 2006-16 Long-Term Plan (i.e. \$43.8m versus \$61.1m – inflation adjusted). While improving revenues and reducing operational shortfalls, this represents unbudgeted capital expenditure totalling 39.8 percent of the original proposal.

3.3 Original Proposal in Council's 2006-16 Long-Term Plan

The original proposal in Council's 2006-16 Long-Term Plan for the Claudelands Events Centre project comprises the:

- Indoor Stadium (SAP #524.0) - \$26.438m in the period 2006/07 – 2015/16
This project will enable construction of an indoor stadium/major events hall at Claudelands Park with 3,500 seats (and a capacity for 5,000 seats) that caters for national and international indoor sports, special events and exhibitions.
- Claudelands Events Centre Upgrade (SAP #666.0) - \$17.324m in the period 2006/07 – 2015/16
This project includes the upgrade and refurbishment of the existing buildings and surrounds to meet user and industry expectations. This redevelopment includes the additional construction of a conferencing kitchen, foyer and event/venue administration areas.

These two projects are referenced in Section 4.0 (page 30) and Section 15.0 (page 150) of Council's 2006-16 Long-Term Plan (Volume I). Reference is also made in Volume II (page 211).

The costs for these two projects over the 10-year period of the 2006-16 Long-Term Plan are outlined below (N.B. these figures are from Volume II of Council's 2006-16 Long-Term Plan and are **inflation adjusted**).

		\$000's (inflation adjusted)					
2006-16 LONG-TERM PLAN: ORIGINAL PROPOSAL	SAP#	2006/07	2007/08	2008/09	2009/10	2010/11 – 2015/16	10 year total
Claudelands Indoor Stadium	524.0		2,322	11,890	12,226	Nil	26,438
Claudelands Event Centre Upgrade	666.0	500	7,598	3,252	5,974	Nil	17,324
Total Cost		500	9,920	15,142	18,200	Nil	43,762

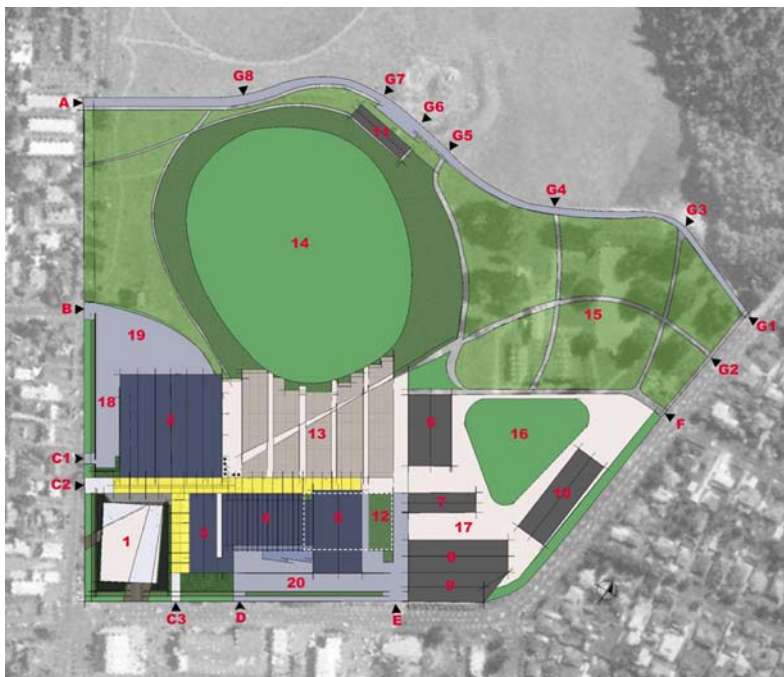
The original proposal in the 2006-16 Long-Term Plan projected an operating deficit before depreciation of \$1.4m at 2010/11 with a total cost to Council of \$5.8m for 2010/11.

3.4 Revised Project – Indoor Events Arena

Since adoption of the 2006-16 Long-Term Plan by Council on 30 June 2006, further research has been undertaken on the Claudelands Events Centre project, which has resulted in a reviewed scope and design.

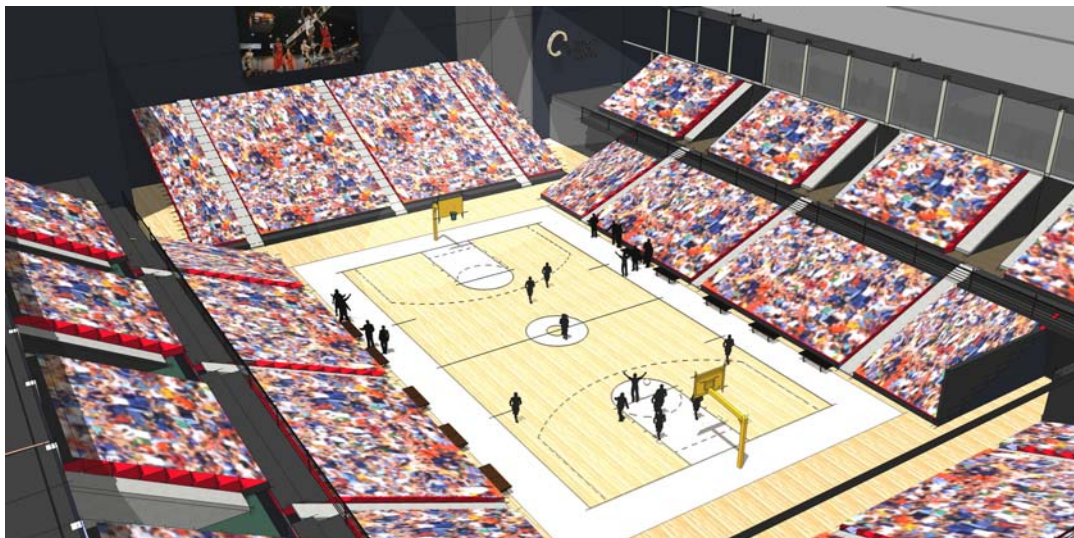
The revised project has a commercial events focus and will enable the construction of an Indoor Events Arena at Claudelands Events Centre with a seating capacity of 3,500 (with a footprint for 5,000) that caters for music concerts, special events, national and international indoor sports, conferences and exhibitions.

The development of the Indoor Events Arena includes the upgrade of the existing buildings and surrounds to meet user and industry expectations. This redevelopment includes the additional construction of an arrival plaza, car parking, an internal connecting concourse between buildings, and a conferencing foyer and kitchen.



LEGEND

1. Arrival Plaza
2. Arena
3. Conference Centre
4. Main Hall A&B
5. East Wing
6. Barn
7. B Block
8. Brooklyn Court
9. Store
10. Stables & Milking Shed
11. Historic Grandstand
12. The Green
13. Exhibition Plaza
14. The Oval
15. Venue Carpark
16. Stables Green
17. Brooklyn Green
18. Visitors Carpark
19. Service Area
20. Service Area
- A-G Gates



Further information regarding individual aspects of the new facilities can be found on the Claudelands Events Centre website at www.claudelands.co.nz.

3.5 Consequential Impact of the Amendment to the 2006-16 Long-Term Plan

The total cost for the revised project is \$61.1m (inflation adjusted) being allocated during the construction period 2007/08 – 2009/10 (loan funded).

The Events Arena will result in additional capital expenditure of \$17.3m over and above the expenditure provided for in the 2006-16 Long-Term Plan (i.e. \$43.8m versus \$61.1m inflation adjusted). The two SAPs (#524.0 and #666.0) in Council's 2006-16 Long-Term Plan have been amalgamated to form new SAP #524.0 in this amendment.

\$000's (inflation adjusted)							
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12– 2015/16	10 year total
Capital							
Long-Term Plan	500	9,920	15,142	18,200	Nil	Nil	43,762
Annual Plan	Nil	7,903	29,273	23,882	Nil	Nil	61,058
Variance	(500)	(2,017)	14,131	5,682	Nil	Nil	17,296
Operating & Maintenance Expenditure							
Long-Term Plan	534	617	622	635	1,354	6,135	9,897
Annual Plan	646	803	560	701	(524)	(4,077)	(1,891)
Variance	112	186	(62)	66	(1,878)	(10,212)	(11,788)
Interest/Principal							
Long-Term Plan	20	435	1,689	3,326	4,473	19,676	29,619
Annual Plan	20	314	1,978	4,853	6,318	27,307	40,790
Variance	0	(121)	289	1,527	1,845	7,631	11,171

Total Operating & Maintenance and Financing Costs							
Long-Term Plan	554	1,052	2,311	3,961	5,827	25,811	39,516
Annual Plan	666	1,117	2,538	5,554	5,794	23,230	38,899
Variance	112	65	227	1,593	(33)	(2,581)	(617)

3.6 Reasons for Amending the Original Proposal

The proposed Indoor Stadium Project outlined in the 2006-16 Long-Term Plan (SAP# 524.0) was based on a community-based sporting and recreational model with the following features:

- a seating capacity of 3,500 (with a footprint for 5,000)
- a fixed wooden sports floor and associated changing facilities and storage
- sports acoustics
- partial second level concourse for access to the upper level stand only, the lower retractable seating with access from the sports floor
- minimal provision for catering concessions and merchandising and no service kitchen.

Since setting the 2006-16 Long-Term Plan, a project team comprising Council staff and external consultants has completed further industry research and re-evaluated the proposal in the following three areas:

- the primary focus of the indoor facility on events rather than recreation
- the most effective operational design
- re-focus and evaluation based on the greater city wide impact with consideration of major projects including the CBD upgrade, Access Hamilton and CityScope, using good urban design principles.

The re-evaluation also identified that:

- There is a need for a live performance venue of this capacity in Hamilton catering to music concerts and special events
- An indoor facility cannot successfully have a commercial events focus and at the same time meet the community's recreational needs
- A focus on concerts, conferences, exhibitions and special events (including national and international sporting events) will generate greater revenue than a community-focused facility
- The design review has indicated a need to establish better operational functionality, connectivity and service areas. It has also improved the public arrival area, sense of place and integrated the venue design for multi use and manageable events.

3.7 Events Versus Recreation

In addition to the industry research outlined in Section 3.6, further market research has also been undertaken in New Zealand and Australia with promoters, hirers, venue managers and sports organisations. This indicated a need for a live performance venue in Hamilton, particularly to include music concerts with a strong potential revenue stream.

Three key facts have been established through this market research:

- i. An indoor facility cannot successfully have a commercial events focus and meet community-based recreational needs.
- ii. Research evidences the need for an indoor events arena in Hamilton which has an event focus.
- iii. A focus on concerts, conferences, exhibitions and events (including regional and national sporting events) will generate greater revenue than a community-focused facility.

A seating capacity of seating capacity of 3,500 (with a footprint for 5,000) is necessary to make an events arena viable.

Council continues to recognise the importance of providing appropriate venues for community-based recreational events and activities, and resolved in June 2006 that an assessment of the current indoor recreational facilities in the city be undertaken. This work (which includes consultation with key indoor sporting codes) is currently in progress.

3.8 Other Options Considered for the Indoor Stadium

As part of the process for developing a new proposal for the Claudelands Events Centre, a comprehensive operational audit and design review was undertaken. This review resulted in a change in focus and the consideration of an additional three models. Including the original proposal outlined in the 2006-16 Long-Term Plan, the Indoor Facility was evaluated under the following four categories:

- i. Sports Stadium (current proposal outlined in the 2006-16 Long-Term Plan)
- ii. Elite Sports Stadium (Model 1)
- iii. Indoor Events Arena (Model 2)
- iv. Showcase Events Arena (Model 3).

A summary of the four models is outlined below. The Sports Stadium is the model originally outlined in the 2006-16 Long-Term Plan. The other three models are commercial models with provision for professional indoor sports events, music/entertainment events and large exhibitions.

DEVELOPMENT MODELS APPRAISAL MATRIX FOR THE CLAUDELANDS EVENTS CENTRE PROJECT

EVENTS ARENA				
	SPORTS STADIUM	ELITE SPORTS STADIUM	INDOOR EVENTS ARENA	"SHOWCASE" EVENTS ARENA
DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Adopted Model 2	Model 3
Indicative Development Profile	Community sports venue	Commercial sports venue	Commercial events venue	Commercial events venue
	Recreational indoor sports	Professional indoor sports	Professional indoor sports	Professional indoor sports
	Occasional international sports events	International sports events	International sports events	International sports events
	Occasional (limited) music events	Occasional (limited) music events	Music and entertainment events	Music and entertainment events
	Occasional exhibition events	Occasional exhibition events	Large exhibitions	Large exhibitions
			Large conventions (800+)	Large conventions (800+)
				Iconic architecture
CONFERENCE / CONVENTION CENTRE				
DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Adopted Model 2	Model 3
Indicative Development Profile	800-seat lower conference room	800-seat lower conference room	800-seat lower conference room	800-seat lower conference room
	1,000-seat upper conference room	1,000-seat upper conference room	1,000-seat upper conference room	1,000-seat upper conference room
	Conference/break-out areas	Conference/break-out areas	Conference/break-out areas	Conference/break-out areas
	Small production kitchen	Intermediate production kitchen	Full production kitchen	Full production kitchen
			Concourse links to other facilities	Concourse links to other facilities
EXHIBITION CENTRE				
DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Adopted Model 2	Model 3
Indicative Development Profile	Refurbishment of existing facilities	Refurbishment of existing facilities	Refurbishment of existing facilities	Refurbishment of existing facilities
	Allowance for future expansion	Allowance for future expansion	Allowance for future expansion	Allowance for future expansion
			Concourse links to other facilities	Concourse links to other facilities
OTHER EVENT FACILITIES				
DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Adopted Model 2	Model 3
Indicative Development Profile	New barn structure	New barn structure	New barn structure	New barn structure
	Relocated and refurbished Tote Stand	Relocated and refurbished Tote Stand	Relocated and refurbished Tote Stand	Relocated and refurbished Tote Stand
	Demolition of Holman Stand	Demolition of Holman Stand	Demolition of Holman Stand	Demolition of Holman Stand
	Stables, Brooklyn Court, workshop	Stables, Brooklyn Court, workshop	Stables, Brooklyn Court, workshop	Stables, Brooklyn Court, workshop
	New external toilets	New external toilets	New external toilets	New external toilets
GENERAL DESIGN ENHANCEMENT				
DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Adopted Model 2	Model 3
Indicative Development Profile	Functional architectural quality	Good architectural quality	Good architectural quality	Iconic architectural quality
		Enhanced front façade	Enhanced front façade	Enhanced front façade
		Entrance landscape enhancement	New entrance plaza	New entrance plaza

The Indoor Events Arena (Model 2) has operational requirements which impact on the design, i.e. the major impacts being the construction of a concourse or 'spine' that connects the arena, conference facilities and exhibition spaces and provides critical services and space for patrons and exhibitors.

Part B: Amendments to Council's 2006-16 Long-Term Plan

It also requires changes to the auditorium, back-of-house facilities and ancillary services to meet the business requirements of the new model.

Model 2 includes the development of an outdoor arrival plaza on the Brooklyn Road/Heaphy Terrace corner of the facility which will improve connectivity to the CBD, as well as public transport accessibility. This displaces the existing car park, which is proposed to be relocated to the northeast sector of the site (Brooklyn Road entry, Gate 4). This has the benefit of separating pedestrian and public transport from private vehicular movement.

The overall design of the development has been appraised to ensure optimal functionality as well as establishing a sense of place within the Claudelands Park environment.

A financial evaluation of the models was also undertaken, as shown below.

DESCRIPTION	2006-16 Long-Term Plan (original proposal)	Model 1	Model 2	Model 3
	SPORTS STADIUM	ELITE SPORTS STADIUM	EVENTS ARENA (Adopted)	"SHOWCASE" EVENTS ARENA
Integrated Events Centre	\$000	\$000	\$000	\$000
Capital expenditure (2006 dollars)	40,974	50,154	57,000	82,000
Capital expenditure (adjusted for inflation allowance)	43,762	54,728	61,058	89,478
Operating (Surplus)/Deficit at 2010/11	1,354	257	(524)	(1,339)
Interest & Principal at 2010/11	4,473	6,013	6,318	9,831
Total Cost p.a. to Council at 2010/11 (First full year of operation)	5,827	6,270	5,794	8,492
Total Cost to Council During Long-Term Plan Period (2006/07 to 2015/16)	39,516	45,482	38,899	62,387
Total Cost to Council after 10 yrs full operation	57,499	65,788	52,492	83,316
Total Cost to Council after 20 yrs full operation	93,194	110,528	70,667	112,092

Although the Sports Stadium (2006-16 Long-Term Plan original proposal) has the lowest capital cost of the four models, it has a greater cost to Council on completion. This is mainly attributable to its inability to accommodate many of the major revenue earning events that the other three models allow.

Although the Elite Sports Stadium (Model 1) is the cheapest of the three commercial development models to construct, the total cost to Council becomes less advantageous over time.

The Indoor Events Arena (Model 2) provides the best value over time, due to its ability to generate significant revenue at relatively modest capital (compared to the Showcase Arena).

The 'Showcase' Events Arena (Model 3) is a higher quality facility, which requires a greater capital cost and is not deemed to be best value for money.

3.9 Council Decision

A report detailing the review and proposed models was considered at the Community and Leisure Committee meeting on 18 October 2006 and endorsed by Council on 1 November 2006 with the following decisions:

- The Events Arena at Claudelands Events Centre be a commercial model
- Council approve staff to prepare an amendment to the 2006-16 Long-Term Plan for consideration by Council and the community during the 2007/08 Annual Plan process that shows the following variations:
 - i. Capital expenditure of \$57m (2006 dollars) during the construction period 2007/08 – 2009/10 (loan funded)
 - ii. The net operating impact (excluding financing costs) of a \$0.5m surplus in 2010/11, with staged increases in operating surpluses after 2010/11 as the facility grows its revenue base
 - iii. Financing costs of \$6.3m from 2010/11 (subject to interest rates).
- Council approve commencement of design work for the Claudelands Events Centre development as proposed costing \$57m (2006 dollars).

3.10 Contribution of the Project to Hamilton's Community Outcomes

The redevelopment of the Claudelands Events Centre will make a significant contribution to Hamilton's Community Outcomes, in particular to Outcome 2.1:

"Hamilton people want a city that is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events".

The Claudelands Events Centre is a crucial piece of the city's event infrastructure and redevelopment of the facilities will enable concerts, major conferences and conventions, sporting fixtures, as well as many other events and functions. It will provide the city's residents with access to a modern and versatile events complex.

3.11 Further Information

For further information about the Indoor Events Arena project at the Claudelands Events Centre, please refer to the Claudelands Events Centre website www.claudelands.co.nz or contact:

Mark Christie
Event Facilities Manager
Phone: 958 5801
Fax: 958 5815
Email: mark.christie@hcc.govt.nz

4.0 Adjustment to the City's Rating Differential Factor (Revenue and Financing Policy and Rating Policy)

(NGAA WHAKARITENGA KI NGAA REITI O TE TAAONE)

4.1 Introduction

All properties in Hamilton City were revalued by Quotable Value New Zealand on 1 September 2006, with effect for rating purposes from 1 July 2007. The revaluation would have adjusted the allocation of rates between rating categories for 2007/08 if the rating differential factors from the 2006-16 Long-Term Plan were used. The amendment to the rating differential factors for 2007/08 adjusts the impact of the revaluation of properties and retains the same differential yield to each sector as prior to the revaluation.

4.2 Original Proposal in Council's 2006-16 Long-Term Plan

The rates payable by a property are set based on the property value and the rating category they belong to. The basis of Council's rates system is the cost allocation model, which results in a differential factor (relativity of rates between categories) and differential yield (percentage split of rates between categories).

The cost allocation model is reviewed every three years through Council's Long-Term Plan and approved by Council. The review of the cost allocations was included in the 2006-16 Long-Term Plan and is applicable for the 2007/08 and 2008/09 rating years. The cost allocation model results in the following rating differential factors, which determine the level of rates paid by each type of property category over the three-year Long-Term Plan period. The differential yield is also shown.

Rating Category	2006/07 Long-Term Plan Differential Factor	2006/07 Long-Term Plan Differential Yield
Residential	1.00	62.6633%
Inner City Residential	0.92	0.1556%
Commercial/Industrial	2.00	34.0874%
Multi Unit Residential	1.50	1.9436%
Rural Residential	0.88	0.0510%
Rural Small	0.41	0.2629%
Rural Large	0.18	0.8361%

As a result of the revaluation on 1 September 2006, the commercial sector average land value increased by 107% compared to an average increase in residential land value of 134%. The other property categories have also increased in value by differing percentages. The overall city average land value increase was 130%.

Because property values in each rating category have not risen by the same percentage and the differential factor sets the relative differences in rates between categories, there would be differences in the average rates change in 2007/08 by applying the Long-Term Plan differential factor. In essence, if the 2006/07 differential factor was applied to the new property values when striking rates, a revaluation increase above the city average of 130% would result in a rates increase (before any change to the overall rates

requirement) and a revaluation increase below 130% would result in a rates decrease (before any change to the overall rates requirement).

The restated 2006/07 average rates percentage changes are shown below after adjusting for the revaluation using the 2006/07 Long-Term Plan differential factors. These show the overall percentage change in total rates from 2006/07 for each rating category before any overall adjustment for an increase in rates above the \$85.3m (excl. GST) currently levied.

Overall percentage change in total rates from 2006/07 due to revaluation (maintaining the 2006-16 Long-Term Plan Differential Factors) and 2006/07 Rates Levied of \$85.3m (excl. GST).

Rating Category	Differential Factor	Differential Yield	Overall Rates % Change	Land Value Average % Increase
Residential	1.00	65.0467%	+ 3.68%	134%
Inner City Residential	0.92	0.1557%	+ 0.07%	126%
Commercial/Industrial	2.00	31.2347%	- (8.19%)	107%
Multi Unit Residential	1.50	2.1142%	+ 8.48%	147%
Rural Residential	0.88	0.0944%	+ 83.45%	289%
Rural Small	0.41	1.0595%	+ 25.54%	186%
Rural Large	0.18	0.2948%	+ 11.32%	153%
				Overall City average land value 130%.

Retention of the same differential factors would have resulted in a shift in the incidence of rates between rating categories (because property values have not changed uniformly). This would have resulted in an undesirable overall movement in rates between categories due to the revaluation, which would take effect from 1 July 2007.

4.3 Amendment to Rating Differential Factor

The amendment to the Revenue and Financing Policy and Rating Policy comprises an alteration to the rating differential factor to counter the impact of the revaluation by retaining the same differential yield. The amendment results in the overall rates percentage change per category as a result of the revaluation being nil.

The adjustment alters the differential factor so that the percentage split of rates between categories (known as the differential yield) remains the same as that prior to the revaluation.

The adjustment to the differential factor has been made in accordance with Section 101(3)(b) of the Local Government Act 2002, as described in Section 2.31 of the Revenue and Financing Policy (contained in Volume II of Council's 2006-16 Long-Term Plan). The reason for making this cost allocation adjustment is to counter the effect of the differing percentage movement in property values from the September 2006 city revaluation, to ensure that the rates levied to each rating category have not changed as a result of the revaluation.

To ensure that this issue does not arise with future years' revaluations, Council has also amended Section 2.31 of the Revenue and Financing Policy and the Rating Policy (contained in Volume II of Council's 2006-16 Long-Term Plan) to include that every three years at the time of a revaluation the differential factor for the next rating year will be adjusted to maintain the differential yield from the previous rating year. This post-revaluation adjustment will ensure that the incidence of rates between the various rating categories are maintained as a result of the revaluation. For the subsequent two rating years, until the next revaluation, the revised differential factor will be used to set the rates levied each year.

The amendment has been subject to independent legal review. The adjustment is summarised in the following table:

Rating Category	As per 2006-16 Long-Term Plan		Adjusted Differential Factor for 2007/08 based on 2006/07 Differential Yield		
	2006/07 Differential Factor	2006/07 Differential Yield	Revised Differential Factor for Revaluation	Revised Differential Yield for Revaluation	Overall Rates % Change
Residential	1.00	62.6633 %	1.0000	62.6633 %	0 %
Inner City Residential	0.92	0.1556 %	0.9570	0.1556 %	0 %
Commercial/ Industrial	2.00	34.0874 %	2.2657	34.0874 %	0 %
Multi Unit Residential	1.50	1.9436 %	1.4314	1.9436 %	0 %
Rural Residential	0.88	0.0510 %	0.4940	0.0510 %	0 %
Rural Small	0.41	0.2629 %	0.3336	0.2629 %	0 %
Rural Large	0.18	0.8361 %	0.1666	0.8361 %	0 %

The revised rating differential factors will be used to set the final rates allocation and rate in the dollar of land value for the 2007/08 general rates.

4.4 Options Considered

The amendment to the rating differential factor outlined in this section is considered to be the most practical and fairest mechanism to retain the same level of rates allocation as prior to the revaluation. The alternative option of leaving the differential factor unchanged would have resulted in a movement in rates between the various rating categories and a change in the incidence of rating purely as a result of the revaluation. Council considers this undesirable because of the impact on individual property categories.

4.5 Further Information

For further information about the adjustment to the city's rating differential factor, contact:

Blair Bowcott
Finance and Administration Manager
Phone: 838 6742
Fax: 838 6616
Email: blair.bowcott@hcc.govt.nz

5.0 Addition of a Definition to the Funding Impact Statement and Rating Policy for a 'Separately Used or Inhabited Part of a Rating Unit'

(NGA TAPIRITANGA O TE TAHA REITI KI TE TAKE WHAKAHAERE 'NGA MOMO WEHENGĀ')

5.1 Introduction

This amendment arose from recent legislative changes to the Local Government Act 2002 (Section 29(4) of the Amendment Act 2006). The amendment to Schedule 10, Clause 13(d) of the Local Government Act 2002 now requires that a definition of a 'separately used or inhabited part (SUIP) of a rating unit' be included in Council's Funding Impact Statement and Rating Policy.

The definition has no application to the general rates levied in the city, and only applies to the three targeted rates levied to the 100 percent non-rateable properties (e.g. churches, community organisations, hospitals, educational institutions).

The definition, which is now included in Section 7.3.11 of the Funding Impact Statement (contained in Part A, Section 9.0 of Council's 2007/08 Annual Plan) and Section 6.7.14 of the Rating Policy (contained in Volume II (Section 6.0) of Council's 2006-16 Long-Term Plan) is as follows:

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.

5.2 Why this is an Amendment to the 2006-16 Long-Term Plan

The inclusion of a definition of a 'SUIP of a rating unit' to Council's Funding Impact Statement and Rating Policy is a requirement of Section 29(4) of the Local Government Act 2002 Amendment Act 2006. The Office of the Auditor General has stated that the inclusion of this definition in Council's Funding Impact Statement and Rating Policy constituted an amendment to Council's 2006-16 Long-Term Plan.

5.3 Further Information

For further information about the SUIP definition, contact:

Blair Bowcott
Finance and Administration Manager
Phone: 838 6742
Fax: 838 6616
Email: blair.bowcott@hcc.govt.nz

6.0 Overall Consequential Financial Impact of the Amendments and Variations to Council's 2006-16 Long-Term Plan

(NGAA REREKEETANGA, NGAA WHAKATIKATIKA O TE TIROHANGA WHAANUI 2006-16)

The table below shows the full financial impact of changes due to amendments and variations to Council's 2006-16 Long-Term Plan:

Debt Balance	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council Debt									
2006-16 LTCCP	166,744	212,448	248,630	252,394	275,187	273,464	269,785	258,572	243,274
2007-08 AP	172,444	222,884	261,147	267,018	286,717	284,933	284,866	278,482	262,466
Change	5,700	10,436	12,517	14,624	11,530	11,469	15,081	19,910	19,192
DCL Debt									
2006-16 LTCCP	153,827	192,636	214,506	246,409	265,534	275,555	282,600	295,811	316,695
2007-08 AP	139,363	178,530	194,075	213,888	237,333	246,048	255,328	262,972	283,544
Change	(14,464)	(14,106)	(20,431)	(32,521)	(28,201)	(29,507)	(27,272)	(32,839)	(33,151)
Total Debt									
2006-16 LTCCP	320,571	405,084	463,136	498,803	540,721	549,019	552,385	554,383	559,969
2007-08 AP	311,807	401,414	455,222	480,906	524,050	530,981	540,194	541,454	546,010
Change	(8,764)	(3,670)	(7,914)	(17,897)	(16,671)	(18,038)	(12,191)	(12,929)	(13,959)

DEBT SERVICING PERFORMANCE LIMITS 2007 - 2016

		2007/08	2008/09	2009/10	2010/11	2010/11	2011/12	2012/13	2013/14	2015/16
		1	2	3	4	5	6	7	8	9
Policy Limits - Council Net debt										
1. Interest on council debt (excluding interest on DCL debt) as % of total rating income	Max 20%	10.7%	13.6%	15.3%	16.3%	16.2%	16.0%	15.2%	14.4%	13.4%
2. Net debt (council) as % of total income (excluding total DCL contributions received p.a. in income)	Max 180%	114%	147%	166%	151%	170%	164%	157%	148%	135%
3. Net debt (Council) per capita	Max \$1800	\$ 1,232	\$ 1,566	\$ 1,803	\$ 1,813	\$ 1,916	\$ 1,873	\$ 1,842	\$ 1,772	\$ 1,644
Policy Limits - Total Net debt										
1. Net debt as % of total assets	Max 25%	13%	17%	18%	18%	18%	18%	18%	17%	17%
2. Net debt as % of total income	Max 300%	192%	237%	247%	236%	266%	260%	254%	248%	241%
3. Interest (total) as % of total income (including total DCL contributions received p.a. in income)	Max 20%	12.0%	15.2%	16.2%	16.5%	18.4%	18.4%	18.0%	17.7%	17.5%
4. Liquidity (on total net debt & working capital)	Min 110%	112.5%								

Council notes that the Net Debt per capita limit of \$1,800 is exceeded in years 3, 4, 5, 6 & 7. Through future Annual Plan and LongTerm Plan processes Council will monitor adherence to this policy limit to ensure that this is not exceeded when these years eventuate. The \$1,800 limit is stated in today's dollars while the Net Debt is adjusted for inflation. Council also notes that all other policy limits are complied with over the 10 years of the Long Term Plan

Part B: Amendments to Council's 2006-16 Long-Term Plan

AS PER 2006 - 2016 LTCCP

DEBT SERVICING PERFORMANCE LIMITS 2006 - 2016 LTCCP

		2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
		1	2	3	4	5	6	7	8	9
Policy Limits - Council Net debt										
1. Interest on council debt (excluding interest on DCL debt) as % of total rating income	Max 20%	11.3%	13.3%	15.1%	15.3%	15.4%	15.2%	14.5%	13.7%	12.7%
2. Net debt (council) as % of total income (excluding total DCL contributions received p.a. in income)	Max 180%	114%	138%	155%	141%	161%	156%	148%	138%	125%
3. Net debt (Council) per capita	Max \$1800	\$ 1,204	\$ 1,509	\$ 1,737	\$ 1,733	\$ 1,856	\$ 1,811	\$ 1,754	\$ 1,650	\$ 1,524
Policy Limits - Total Net debt										
1. Net debt as % of total assets	Max 25%	16%	18%	19%	20%	20%	20%	19%	19%	18%
2. Net debt as % of total income	Max 300%	202%	239%	251%	245%	275%	269%	260%	254%	247%
3. Interest (total) as % of total income (including total DCL contributions received p.a. in income)	Max 20%	13.2%	15.6%	16.8%	17.1%	19.0%	19.1%	18.6%	18.5%	18.3%
4. Liquidity (on total net debt & working capital)	Min 110%	113.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Council notes that the Net Debt per capita limit of \$1,800 is exceeded in years 5, & 6. Through future Annual Plan and LongTerm Plan processes Council will monitor adherence to this policy limit to ensure that this is not exceeded when these years eventuate. The \$1,800 limit is stated in today's dollars while the Net Debt is adjusted for inflation. Council also notes that all other policy limits are complied with over the 10 years of the Long Term Plan

Debt Financing Costs	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Funded by Development Contributions	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest Cost									
2006-16 LTCCP	10,612	13,291	14,805	17,210	18,737	19,641	20,515	21,819	23,645
2007-08 AP	9,590	12,284	13,346	14,886	16,670	17,432	18,394	19,232	20,945
Change	(1,022)	(1,007)	(1,459)	(2,324)	(2,067)	(2,209)	(2,121)	(2,587)	(2,700)
Principal Repayments									
2006-16 LTCCP	1,354	1,900	9,124	7,815	7,276	9,593	9,539	8,799	8,993
2007-08 AP	1,228	5,864	14,086	12,696	11,047	13,115	12,341	11,675	11,528
Change	(126)	3,964	4,962	4,881	3,771	3,522	2,802	2,876	2,535
Development Contributions									
2006-16 LTCCP	(11,966)	(15,191)	(23,929)	(25,025)	(26,013)	(29,234)	(30,054)	(30,617)	(32,638)
2007-08 AP	(10,818)	(18,148)	(27,432)	(27,582)	(27,717)	(30,547)	(30,735)	(30,906)	(32,473)
Change	1,148	(2,957)	(3,503)	(2,557)	(1,704)	(1,313)	(681)	(289)	165
Total Change	0	0	0	0	0	0	0	0	0

Part B: Amendments to Council's 2006-16 Long-Term Plan

Debt Financing Costs	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Funded by Rates	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest Cost									
2006-16 LTCCP	8,423	10,717	13,088	13,914	14,129	14,323	14,195	13,782	12,929
2007-08 AP	8,097	10,750	13,013	14,659	14,816	14,935	14,774	14,515	13,739
Change	(326)	33	(75)	745	687	612	579	733	810
Principal Repayments									
2006-16 LTCCP	12,543	5,535	8,945	24,569	10,237	10,880	11,486	13,212	15,835
2007-08 AP	6,691	12,941	11,403	24,952	10,704	11,227	11,834	13,707	16,526
Change	(5,852)	7,406	2,458	383	467	347	348	495	691
Total Rates Funded Interest and Principal Repayments									
2006-16 LTCCP	20,966	16,252	22,033	38,483	24,366	25,203	25,681	26,994	28,764
2007-08 AP	14,788	23,691	24,416	39,611	25,520	26,162	26,608	28,222	30,265
Change	(6,178)	7,439	2,383	1,128	1,154	959	927	1,228	1,501

Debt Financing Costs	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Funded by Reserves	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest Cost									
2006-16 LTCCP	1,907	2,518	3,167	3,822	4,587	4,955	4,908	4,881	4,852
2007-08 AP	1,752	2,817	3,456	4,105	4,800	5,159	5,036	4,969	4,924
Change	(155)	299	289	283	213	204	128	88	72
Principal Repayments									
2006-16 LTCCP	789	1,221	1,523	1,981	2,312	2,841	2,816	2,817	2,812
2007-08 AP	448	1,322	1,627	2,083	2,414	2,940	2,911	2,910	2,902
Change	(341)	101	104	102	102	99	95	93	90
Reserves Funding									
2006-16 LTCCP	(2,695)	(3,738)	(4,690)	(5,803)	(6,899)	(7,796)	(7,724)	(7,698)	(7,664)
2007-08 AP	(2,199)	(4,138)	(5,083)	(6,188)	(7,214)	(8,099)	(7,947)	(7,879)	(7,826)
Change	496	(400)	(393)	(385)	(315)	(303)	(223)	(181)	(162)
Total Change	0	0	0	0	0	0	0	0	0

Total Rates Levied	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2006-16 LTCCP	91,905	99,500	107,388	115,467	121,423	126,667	131,833	136,010	140,171
2007-08 AP	92,249	99,736	107,402	114,647	121,211	125,790	130,560	136,329	140,203
Change	344	236	14	(820)	(212)	(877)	(1,273)	319	32