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A VISION FOR OUR CITY



ANNUAL REPORT

2005/06



Hamilton City Council
Te kaunihera o Kirikiriroa

AVISIONFOROURCITY

Whakatauki

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 Potatau Te Wherowhero, 1858

He Mihi

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.*

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1.0 INTRODUCTION (KOORERO WHAKATAUKI)

1.1 WHAT IS THE ANNUAL REPORT?

Council is required by the Local Government Act 2002 (LGA 2002) to produce an Annual Report at the completion of each June financial year. 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 its Long-Term Council Community Plan (LTCCP) or the Annual Plan.

This year's annual report outlines what Council has achieved in year two (2005/06) of Council's first LTCCP (known as *Hamilton's Community Plan 2004–14*) and any amendments, variations and other changes identified in Council's 2005/06 Annual Plan.

1.2 WHAT IS THE LONG-TERM COUNCIL COMMUNITY PLAN?

Under the transitional provisions contained in the LGA 2002 Council was required to produce an LTCCP for the period 1 July 2004 to 30 June 2014 (known as *Hamilton's Community Plan 2004–14*). The LTCCP is Council's primary long-term planning document that outlines its contribution to the Hamilton's development over the next 10 years.

The LGA 2002 required all councils in New Zealand to have their second 10-year LTCCP in place from 1 July 2006. LTCCPs are then required to be reviewed and evaluated every three years. In addition, the community outcomes in each LTCCP are required to be reviewed and evaluated by the community at least once every six years.

1.3 WHAT ARE COMMUNITY OUTCOMES?

The LGA 2002 requires local authorities to get their local communities to identify how they would like to see Hamilton develop over the next 10 years and beyond (these are known as community outcomes). The community outcomes identified by the community indicate the community's desire for how the city should progress socially, economically, environmentally and culturally. Community outcomes can be thought of as the things the community thinks are important for its future development, i.e. the community's goals. The community outcomes and the processes required to work towards them will serve as decision-making inputs for Council and other organisations when undertaking their activities and when planning for the city's ongoing sustainable development.

The transitional provisions of the LGA 2002 allowed Council to develop an interim set of community outcomes for inclusion in *Hamilton's Community Plan 2004–14*.

1.4 WHAT ABOUT THE ANNUAL PLAN?

Council is still required to produce an Annual Plan in the two intervening years between each three-yearly LTCCP.

The purpose of the Annual Plan is to:

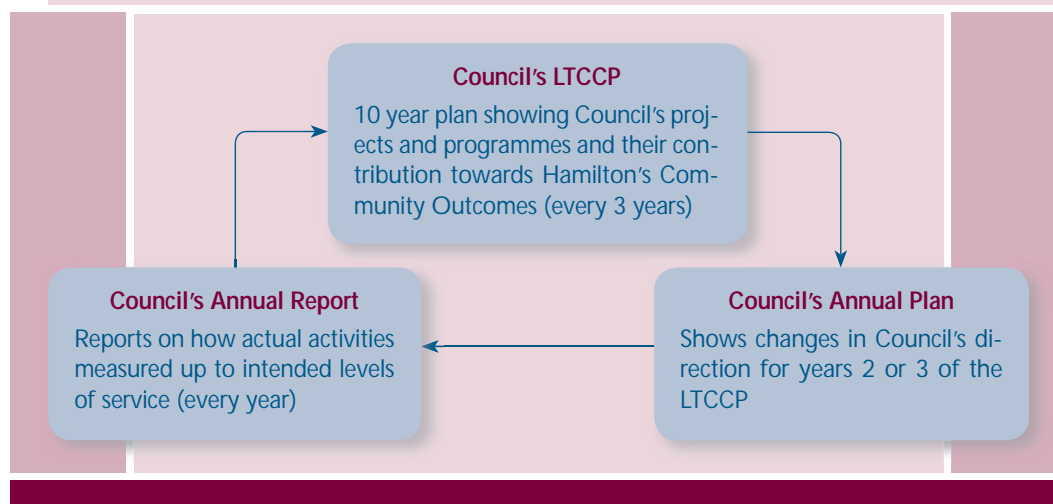
- support the 10-year LTCCP
- identify any amendments, variations (and reasons) and other changes for that year of the LTCCP (Council's 2005/06 Annual Plan was the first 'amendments / variations' plan to be produced under the LGA 2002)
- detail the budget and funding impact statement for that year
- 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).

The Annual Plan's primary focus is on financial matters in the year to which it relates and not on the role, scope, service levels and priority of Council's activities. These wider matters are primarily dealt with through the preparation and adoption of Council's LTCCP (produced every three years), and any subsequent amendment or variation. To this end, the Annual Plan is intended to be a companion document to be read in conjunction with the base LTCCP. Each LTCCP also serves as the Annual Plan for the first year of its 10-year focus.

The relationship of Council's Annual Report to the LTCCP and Annual Plan is shown in the following diagram.

RELATIONSHIP OF COUNCIL'S LTCCP TO THE ANNUAL PLAN AND ANNUAL REPORT



Note:

Further information on Council's key plans and policies can be found in Council's Governance Statement (known as *mycouncil 2005*). This publication guides people through how Council is structured and how it works with its communities to make decisions for the future of Hamilton.

You can pick up a copy of *mycouncil 2005* from the main Council office in Garden Place, at any branch of Hamilton City Libraries, or contact the Strategic Group on 838 6810 (or email strategic@hcc.govt.nz).

The publication is also on Council's website: www.hamilton.co.nz/mycouncil.



DELIVERING ON COUNCIL'S VISION
2005/06
ANNUAL REPORT



2.0 MAYOR AND CHIEF EXECUTIVE'S OVERVIEW

The 2005/06 year heralded significant shifts forward as Council embraced the challenge of delivering on its vision for a thriving and vibrant city. Hamilton is emerging as New Zealand's newest metropolitan city and is developing a unique identity that capitalises on its advantages and positions it as a thriving urban centre.

In response to continued rapid city growth, Council has taken a leadership role in guiding the future development of Hamilton's built environment with the launch of CityScope in December 2005. CityScope, Council's urban design strategy, proposes a three-year programme of initiatives, actions and development projects. Its intention is to raise the standard of urban design throughout the city and to actively plan toward the building of communities as the city expands. Council formally adopted CityScope in July 2006, with the CBD redevelopment as one of its flagship projects.

Council has identified events as playing the critical role in showcasing the city to national and international audiences. In February 2006, Council secured (subject to resource consent) the rights to host the V8 Supercars Street Race event. This was quickly followed by the announcement of the World Rally Championship in March 2006. In August 2006, Hamilton secured official host city status for the World Rowing Championships to be held at Lake Karapiro in 2010.

Council held a binding referendum of Hamilton residents on 13 May 2006 as to which electoral voting system should be used for Council's 2007 triennial elections and whether or not the city's water should continue to be fluoridated. Voters returned in favour of continuing with both the fluoridation of the city's water and with the First-Past-The Post (FPP) electoral system. In November 2005, Council decided to move to a two-ward electoral system for the 2007 triennial elections. Under this system, six councillors will represent the west ward and six councillors will represent the east ward, reducing the total number of councillors from 13 to 12. The two wards will be divided by the Waikato River, mirroring the boundaries inside the city of the parliamentary seats.

Several major infrastructural projects to support ongoing city growth were undertaken in the 2005/06 year.

The Access Hamilton transport strategy made significant gains. On 19 April 2006 the Knox Street commuter car-parking building (\$8.517m in 2005/06) was opened, providing an additional 450 off-street car parks in the central city. In conjunction with the Knox Street parking building, a free CBD shuttle bus service was launched on 17 July 2006 to boost accessibility throughout the city centre. On 17 July 2006 the Orbiter bus service was launched and operates both clockwise and anti-clockwise routes circling the city every 15 minutes. Other highlights under Access Hamilton were the installation of clearways in areas that experience significant peak-time congestion and the three-laning of Boundary Road bridge.

The construction phase of the Water Treatment Station upgrade (\$12.747m in 2005/06) continued with installation of a granular activated carbon system and ultra-violet disinfection system in conjunction with other automation and renewal upgrades. The Hamilton South Reservoir and associated bulk mains (\$3.060m in 2005/06) were commissioned and became fully operational in January 2006. This new reservoir will increase water pressure to east Hamilton and provide further security of supply for the whole city.

June 2006 saw Council adopting the 2006–16 Long-Term Plan – its primary long-term planning document that outlines Council's contribution to Hamilton's development over the next 10 years. Council undertook a comprehensive review of rating and funding mechanisms as part of the 2006–16 Long-Term Plan. As a result, the Development and Financial Contributions Policy was further amended to provide for the recovery of contributions towards acquisition of reserves. The change also recognises the differences in demand that arise from greenfield development as opposed to infill development and provides a fairer basis for recovery in these terms. Amended development contribution rates applied from 1 July 2006.

Council's Long-Term Plan captured Hamilton's city vision within three strategic framework strands: Investing in Our People; Creating Identity and Prosperity; and Protecting our Future. The strategic framework marks a significant change in focus for Council by promoting the importance of social connectedness, urban design, arts and culture, sustainable development and distinctive identity in Council's planning.

This Annual Report provides a comprehensive overview of how, in the 2005/06 financial year, Council has responded to Hamilton's emergence as a fast-growing metropolitan city.

Michael Redman
HAMILTON MAYOR

Tony Maynard
CHIEF EXECUTIVE

TE TIROHANGA WHANUI O TE KOROMATUA ME TE KAIWHAKAHAERE MATUA 2005/06

Ko nga tau 2005/06 ka kite nei matou te kaunihera nga momo wero e pa ana ki te tirohanga whanui mo teneki taone nui, ara te hurahi kei mua i a tatou. Ko Kirikiriroa tetei taone nui e ki a nei te taone hou o Aotearoa e puta mai ana, no te mea he mana ake te ahuatanga o Kirikiriroa.

Kei te pik tonu te tupuranga o te taone nui nei, ma te kaunihera e arahi nei te kaupapa ki mua i raro i te 'CityScope' timata ai te marama Hakihea te tau 2005. Kei raro i te 'CityScope' nga hotaka maha mo nga tau e toru e heke mai nei. Ko te tino whainganga o te 'CityScope' nei kei te whaiatia e te ahuatanga o nga whare katoa o te taone tae atu ki nga hapori o Kirikiriroa. I whakamanatia e te kaunihera te 'CityScope' i te marama o Hongongoi 2006, ko tetei hua i puta mai ko te CBD whakapakari.

Na te kaunihera i whakaaturia e nga momo tauwhainganga e pa ana ki te taone nui, tuatahi a-rohe, tuarua ki nga to pito katoa o te Ao. I te marama o Hui Tanguru te tau 2006 na te kaunihera i whiwhi te kaimanaaki mo te 'V8 Supercars Streetrace'. Whai muri nei ko te 'World Rally Championship' mo te marama Pou-tu-te-rangi 2006. I te marama Here-turi koka 2006 ka riro na te taone nui o Kirikiriroa e manaaki nei te kaupapa 'World Rowing Championships' ki te roto o Karapiro te tau 2010.

Na te kaunihera ano e whakaatu nei te potianga whakataunga a iwi ki nga hunga noho kainga i te 13 o Haratua 2006 te tau. E rua nga take mo te whakaaturanga, tuatahi ko te potianga o te kaunihera mo te tau 2007 ko tewhea potianga, tuarua ko te 'fluoridated' ki roto i te wai, mehemea ka haere tonu te kaupapa nei kaore ranei. Ko te nuinga o nga kaipoti e whakaae ana ki te 'fluoridation' ki roto i te wai me te kaupapa 'First-Past-The-Post' (FPP) potianga. I te marama o Whiringa-a-rangi 2005 te tau, kua tau te kaunihera ki te wehe te taone nui o Kirikiriroa ki nga riu e rua mo te potianga o te tau 2007. Kei raro i teneki kaupapa toko ono nga mema o te kaunihera mo te hauauru, toko ono nga mema o te kaunihera mo te rawhiti, heke iho nga mema mo te kaunihera inaianei mai te 13 ki te 12. Kei waenganui te awa o Waikato mo nga riu e rua.

He maha nga kaupapa e whakaatu mai na i tera tau me teneki tau 2005/06.

Ko te rautaki putanga hari waka o Kirikiriroa kei te pai tonu te haere. I te 19 o Paenga-wha-wha 2006 te tau e tuwhera nei te papa waka hou o Knox huarahi (\$8.517m 2005/06) mo nga waka 450 wahi turanga. Mai i teneki kaupapa a Knox huarahi papa waka he pahi kei te haere kei waenganui i te taone mo te kore utu. 17 o Hongongoi 2006 timata ai teneki kaupapa i taua rangi raka ka timata te ratonga Orbiter mo nga pahi ka haere whera ra (clockwise, anti-clockwise) ka hoki whenei mai 15 miniti noa iho. Ko tetei wahi ki raro te rautaki putanga ko te huarahi o Boundary e toru nga huarahi inaianei kia mama haere nga waka.

Ko te wahi tuku waiora (\$12.747m) kei te haere tonu mai tera ki teneki tau 2005/06. Ka uru atu he 'granular activated carbon system me te ultra-violet disinfection system' mo nga mahi whakahou. Kei te tonga o Kirikiriroa he wahi pupuri wai (\$3.060m) timata ai teneki i te marama o Kohitetea 2006 te tau. Kei te tuku wai ki Kirikiriroa rawhiti me te nuinga o te taone nui.

I te marama o Pipiri 2006 te tau ka taurima te kaunihera te Tirohanga Whanui 2006-16 mo nga tau tekau e tu mai nei. Na te kaunihera ano e ata titiro ki nga kaupapa reti me nga koha putea 2006-16 e hangai ana ki te Tirohanga Whanui. Ko nga hua e puta mai kei te uru atu te 'Financial Contributions Policy' he aha ai? kei te rapa i nga takoha o te whenua. Na reira ka kite nei tatou nga mea rereke o te Greenfield tetei whenua hou ka taea te koha putea. Ko whenei reti mai i te ra tuatahi o Hongongoi 2006 te tau.

E toru nga mea nui mai te Tirohanga Whanui o Kirikiriroa; Whakamana te Iwi, Kimihia te ingoa hua ranei o te taone nei, whakangungu nga tau ki mua. Ko whenei tu ahuatanga nga mea rereke mo te kaunihera he mea nui ki a matou te tikanga-a-Iwi, nga mahi toi, nga taonga tuku iho enei mea katoa.

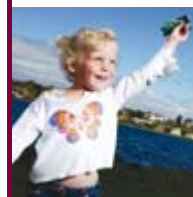
No reira kei roto i teneki ripoata he tirohanga whanui mai tera tau ki teneki tau ma te kaunihera e whakautu e tutuki ranei nga wawata o teneki taone tino nui.



Michael Redman
KOROMATUA O KIRIKIRIROA



Tony Marryatt
KAIWHAKAHAERE MATUA





3.0 HIGHLIGHTS OF PROJECTS AND PROGRAMMES FOR 2005/06 (NGA WHAKAPUTAINA KAUPAPA MAHI, KAUPAPA WHAKAARITANGA MO NGA TAU 2005/06)

3.1 HAMILTON – 'EVENTS CITY'

The year 2005/06 was an exciting year in terms of securing high profile events for the city. This section features three of the events that are set to raise Hamilton's position as a premier New Zealand events city.

With a focus on growing the events dimension of the city, Council secured, subject to resource consent, the rights to host the sole New Zealand round of the Australian V8 Supercars Street Race event. Council will also have a significant role in hosting the World Rally Championships starting in 2006 and is the host city for the World Rowing Championships in 2010.

These additions to Hamilton's events calendar will bring with them major benefits for the city and wider region. An increase in the Event Sponsorship Fund through Council's 2006–16 Long-Term Plan signals Council's ongoing commitment to supporting events in the city. In particular, Council is seeking to attract and support key events such as Balloons Over Waikato, The Gallagher Great Race rowing event and the Hamilton Gardens Summer Festival.

V8 Supercars Street Race

The Hamilton V8 Supercars Street Race is one round of the Asia Pacific V8 Supercars Championship. This event will launch Hamilton onto the international stage with the first race planned for April 2008. The hosting rights will enable Hamilton to run the event for a minimum of seven years. The race would take place annually over three days, and is likely to be held in the April school holidays each year. The other rounds of the Championship include Bathurst, Clipsal 500 in Adelaide and Bahrain.

The V8 Supercars Street Race is a significant international event. The worldwide television audience is estimated at 600 million viewers and 155,000 spectators are likely to attend the street circuit during the three-day event.

The economic benefits for Hamilton from this event through additional visitors and jobs are significant. The street race will be a catalyst for additional investment and associated industry growth in Hamilton. The event provides an excellent platform for providing a profile internationally for Hamilton as well as excitement and enjoyment for city residents.

The Hamilton street circuit is expected to attract a greater level of spectator support than other circuits that have been mooted in New Zealand. The 3.4 kilometre street race course borders the city's Central Business District running largely adjacent to the central city greenbelt. The proposed Hamilton circuit has more green space available with the potential for more general admissions and ancillary events, and will capitalise on the city's two international sports stadiums. The event presents massive leverage opportunities for the city's profile through broadcasting, merchandise, networking and tourism and cements Hamilton's position as a vibrant and distinctive city with a complete events calendar that will be the envy of many other cities.

During 2005/06 Council undertook extensive planning and consultation to ensure the success of the event. Council recognises there are issues that need to be worked through to minimise any adverse effects of the race and to ensure that there is widespread local support.

As part of the event planning, Council has been working through a number of issues including infrastructure and logistics planning, traffic management (free buses will be provided citywide during the weekend of the event) and environmental issues e.g. mitigating carbon emissions, event recycling initiatives and noise management.

Two information days were held on 10 and 11 May 2006 at the Hamilton Workingmen's Club Pavilion in Frankton. The information days were targeted towards people who live or own a business close to where the event will be held. They provided general displays of information (including detailed components of the race circuit, information on access and transport and the resource consent process) as well as one-on-one discussions with potentially affected parties. Resource consent planners, the event promoter and event organiser were present at the information days to discuss the issues and answer questions. All material made available at the information days has been posted on Council's website at www.hamilton.co.nz/v8supercars.

Further consultation will take place as part of the resource consent process (the resource consent application was lodged in August 2006). This formal process will allow the views of interested and affected parties to be heard and considered by an independent commissioner.

World Rally Championship

The Propecia Rally of New Zealand will be based in Hamilton between 17 and 19 November 2006, as part of a three-year deal between Council and Rally New Zealand. Council secured the sponsorship hosting rights for the World Rally Championship (WRC) event following negotiations that began last year.

The Mystery Creek venue will provide a 'one-base' concept for the rally, with all the teams returning in the middle and at the end of each day's special stages. It is anticipated that the official start of the rally will take place in Hamilton's Central Business District.

The arrangement between Council and Rally New Zealand will see Hamilton becoming a sponsor of the event. Council's Event Sponsorship Fund will provide annual funding of \$125,000 for this event, which is expected to bring an economic impact of around \$12m to the wider Hamilton economy.

The WRC rally is one of the largest sporting championships in the world with an estimated 880 million television viewers last year. The New Zealand leg of the WRC is one of 16 rounds, 11 of which are held in Europe with the other rallies in Mexico, Argentina, Japan and Australia.

World Rowing Championships

The World Rowing Championships, which are to be held at Lake Karapiro in 2010, will enable Hamilton to play a major role in the staging of the event. Hamilton is the official host city for the world championships and as a significant sponsor will play a key part in supporting the regatta.

Council has had a close association with the bid for the world championships, having contributed to the bid fund, co-hosted a reception for the International Rowing Federation (FISA) delegates as well as agreeing to sponsorship of the event itself.

Council's \$300,000 sponsorship of the World Rowing Championships (through its Event Sponsorship Fund) includes staging the opening ceremony, funding of special transport for athletes and spectators between Lake Karapiro and Hamilton and creating a festival environment for athletes, delegates and visitors.

There is an opportunity to capitalise on having overseas visitors and a huge international television audience to promote Hamilton as both a tourist destination and a place of innovation and high value jobs. The opening ceremony will be staged in the city and a range of supporting events will be delivered for visitors' and residents' enjoyment.

Hamilton's strong historic association with rowing and the broad-based support for the sport in the city makes Council an ideal sponsor of the event.

3.2 ACCESS HAMILTON

In Council's 2004 and 2005 Annual Residents' Surveys, 'traffic' (including congestion) was the most important issue that residents felt Council should be addressing. In response to this, Council developed Access Hamilton, a transport strategy that focuses on easing traffic congestion and encouraging the use of alternative forms of transport such as buses, walking and cycling.

Council distributed the Access Hamilton Information Sheet to all households in Hamilton in March 2005 asking the public to consider some of the solutions to traffic issues. These views were considered as part of Council's 2005/06 Annual Plan process and were a key input in Council's decision to introduce a targeted rate to assist in providing for a comprehensive programme of projects aimed at addressing the city's traffic issues.

Some of the highlights from Access Hamilton during 2005/06 include:

Knox Street Car Park Building and CBD Shuttle

The Knox Street commuter car parking building (\$8.517m in 2005/06) was opened on 19 April 2006 to provide off-street commuter car parking in the central city. A free inner city shuttle bus service (\$65,000 in 2005/06) was launched with the opening of the car park to encourage people to leave their cars on the edge of the CBD and use public transport in the inner city. Patronage of the CBD shuttle bus has steadily increased, with 7,409 patrons using the service in May 2006 and 8,277 patrons in June. The free CBD Shuttle is a jointly funded initiative between Hamilton City Council and Environment Waikato.





Fairfield Bridge

Remedial work in the vicinity of the Fairfield Bridge (\$75,000 in 2005/06) was carried out to reduce traffic congestion. The right-turn lane onto Fairfield Bridge for vehicles travelling north along Victoria Street was extended south to Abbotsford Street to create two lanes. Phasing on the traffic lights was also modified during the morning peak to improve traffic flows on the bridge, and a clearway installed along River Road during morning peak travel times.

Three-laning of Boundary Road Bridge

Three-laning of the Whitiara Bridge (\$105,000 in 2005/06) was completed in June 2006 to reduce excessive congestion along Boundary Road during peak travel times. This project is part of the Cross City Connector and is the first stage in upgrading this road.

Bus Services

The Orbiter bus (\$12,000 in 2005/06) is a new route which has been operating since July 2006. It circles the city every 15 minutes in both directions, linking key trip attractors in both a clockwise and an anticlockwise direction.

A real-time information system has been installed at bus stops throughout the city to enable passengers to better plan their journey. The system has been installed at the majority of bus stops on the new Orbiter route.

A new Chartwell Express bus service (\$51,000 in 2005/06) from Thomas Road to the CBD started in February 2006. This is a fast-track service aimed at commuters.

Walking School Buses

Walking school buses (\$36,000 in 2005/06) are formal groups of children who walk to school along designated routes. These trips are supervised by school bus drivers. Schools support the walking school buses, although they are usually operated by volunteers. Walking school buses form part of the national road safety strategy and are consistent with the Land Transport Management Act. The programme is also integrated with Access Hamilton and in partnership with Environment Waikato, the Environment Centre and Ruben the Road Safety Bear. Funding for this initiative has come from Land Transport New Zealand. Nine schools in Hamilton operate walking school buses (with a total of 18 routes). Council will continue to work with school communities to instigate new walking school buses and routes.

Clearways

Five new clearways (\$3,000 in 2005/06) have been implemented in the last financial year.

3.3 CITYSCOPE

In December 2005, a draft city design strategy for Hamilton – CityScope – was accepted by and received the support of Council. CityScope is an integral component of a range of initiatives (such as Access Hamilton and the CBD Upgrade) designed to ensure that Hamilton is well placed to positively address the challenges and opportunities that the city will face over the coming years.

It is Council's vision that Hamilton's evolving urban form and built environment will deliver positive social, economic and environmental outcomes. Future development in Hamilton should embrace international practice in planning, urban design, and sustainability and play the central role in delivering on the Vibrant Hamilton Vision (refer Section 7.7).

To achieve meaningful change and outcomes, Council must not only demonstrate leadership but also gain the buy-in and support of those involved in the design, planning and development sectors in Hamilton. In developing CityScope, Council engaged with a range of professional associations closely involved with development in the city. These included the:

- Property Council of New Zealand
- New Zealand Institute of Architects
- New Zealand Planning Institute
- Hamilton Community Arts Council
- New Zealand Institute of Surveyors
- New Zealand Institute of Landscape Architects
- New Zealand Historic Places Trust

In line with this, Council has become a signatory to the New Zealand Urban Design Protocol and created an Urban Design Strategy Working Group to progress city design and lift the quality of urban form in Hamilton.

CityScope is a key mechanism through which a Distinctively Hamilton identity is formed and conveyed and will also enable the delivery of Council's obligations under the New Zealand Urban Design Protocol.

CityScope is founded on six key principles or underlying philosophies:

- Principles – Principles underpinning the strategy
- People – Strategies that enable others to act
- Place – Ideas that inspire a shared vision
- Process – Initiatives that challenge the process
- Promotion – Initiatives that encourage the heart
- Projects – Projects that model the way.

The full realisation of CityScope can only be achieved with the support of the wider Hamilton community. CityScope is a positive and fundamental shift in strategic planning for how the city will grow and develop in the decades ahead. Public feedback has provided clear support for CityScope.

Council formally adopted CityScope in July 2006 and will embark on a comprehensive programme of actions to ensure its implementation.

3.4 PROJECTS AND PROGRAMMES BY THE COMMUNITY PLAN'S SIX OUTCOME AREAS

The projects and programmes listed below (grouped by significant service under the six outcome areas in Hamilton's Community Plan 2004–14) are some of the key projects that Council completed/undertook in 2005/06.

Note:

For key infrastructural projects, each highlight is shown with its appropriate Strategic Action Plan (SAP) number, i.e., these numbers correspond with the SAP numbers in Hamilton's Community Plan 2004–14 and Council's 2005/06 Annual Plan. The costs shown next to each SAP number represent the actual amount spent on the particular project in the 2005/06 financial year.

OUTCOME AREA A: SUSTAINING HAMILTON'S ENVIRONMENT (PAGE 58 OF HAMILTON'S COMMUNITY PLAN 2004–14)

WASTEWATER MANAGEMENT (PAGE 62 OF HAMILTON'S COMMUNITY PLAN 2004–14)

Wastewater Treatment Plant Upgrade

- Strategic Action Plan # 238.0 – \$601,000 in 2005/06

This project provides for increased capacity to cater for urban growth and may also involve changes to the wastewater treatment process. A new resource consent is required in 2006/07 for operating the city's wastewater treatment plant and this was lodged in May 2006. The hearing is yet to be scheduled by Environment Waikato.

Rototuna Wastewater Trunks

- Strategic Action Plan # 242.0 – \$726,000 in 2005/06

Wastewater trunkmains were installed in Te Manatu Drive (Stages 2 and 3) and trunkmains in River Road were approximately 70 per cent completed. The Borman Road, Cumberland Drive and Tuirangi Street projects were deferred until 2006/07 to align with the road construction programme. Contracts have been awarded for these projects and work is due to commence in September 2006.

Pump Station Storage

- Strategic Action Plan # 253.0 – \$6,000 in 2005/06

This annual programme continues the installation of storage chambers for wastewater pump stations around the city. These chambers help prevent wastewater overflows during times of heavy rain and hence provide protection to the city's streams and the Waikato River.





Plans to install a storage chamber at the Snell Drive pump station were deferred and will be completed as part of the 2006/07 work programme. The design has been completed for this project.

STORMWATER MANAGEMENT (PAGE 64 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Rototuna Urban Growth – Construction of Borman Road Canal and Te Manatu Drive Detention Pond and Trunkmain

- Strategic Action Plan # 170.0 – \$367,000 in 2005/06

Stormwater trunkmains were installed to service Te Manatu Drive. Construction of the Te Manatu Drive Detention Pond was deferred due to delays with the resource consent and the need for drier weather conditions. Construction of the Borman Road pipeline was deferred to 2006/07 to align with the road construction programme. Works are expected to commence by November 2006.

RECYCLING/REFUSE COLLECTION (PAGE 66 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Horotiu Landfill Stages 4 and 6

- Part of Strategic Action Plan # 151.0 – \$305,000 in 2005/06

Capping of Stages 4 (\$28,000) and 6 (\$277,000) at Horotiu Landfill has continued with some delays due to inclement weather in early 2006. Work is within budget and progress has resumed. Final capping of Horotiu Landfill will take place by 31 December 2006 and gas collection will commence upon its closure.

Refuse Transfer Station Asset Management Upgrades

- Strategic Action Plan # 152.0 – \$16,900 in 2005/06

This project provided for various capital and renewal projects to maintain Council's asset at the Refuse Transfer Station (RTS). Further remediation work on the compactors is due for completion in October 2006. The RTS will be leased to Waste Management NZ Ltd after the Horotiu Landfill closes. The period of the lease will be for the following 10 years (2006/07–2015/16).

Council is required to hand over a fully serviceable and sound facility. Various capital and renewal projects have been completed at the RTS to ensure this asset remains fully serviceable and sound prior to leasing to Waste Management NZ Ltd after the Horotiu Landfill closes on 31 December 2006.

WATER SUPPLY (PAGE 68 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Upgrade of Hamilton's Water Treatment Station

- Strategic Action Plan # 455.0 – \$12.747m in 2005/06

This project ensures that Council will meet the requirements of the Drinking-Water Standards for New Zealand 2000 that will become mandatory after an amendment to the Health Act 1956 (on drinking water safety) is passed by Parliament. It is anticipated that this bill will be enacted on 1 April 2007.

The project involves the design and construction of an upgrade to Hamilton's Water Treatment Station. The objectives of the upgrade are to:

- Ensure optimal capacity for Hamilton's residential and industrial growth
- Retain Hamilton's 'Aa' grade water supply rating
- Provide advanced pathogen (Cryptosporidium) protection
- Remove odour and improve taste
- Manage potential toxins
- Control corrosivity of the treated water on the pipes/network
- Implement effective automation and control.

Designs for the treatment station upgrade were completed and the main construction contract awarded in 2004/05. A granular activated carbon system and ultra-violet disinfection system were installed in 2005/06 in conjunction with other automation and renewal upgrades as planned. Full commissioning of the upgrade project is underway.

Water Bulkmain Extensions

- Strategic Action Plan # 277.0 – \$2.656m in 2005/06

Water bulkmain extensions from Dey Street, between Naylor Street and Ruakura Road, and from Ruakura Road to Peachgrove Road have been completed. The water bulkmain extension from the Newcastle Reservoir to Dinsdale Road was deferred pending design confirmation through further modelling investigations.

Hamilton South Reservoir and Bulkmain

- Strategic Action Plan # 268.0 – \$3.060m in 2005/06

The Hamilton South Reservoir and associated bulkmain were commissioned in January 2006 and are now fully operational. This new reservoir will increase water supply pressure to areas of Hamilton located on the east of the Waikato River and will provide further security of supply for the whole city. Minor remedial work to remedy air venting and water hammer is due for completion in August 2006.

Rototuna Urban Growth – Extension of the Rototuna Water Supply Reticulation Trunkmain

- Strategic Action Plan # 262.0 – \$173,000 in 2005/06

The water trunkmain was extended along Resolution Drive from Discovery Drive to the proposed Rototuna northern arterial road. Other water trunkmain projects associated with subdivision development (Ashmore and Horsham Estate) were progressed as required. This ongoing project will ensure the development of essential water supply infrastructure to meet the demands of residential growth and expansion in the city's north-eastern area.

SUSTAINABLE ENVIRONMENT (PAGE 70 OF HAMILTON'S COMMUNITY PLAN 2004–14)

Environmental Education Programme – Shopping Booklet

The "Know it...? Live it!" community education programme was furthered with the production of the final booklet in the series on Sustainable Living. This fifth booklet, "A household guide to making informed consumer choices for your health and the environment", is designed to help people in Hamilton understand that lifestyle choices and purchasing decisions have an impact on the environment. The booklet was launched pre-Christmas 2005 and was supported by seasonal and topical fact sheets explaining how to utilise critical thinking when making purchasing decisions in order to make a positive difference to the environment.

Bikewise Week 2006

Bikewise Week is an annual national event. Linking strongly with Access Hamilton's objective of reducing congestion and increasing the use of alternative modes of transport, Bikewise Week aims to raise the profile of cycling both as a form of transport and active recreation. Council partners with Environment Waikato, Sport Waikato and the Hamilton Environment Centre to coordinate events over the week. Events held in 2005/06 included the Round the Bridges Bike Ride, the Bike Wise Battle (an inter-business challenge aiming to get as many staff to take up cycling during the week as possible), and the Go By Bike Breakfast on Wednesday 1 March 2006 (a free breakfast in Civic Plaza was provided for everyone cycling into the city on that day). The Go By Bike Breakfast event was a huge success with over 300 cyclists attending the event and Hamilton's event receiving the 'Gold Standard' from the national organisers for getting 30 seconds of news coverage on TV One News.

ENVIRONMENTAL HEALTH (PAGE 72 OF HAMILTON'S COMMUNITY PLAN 2004–14)

Hamilton City Selected as Case Study by Ministry of Justice

Hamilton City has been selected as an example of 'good practice' by the Ministry of Justice for its efforts in crime prevention. Police statistics show that residents are justified in feeling safer, and violence and disorder in the central city has decreased significantly in the last two years (disorder has decreased by more than 65 per cent and violence by nearly 20 per cent since 2003).

A weekend liquor ban was introduced in October 2003 by Council to enhance public safety and enjoyment of the central city. Liquor ban breach arrests were initially high with nearly 500 arrests made in the first six months. Breaches have halved since then and as a result of public and Police support, the bylaw has been extended to operate seven days a week, 24 hours a day.





Council's Central City Night Patrol Team has contributed significantly to the perception of safety in the city and results from Council's Annual Residents Survey indicate that survey respondents rated the service they provide as excellent. The team is linked to the city's security camera operation and report disorder and crime to Police. Their presence on the street also acts as a deterrent to anti-social behaviour.

Council, Police and the Waikato District Health Board have also worked closely with licensed premises to reduce alcohol related violence in the central city. A number of training seminars have been held for staff and monitoring and enforcement of the Sale of Liquor Act has been increased by Police and Council.

Council's Central City Safety Programme includes a number of other initiatives (such as the 'Night Rider' late night bus service and youth-at-risk initiative) that have helped to improve city safety.

OUTCOME AREA B: GROWING HAMILTON

(PAGE 75 OF HAMILTON'S COMMUNITY PLAN 2004-14)

ROAD NETWORK MANAGEMENT (PAGE 78 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Extension of Resolution Drive – Discovery Drive to Borman Road

- Strategic Action Plan # 8.0 – \$2.011m in 2005/06

The extension of Resolution Drive, to enable subdivision developments in the Rototuna growth cell, is expected to be completed in September 2006. This project will be completed within the allocated budget and well within the timeframe.

Riverlea Road Upgrade

- Strategic Action Plan # 33.0 – \$1.611m in 2005/06

The Riverlea Road upgrade was completed in June 2006. This work, including kerb and channelling and high grade asphaltting, upgrading Riverlea Road from a rural standard to an urban standard road.

Construction of Cycleways

- Strategic Action Plan # 96.0 \$116,000 and 133.0 \$69,000

Two major off-road cycleways (Hamilton Gardens to Wellington Street and Thomas Road to St James Drive) were constructed during 2005/06.

BUILDING CONTROL (PAGE 83 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Earthquake-Prone, Dangerous and Insanitary Buildings Policy

The Building Act 2004 requires all territorial authorities in New Zealand to adopt a policy on earthquake-prone, dangerous and insanitary buildings. Council's policy (adopted in May 2006) reflects Hamilton's local economic, social and seismic conditions and has been developed in a way that aims to balance potential health and safety benefits with economic costs to building owners.

The policy is based on a risk management approach under which Council will require owners to acquire an engineering assessment of the current condition and status of their building and develop plans to upgrade over a period of time. Special recognition has been made of the need to protect and deal with heritage buildings. Council will be working closely with owners of heritage buildings and the Historic Places Trust. The first formal review of the policy will be in 2009.

Waikato Building Consent

Council's Building Unit, together with Waikato, Waipa, Matamata-Piako and Otorohonga District Councils, has successfully developed a single building consent application form that is utilised across all five local authorities. The single application form streamlines the building consent process for developers and builders throughout the region.

Build Hamilton Website

Council's Building Unit has continued to develop the website, www.buildhamilton.co.nz. The website includes essential information for customers and is an interface where customers can seek information or links to essential sites, access latest industry developments and legislation and download forms. A key service is the provision of a question and answer service for customers whereby they are able to email a question and have it answered on the same day.



PLANNING GUIDANCE (PAGE 84 OF HAMILTON'S COMMUNITY PLAN 2004-14)

100 per cent Money Back Guarantee

The 100 per cent money back guarantee for non-notified resource consents not being issued within the statutory timeframe continues in its fifth year. The programme is a New Zealand first and is a demonstration of Council's ongoing commitment to customer service.

Urban Design Advice

The aim of Council's urban design strategy (CityScope) is to ensure alignment of all projects and initiatives to achieve outcomes that deliver on the strategy's ambitions and aspirations. Processes have been developed around resource consents to raise the significance of urban design matters and to encourage pre-design consultation. This has enabled applicants to discuss with Council staff, at an early stage, how their application may benefit from urban design techniques or be enhanced by Council's plans for its roading network (Access Hamilton), the CBD development plans and various aspects of CityScope.

ANIMAL CARE AND CONTROL (PAGE 85 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Dog Day Afternoon

Council ran its annual Dog Day Afternoon event for the fourth consecutive year on 6 March 2006. This event is aimed at promoting and celebrating responsible dog ownership and featured stalls, displays, activities, competitions and information about dog ownership. The number of people attending the event has increased each year, with around 2000 people attending in 2006, and around 250 dogs and 500 people participating in the Pet Practice Dog Walk around Hamilton Lake.

OUTCOME AREA C: PROMOTING HAMILTON

(PAGE 88 OF HAMILTON'S COMMUNITY PLAN 2004-14)

ECONOMIC DEVELOPMENT (PAGE 92 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Hamilton's Economic Development Strategy

Hamilton's Economic Development Strategy was updated by Council in November 2005. The Strategy reflects a commitment to ag-biotech, light aviation and transport logistics as key strengths and opportunities to generate economic wealth. In addition, the Strategy identifies light engineering, science and medical research and education as important contributors to the city's economic development.

The Katolyst Group

Hamilton's Innovation Park has continued to grow over the past 12 months. It now has over 50 companies and 300 people working in a range of high technology businesses. The Park also assisted companies to raise over \$6m in capital, facilitated the development of agri-technologies through the Walton dairy farm and showcased animal traceability technologies to over 5000 farmers at the 2006 National Fieldays event.

CITY PROMOTION (PAGE 94 OF HAMILTON'S COMMUNITY PLAN 2004-14)

World-Class Events

Hamilton's promotional strategy is based around using events to showcase the city and attract visitors, and major progress was made during 2005/06 in positioning Hamilton as a premier events city. Securing the rights to host the Australian V8 Supercars Street Race in Hamilton (subject to resource consent) from 2008 onwards and the staging of the New Zealand leg of the World Rally Championship around Hamilton for three years (beginning November 2006) are significant successes.



Website Redevelopment

The redevelopment of the Council managed website www.hamilton.co.nz has seen a significant improvement in content and ease of navigation and has resulted in an increase in the number of visitors to the site. The site was launched in November 2005, and from approximately 10,000 visitors per month prior to redevelopment, www.hamilton.co.nz now has more than 60,000 visitors per month.

OUTCOME AREA D: EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON (PAGE 97 OF HAMILTON'S COMMUNITY PLAN 2004-14)

HAMILTON THEATRE SERVICES (PAGE 100 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Theatre Upgrades

The condition of Hamilton's theatres has meant that major renovations have been needed. The recent upgrade of the Community Theatre included a complete renovation of the entrance foyer, recarpeting part of the auditorium and replacing the seating in this area. The Meteor upgrade included refurbishment of the entrance foyer, toilet facilities and catering area, recarpeting and repainting of walls and ceilings, replacement and upgrade of the lighting grid and general refurbishment of all public areas except the actual theatre space. Painting of the exterior was also completed.

Council's 2006-16 Long-Term Plan makes funding provision for continued upgrading of The Meteor and installation of air conditioning at Founders Memorial Theatre in order to improve overall customer experience.

Ticketdirect Improvements

Customers have increased choice in booking a ticket to a show, sports or entertainment event. TicketDirect has been moved from Founders Theatre, and tickets can now be purchased from any of the Hamilton City Libraries. Tickets are still available to purchase online or over the phone, and the TicketDirect call centre now offers extended hours for ease of access for customers.

HAMILTON CITY LIBRARIES (PAGE 102 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Update to Technology at Hamilton City Libraries

All Hamilton City Libraries now provide customers with Internet access. The libraries are trialing free internet access to members of the libraries who are residents of the city and Waikato District, although whether the service continues on this basis will be dependent on user numbers. Internet terminals can be booked for periods of up to 30 minutes.

The number of computer terminals available has also increased, and self-issue terminals have been installed at the Chartwell and Central Libraries.

Changes to the Heritage Area

Council continued to extend customer choice in the heritage area of the libraries. The collection of heritage photographs were digitised last year and work will continue on this to ensure that more historic photographs are available online from the Hamilton City Libraries website (www.hamiltonlibraries.co.nz).

WAIKATO MUSEUM OF ART AND HISTORY (PAGE 104 OF HAMILTON'S COMMUNITY PLAN 2004-14)

A Dynamic Exhibition Programme

The Waikato Museum offered a varied and innovative exhibition programme during 2005/06, which involved wide sections of the community. Key exhibitions included:

- 'A Tale to Tell', an exhibition of high quality work by British narrative painters of the Victorian era. This is the first time that this exhibition has traveled outside of Auckland.
- 'Aukaha - 40 Years On', a collection of several leading Maori contemporary artists in recognition of the first large-scale contemporary Maori art exhibition that was held in Hamilton 40 years ago.
- 'Rare View: A glimpse into Hamilton's Somali community', a photographic exhibition that provided insights into the Somali community in Hamilton. The exhibition was recognised by the Human Rights Race Relations Commission for its work in addressing ethnic stereotypes and won the Creative New Zealand Creative Places: Cultural Festivals and Arts Events Award.

- The Waikato Museum also hosted two significant international exhibitions:
 - ‘Wrapped’, which showcased some of the finest examples of Korean textile art
 - ‘Letters to the Ancestors’ from the renowned Centre Cultural Tjibaou in New Caledonia.
- Waikato Museum continues to host one of New Zealand’s most prestigious contemporary art events, the Trust Waikato National Contemporary Art Awards.
- The giant fossilised penguin, which was discovered in Kawhia Harbour by members of the Hamilton Junior Naturalists Club in January, is on display at Waikato Museum.
- Speed, a science exhibition in the Exscite gallery, contained a number of highly interactive exhibits for children to explore the principles of motion.
- Two major cultural days were held involving Korean and Pacific cultures. More than 5000 people attended each day.



OUTCOME AREA E: LIVING IN HAMILTON

(PAGE 106 OF HAMILTON’S COMMUNITY PLAN 2004–14)

COMMUNITY SUPPORT (PAGE 110 OF HAMILTON’S COMMUNITY PLAN 2004–14)

Recognyz Youth Awards 2006

The Hamilton Youth Council (along with representatives from community groups and organisations) ran a successful Hamilton Youth Awards event this year. Seven award categories attracted 48 nominations which culminated in an awards evening in April 2006. The Recognyz Youth Awards has now become an annual event on the Hamilton Youth Council Action Plan, leading up to national Youth Week (currently celebrated in May each year).

Ethnic Communities Listening Forum

The second Listening Forum for Hamilton’s Ethnic Communities was held in June 2006. This forum contributes towards increasing the awareness of ethnic issues in Hamilton. Around 75 participants from 37 different ethnic groups attended to discuss social and cultural connectedness, health and well-being, education, language and literacy and employment and financial management.

COMMUNITY FACILITIES (PAGE 112 OF HAMILTON’S COMMUNITY PLAN 2004–14)

Cemetery Database Now Online

People with family buried in Hamilton Park Cemetery, Hamilton East or West Cemeteries now have 24-hour access to burial and cremation records. Hamilton Park Cemetery (in Newstead) installed an on-site touch-sensitive data kiosk in the administration building. The kiosk is accessible during the opening hours of the cemetery, making the search for relatives or ancestors more convenient. A new database was also launched, which contains both burial and cremation records for all three cemeteries. This database is accessed through the Hamilton City website www.hamilton.co.nz (keywords **cemetery database**). Information at both the kiosk and the online database is continuously updated.

EMERGENCY MANAGEMENT (PAGE 114 OF HAMILTON’S COMMUNITY PLAN 2004–14)

Electronic Messaging System

Hamilton’s purpose built emergency management centre at Duke Street was enhanced this year by the installation of an electronic messaging system early in 2005. The system provides all the necessary event logging and message management required by New Zealand’s civil defence crisis management centres. For events or incidents recorded in the system, messages and associated tasks may be created and allocated to individuals or other organisations (e.g. the Police and social agencies). The system facilitates rapid and accurate information transfer and enhances the emergency management readiness and response capacity.

REPRESENTATION AND CIVIC AFFAIRS (PAGE 118 OF HAMILTON’S COMMUNITY PLAN 2004–14)

Council’s Electoral System and Fluoridation of the Water Supply

A binding referendum of Hamilton’s residents (eligible voters) was conducted on 13 May 2006. Voting came out in favour of continuing with both the First Past the Post (FPP) electoral system and the fluoridation of the city’s water supply. The FPP electoral system will now be used for the 2007 and 2010 triennial Council



elections. The referendum for the two issues was held by postal vote and had a voter turnout of 38 per cent. Of the people that voted, 70 per cent decided in favour of continuing fluoridation of the city's water supply and 60 per cent in favour of maintaining the FPP electoral system.

Council will also be moving to a two-ward electoral system with fewer councillors at the next local authority elections in 2007. Council voted in favour of moving from three wards to two wards at a meeting in 2005, but an appeal by the Temple View Residents Association to the Local Government Commission prevented the Council decision being confirmed. The appeal was subsequently withdrawn, which allowed Council to implement its decision.

The two-ward system will mean the number of Councillors for the next election in 2007 will reduce from 13 to 12, with six Councillors representing each ward. The two wards will be east and west of the Waikato River, mirroring the boundaries inside the city of the parliamentary seats.

Development and Financial Contributions Policy

As part of Council's 2005/06 Annual Plan the Development and Financial Contributions Policy was introduced on 1 July 2005 (as required by the Local Government Act 2002) to enable the recovery of growth related capital expenditure through contributions made by developers. This policy was further amended during 2005/06 as part of Council's 2006–16 Long-Term Plan. The amended policy provides for the recovery of contributions towards the acquisition of reserves and also provides a fairer basis for recovery, recognising the differences in demand that arise from greenfield development as opposed to infill development.

The amended policy will be supported by a variation to Council's Proposed District Plan that will remove the basis for the reserves contributions to be collected under the Resource Management Act 1991. The amended development contribution rates apply to all consents granted from 1 July 2006.

Council's 2006–16 Long-Term Plan

On 30 June 2006, Council adopted its 2006–16 Long-Term Plan with an unqualified audit opinion from Audit New Zealand. Under the Local Government Act 2002 Council is required to produce a Long-Term Plan every three years. This is Council's primary long-term planning document that outlines its contribution to Hamilton's development over the next 10 years. The Proposed 2006–16 Long-Term Plan was available for public submissions between 31 March – 1 May 2006. A total of 202 submissions were received.

Council maintains \$1.9 billion of public infrastructure and property assets that enable the provision of a range of services to the community. Projected expenditure through the plan over the next 10 years is \$3 billion, of which special capital projects account for \$1.1 billion. Rate increases over the 10-year period to existing ratepayers average just over 2 per cent above the CPI (Consumer Price Index), including additional Access Hamilton targeted rates in 2008/09, 2010/11 and 2011/12.

Copies of Council's final 2006–16 Long-Term Plan can be obtained from the main Council office in Garden Place or any branch of Hamilton City Libraries. The Plan can also be viewed/downloaded from Council's website www.hamilton.co.nz/longtermplan.

Hamilton's Community Outcomes

The Local Government Act 2002 requires Council to carry out a process to identify community outcomes and priorities for the future of the city. This means developing vision statements, through community consultation, about how people want the city to develop over the coming 10 years.

During May and June 2005, more than 3000 people had their say about what would make Hamilton a better place. All the ideas and opinions collected were used to identify a draft set of community outcomes statements. The draft statements were distributed in August 2005 for community feedback, which included a flyer delivered to all Hamilton households through the Hamilton Press (a local community newspaper). This community feedback was taken into account by the Steering Group before signing off the final set of statements in late October 2005. Reports from each stage of the consultation are available at www.myhamilton.co.nz.

The new set of community outcomes for Hamilton were a key input into the development of Council's 2006–16 Long-Term Plan.

For further information on Hamilton's Community Outcomes, refer to Section 7.7.

Prostitution Bylaw Challenge

In November 2005, an escort agency operating in a central Hamilton residential area initiated court proceedings challenging the lawfulness of Council's Prostitution Bylaw 2004, which restricts commercial sexual services to defined areas in the city. In a landmark High Court decision (August 2006), the ruling was made in favour of Council and the bylaw was upheld. In her judgement, Justice Ellen France said that Council's bylaw is not contrary to the Prostitution Reform Act 2003 and is not unreasonable or illegal.

Previous challenges to city council prostitution bylaws in Christchurch and Auckland have succeeded in the High Court. However, in Hamilton's case, the judge found that it is still possible to provide commercial sexual services in the city within the confines of the bylaw. The judge also described the process that was followed by Council in developing the bylaw, making special mention of the research and consultation that was carried out.

Disability Strategy

Council's Disability Strategy was launched by Mayor Michael Redman on 14 March 2006. Hamilton was one of the first councils in New Zealand to develop a local response to the New Zealand Disability Strategy that was introduced by central government in 2001. The purpose of Council's Disability Strategy is to enable wider participation of people with disabilities in Hamilton. A key aspect of participation is ensuring that Council's services and facilities are appropriate and accessible for people with disabilities. The Disability Strategy is accompanied by an action plan that outlines specific actions that Council units will undertake to fulfil the objectives of the strategy.

OUTCOME AREA F: ENJOYING HAMILTON

(PAGE 120 OF HAMILTON'S COMMUNITY PLAN 2004-14)

SPORTS AREAS (PAGE 124 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Acquisition of Land for Sports Areas

Strategic acquisition of land for sports areas was accomplished in 2005/06 at Te Manatu Park and Mangaiti Park in anticipation of the increase in population in the Flagstaff and Rototuna areas.

PARKS AND GARDENS (PAGE 125 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Hamilton Gardens – Chinoiserie Development

A new Chinoiserie Pavilion was completed in the Perfume Garden at Hamilton Gardens in 2005/06 with funds raised by the Friends of Hamilton Gardens. The Pavilion has already been used for various performances and functions. The building's design was based on a surviving example of early 18th Century Chinoiserie design called the 'Chinese House', which is now located in a famous English garden called Stowe.

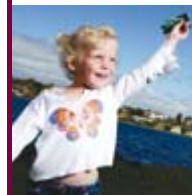
Hamilton Lake Domain

In 1998/99 the Hamilton Lake Domain Taskforce (made up of representatives from the community) was created to develop a vision for the Hamilton Lake Domain. The aim of the taskforce was to develop a programme of works for the Domain, including the development and renewal of walkways, playgrounds, vegetation, roads and car parks. The 2005/06 financial year saw the completion of a seven-year programme with final work undertaken on the road and car parking around the Domain.

Motor Caravan Waste Disposal Station

A waste disposal station for motor caravans, including a 20-metre turning circle suitable for larger motor caravans, potable water and dump station wash-down facilities was developed at Tui Avenue in 2005/06.

The Tui Avenue site was chosen after consultation with New Zealand Motor Caravan Association (NZMCA) members and was selected because of its distance from housing, accessibility from State Highway 1 and proximity to a wastewater pump station. Provision of the waste disposal station has been a partnership between Council, the Waikato and National offices of the NZMCA and Kea Campers.





EVENT FACILITIES (PAGE 127 OF HAMILTON'S COMMUNITY PLAN 2004-14)

World Indigenous People's Conference in Education

Waikato Stadium hosted the closing ceremony and cultural performance of the World Indigenous People's Conference in Education in December 2005. The closing ceremony attracted around 8,000 people.

NRL Rugby League

Waikato Stadium hosted the annual Pirtek Parramatta Eels home rugby league match against the Vodafone Warriors on 18 March 2006. A crowd of 12,500 attended the game.

NZ All Blacks vs Ireland Test

Waikato Stadium hosted the New Zealand All Blacks vs Ireland test on Saturday 10 June 2006. A capacity crowd of 30,500 people attended the game.

International Cricket Practice Facility Completed

The work on the new cricket practice facility and outfield was completed and international cricket will resume at Seddon Park in the 2006/07 season.

Home and Garden Show

The Home and Garden Show celebrated its 21st year at the Claudelands Events Centre in 2005/06. The event was held over four days and attracted over 35,000 people.

SWIMMING FACILITIES (PAGE 129 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Aqua Play Gym for Children at the Pools

This programme operates every Thursday and every second Sunday in the 25-metre pool at Waterworld. The programme is based around the theory of 'purposeful, goal directed play', and the philosophy that children learn through play. The programme targets six-month to six-year old children, and each child has to have a parent in the pool with them.

Women Only Night at Gallagher Aquatic Centre

This programme is designed to encourage women of all ages and ethnicities to swim at the Gallagher Aquatic Centre. The programme has received a positive response, especially from those women who are have a Green Prescription (a Waikato District Health Board initiative). The programme operates every second and fourth Sunday of the month between 6pm and 8pm.

HAMILTON ZOO (PAGE 131 OF HAMILTON'S COMMUNITY PLAN 2004-14)

Conservation of a Native Frog Species

The Houchstetter Frog is one of four living species of frog native to New Zealand. Although they are the most widespread of New Zealand's remaining native frog species, they are still threatened with extinction.

Hamilton Zoo partnered with the Department of Conservation to help save the species by determining captive breeding and rearing techniques. If the Houchstetter Frog numbers do decline further, knowledge of these techniques could be vital to ensure their continued survival.

An enclosure has been built at the Zoo to house the frogs and has been designed to recreate their natural habitat with rocky streams as well as patches of leaf litter and logs. There is even a sprinkler system in the ceiling to mimic rainfall.

Molek moves to Auckland

Molek was one of the three Sumatran tigers at the Hamilton Zoo. With the loss of her younger sister (Nisha) at the Auckland Zoo, Molek has moved up to the Auckland Zoo to be bred with a male tiger traveling all the way from Tel Aviv.

Sumatran tigers are regarded as critically endangered and protection of the various bloodlines is imperative.

One of five siblings, Molek is part of a widely spread family. Molek's family bloodline is over-represented in the region so breeding is restricted.

Hamilton Zoo is part of the Australasian Species Management Programme. While the Hamilton Zoo has lost Molek, through the same programme the zoo has received six chimpanzee, one rhino, three giraffes and a golden cat from the Auckland Zoo.

Animal Additions to the Hamilton Zoo

There have been a number of recent arrivals to the Hamilton Zoo, including two baby African hunting dogs born at the zoo in May 2006. The babies have been settling in well and are getting bigger and stronger every day. The zoo also received five red-necked wallabies and a pair of Australian cranes (brolgas) from the Auckland Zoo in May 2006.





4.0 AWARDS AND NOMINATIONS (NGA TOHU ME NGA TAPATANGA)

The following outlines a selection of the key nominations and awards that Council received during 2005/06.

Communities for Climate Protection Milestone 1 – Community

In October 2004 Council joined the Communities for Climate Protection™ New Zealand (CCP™-NZ), a world-wide campaign that provides a strategic framework via which councils and their communities can take action to reduce greenhouse gas emissions. Under the CCP™-NZ framework, participating councils commit to achieving five key milestones. Milestone 1 of the programme requires Council to calculate and forecast emission inventories both corporately and for the local community from 2000/01 through to 2009/10 on a business as usual basis. Council achieved Milestone 1 (Corporate) in 2004/05 and in 2005/06 received Milestone 1 (Community). Councillor Daphne Bell accepted this award on behalf of Council.

Ministry for the Environment Public Sector Award 2006 – Highly Commended

This award is the fourth national energy award Council has received. In 2001, Council won the Energy Managers Award and was commended in the Public Sector. In 2003, Council won the Public Sector Award and in 2006, Council received a highly commended award for its energy management programme. The programme has achieved over \$1.3m in cost savings, reduced energy usage by 9,500,000 kWh, and cut CO₂ emissions by 10,000 tonnes. The judges noted that Council's energy management programme was an excellent example of what other local authorities could achieve.

The Roger's Rose Garden – World Federation of Rose Societies Garden of Excellence Award

This international award recognises exceptional rose gardens from an historical, educational and/or visual point of view. The World Federation of Rose Societies has recognised the best of these outstanding rose gardens with its Award of Merit since 1974. The Roger's Rose Garden at Hamilton Gardens was nominated for the Garden of Excellence Award by the Waikato Rose Society, which was subsequently supported by the New Zealand Rose Society.

The World Federation of Rose Societies awarded the honour in recognition of the contribution that The Roger's Rose Garden has made to the development of rose species internationally through its rose trial programme and the annual Pacific Rose Bowl Festival. A plaque acknowledging the award will be unveiled by Peter Elliot, the regional vice president of the World Federation of Rose Societies at a ceremony to be held as part of the annual Pacific Rose Bowl Festival at Hamilton Gardens on 19 November 2006.

'Rare View: A Glimpse into Hamilton's Somali Community'

Council won the Creative New Zealand Creative Places: Cultural Festivals and Arts Events Award 2006 for the 'Rare View' photographic exhibition that provided insights into the Somali community in Hamilton. The exhibition was a social documentary photographic project that explored Somali life, work and worship in Hamilton. As such, the exhibition broke new ground as the Muslim faith normally does not permit its community to be photographed. The exhibition was also recognised by the Human Rights Race Relations Committee for its work in addressing ethnic stereotypes.

Bikewise Week 2006

Bikewise Week is a national event which is held annually. Linking strongly with Access Hamilton's objective of reducing traffic congestion and increasing the use of alternative modes of transport, Bikewise Week aims to raise the profile of cycling both as a form of transport and active recreation. The Go By Bike Breakfast event (a free breakfast in Civic Plaza for everyone cycling into the city on that day) was a huge success in 2006 with over 300 cyclists attending the event and Hamilton's event receiving the "Gold Standard" from the national organisers for getting a 30 second spot on TV One News.

ACC Audit – Tertiary Status

During 2005/06 Hamilton City Council maintained its tertiary level rating for ACC 'Workplace Safety Management Practices', which is a qualifying audit of workplace safety management practices. Council has maintained its tertiary level rating three times in succession. It is a two yearly audit process that has three possible qualifying levels - tertiary being the highest. It is a rare achievement for any organisation to maintain this level consistently over such a long period as the audit process tends to get more stringent in terms of demanding evidence of continuous improvement. The next ACC audit for Council is due in May 2008.

5.0 INTRODUCTION TO COUNCIL (WHAKATAUKI TE KAUNIHERA O KIRIKIRIROA)

5.1 COUNCIL'S GOVERNANCE STRUCTURE

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

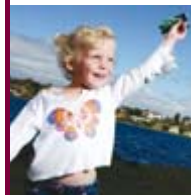
Hamilton City Council comprises 13 Councillors elected from three wards, and a Mayor who is elected from the city as a whole.

Council's elected members are responsible for:

- law-making (bylaws) and overseeing that the relevant Acts of Parliament (eg. the Local Government Act 2002) are complied with
- developing and approving Council policy
- determining the expenditure and funding requirements of Council through the Long-Term Plan and Annual Plan processes
- monitoring the performance of Council against its stated objectives and policies (in particular through the Annual Report)
- employing and monitoring the performance of the Chief Executive.

The mayor and councillors are represented on various Council committees. These committees consider and recommend policy to Council and monitor the implementation of policy and the operation of services relating to the committee functions.

The local authority elections held in October 2004 resulted in a new Council comprising the following elected members:





HAMILTON MAYOR



Michael Redman

Phone: 838 6976

Home: 854 6031

Email: mayor@hcc.govt.nz

Council Committees/Subcommittees:
His Worship the Mayor is an ex-officio member of all committees. He is specifically appointed to subcommittee 7 (Chief Executive's Performance Assessment Panel), subcommittee 17 (Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee) as Chairman and joint committee 18 (Hamilton City Council/Environment Waikato Liaison Committee) as Chairman.

Key to Council Committees

1. City Development Committee
2. Community and Leisure Committee
3. Statutory Management Committee
4. Transport Committee
5. Finance and Audit Committee

Subcommittees

6. Applications Subcommittee
7. Chief Executive's Performance Assessment Panel
8. Community Centre Capital Funding Subcommittee

9. Community Well-being Grant Allocation Subcommittee
10. Contracts Subcommittee
11. Event Sponsorship Subcommittee
12. Parking Management Subcommittee
13. Passenger Transport Subcommittee
14. Speed Limits Subcommittee
15. Traffic Calming Subcommittee
16. Cycling Subcommittee
17. Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee

Joint Committees

18. Hamilton City Council/Environment Waikato Liaison Committee

(C) = Chairperson (DC) = Deputy Chairperson

Committees 1-4 meet every six weeks, and committee 5 meets quarterly.



EAST WARD COUNCILLORS



Daphne Bell

Phone: 838 6859

Home: 854 5555

Mobile: 021 341 767

Email: daphne.bell@council.hcc.govt.nz

Council Committees/
Subcommittees:
2 (DC), 3, 4, 8, 9, 16 (C), 17



Peter Bos

Phone: 838 6986

Home: 854 0621

Mobile: 021 285 7019

Email: peter.bos@council.hcc.govt.nz

Council Committees/
Subcommittees:
2, 3 (DC), 5



Roger Hennebry

Phone: 838 6519

Home: 854 0223

Mobile: 021 318 439

Email: roger.hennebry@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 3, 5 (C), 10 (C)



SOUTH WARD COUNCILLORS



Glenda Saunders

Phone: 838 6980

Home: 839 7165

Mobile: 021 733 191

Email: glenda.saunders@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 3, 4, 7, 15 (C), 18



Gordon Chesterman

Phone: 838 6981

Home: 854 9851

Mobile: 021 922 927

Email: gordon.chesterman@council.hcc.govt.nz

Council Committees/
Subcommittees:
1 (C), 2, 4, 10, 11, 12 (C), 18



Pippa Mahood

Phone: 838 6662

Home: 856 3218

Mobile: 021 809 964

Email: pippa.mahood@council.hcc.govt.nz

Council Committees/
Subcommittees:
2 (C), 3, 4, 8 (C), 9 (C), 17



Grant Thomas

Phone: 838 6983

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Email: grant.thomas@council.hcc.govt.nz

Council Committees/
Subcommittees:
2, 4 (DC), 5, 11, 18



Ewan Wilson

Phone: 838 6985

Home: 839 1551

Mobile: 021 904 079

Email: ewan.wilson@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 3, 5



WEST WARD COUNCILLORS



Dave Macpherson

Phone: 838 6438

Home: 824 5992

Mobile: 021 477 388

Email: dave.macpherson@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 4 (C), 5, 13 (C), 17, 18



Bob Simcock

Phone: 838 6982

Home: 838 0661

Mobile: 021 991 071

Email: bob.simcock@council.hcc.govt.nz

Council Committees/
Subcommittees:
1 (DC), 2, 4, 7, 10, 17, 18
DEPUTY MAYOR



John Gower

Phone: 838 6450

Home: 847 7465

Mobile: 021 318 789

Email: john.gower@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 3 (C), 4, 6 (C), 13, 14 (C)

Maria Westphal

Phone: 838 6657

Home: 849 6803

Mobile: 021 341 782

Email: maria.westphal@council.hcc.govt.nz

Council Committees/
Subcommittees:
1, 2, 5 (DC)

COUNCIL COMMITTEES

Committees 1-4 meet every six weeks, and committee 5 meets quarterly.

1. City Development Committee

The role of the City Development Committee is to consider and recommend policy to Council on all matters that are of either a strategic nature or that relate to the economic development of the city and the Waikato region.

Fields of Activity:

- Agenda 21 Policy
- Electoral Matters
- Emergency Management
- Environmental Matters
- Infrastructural Requirements (e.g., water, wastewater, roading)
- Policy co-ordination
- Strategic Planning
 - District Plan
 - Urban Design
 - Heritage
 - CBD
 - City Growth
 - Resource Management Policy
- To review the performance of the Katolyst Group
- Triennial Agreement for the Waikato region.

2. Community and Leisure Committee

The role of the Community and Leisure Committee is to consider and recommend policy to Council and to monitor the effective and efficient implementation of that policy for the community and leisure fields.

Fields of Activity:

- Arts and Culture
- Cemeteries
- Community Development
- Council of Elders
- Employment Programmes
- Ethnic/Multicultural Liaison
- Community Halls
- Housing for the Elderly
- Libraries
- Museums
- Parks and Gardens
- Recreation and Leisure
- Central City Safety
- Swimming Facilities
- Theatres
- Toilets
- Youth Council
- Zoo
- Waikato Stadium.





3. Statutory Management Committee

The role of the Statutory Management Committee is to consider and recommend policy to Council on regulatory matters, and to hear and consider applications and objections relating to the fields of activity and applications and objections not covered by any other Committee's fields of activity.

Fields of Activity:

- Animal Control Policy
- Hearing of all applications and objections/appeals relating to:
 - Building Act
 - Dog Control Act
 - Health Act
 - Land Subdivision and Development
 - Reserves Act
 - Resource Management Act
 - Sale of Liquor Act
- Hearing of all notified consent applications
- Hearing of all objections concerning decisions made by staff relating to non-notified resource consent applications
- Parking and Traffic Regulation Enforcement
- Consideration of remission applications under Council's Development and Financial Contributions Policy.

4. Transport Committee

The role of the Transport Committee is to consider and recommend policy to Council and to monitor the efficient implementation of policy on integrated transportation. A key focus of this committee is on the review and implementation of the Access Hamilton Strategy.

Fields of Activity:

- Access Hamilton
- Footpaths, Cycleways and Verges
- Parking (except enforcement)
- Public Transport
- Traffic Management
- Hamilton Transport Centre.

5. Finance and Audit Committee

This committee monitors the financial performance of Council against the Long-Term Plan and Annual Plan, coordinates the audit process and oversees the management of commercial properties funded from the Municipal Endowment Fund and the Domain Endowment Fund.

Fields of Activity:

- Audit Coordination (financial aspects)
- Funds Management
- Debt Management
- Management of commercial properties (purchase, disposal or leasing) funded from the Municipal Endowment Fund and Domain Endowment Fund
- Quarterly monitoring of Council's performance against the Long-Term Plan and Annual Plan
- Quarterly monitoring of high level non-financial performance measures and significant one-off projects specified by Council
- Approval of forecast variances against the Annual Plan
- To receive the minutes from the Contracts Subcommittee

- To review the performance of all Council Controlled Organisations and Council Organisations in which Council has a significant financial involvement, namely:
 - Hamilton Riverview Hotel Ltd (Tainui Novotel)
 - New Zealand Local Government Insurance Corporation
 - Waikato Regional Airport Ltd
 - Local Authority Shared Services Limited.

SUBCOMMITTEES

6. Applications Subcommittee

The Applications Subcommittee reports to the Statutory Management Committee. Its role is to consider and resolve as quickly and effectively as possible all minor planning matters.

7. Chief Executive's Performance Assessment Panel

The Chief Executive's Performance Assessment Panel reports to Council. Its role is to monitor the performance of the Chief Executive.

8. Community Centre Capital Funding Subcommittee

The Community Centre Capital Funding Subcommittee reports to the Community and Leisure Committee. Its function is to distribute capital grants on behalf of Council, and to recommend operational grants for community centres within the city to the Long-Term Plan and Annual Plan.

9. Community Well-being Grant Allocation Subcommittee

The Community Well-being Grant Allocation Subcommittee reports to the Community and Leisure Committee. Its function is to distribute grants to community organisations on behalf of Council.

10. Contracts Subcommittee

The Contracts Subcommittee reports to the Finance and Audit Committee. Its role is to approve all contracts for supply and services in excess of the delegated sum (\$500,000 excluding GST) and when the amount of work involved in a decision not to go to tender exceeds \$100,000 (GST excluded).

11. Event Sponsorship Subcommittee

The Event Sponsorship Subcommittee reports to the City Development Committee. Its function is to evaluate and make recommendations on which events should receive Council funding and the level of funding Council is prepared to provide.

12. Parking Management Subcommittee

The Parking Management Subcommittee reports to the Transport Committee. The function of this committee is to make recommendations to the Transport Committee and Council on parking management issues.

13. Passenger Transport Subcommittee

The Passenger Transport Subcommittee reports to the Transport Committee and Environment Waikato on the following issues:

- new and altered Hamilton passenger transport routes, times and related issues (including funding)
- passenger transport infrastructure provision, promotional campaigns and policy issues
- recommendations on matters arising from comments and complaints received about Hamilton passenger transport from passengers and the public
- advocacy of the Waikato Regional Passenger Transport Plan.

14. Speed Limits Subcommittee

The Transport Committee sets policy in line with Land Transport New Zealand rules. The Speed Limits Subcommittee is delegated to make decisions.





15. Traffic Calming Subcommittee

The Traffic Calming Subcommittee reviews and receives petitions from the public. Decisions are then referred to the Transport Committee, which is responsible for making decisions in line with Council policy.

16. Cycling Subcommittee

The Cycling Subcommittee reports to the Transport Committee. The purpose of this Subcommittee is to examine the ways in which cycling can be promoted as a viable travel choice within Hamilton.

17. Te Runanga o Kirikiriroa Trust Inc. Joint Subcommittee

The Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee considers matters of relevance to Maori in the city and to the development of Council's partnership with Te Runanga o Kirikiriroa. The committee also receives regular reports on the operation of community houses from a Maori perspective and administers, through Te Runanga o Kirikiriroa, the Maori Project Fund. This joint subcommittee reports to the Community and Leisure Committee.

JOINT COMMITTEES

18. Hamilton City Council/Environment Waikato Liaison Committee

The Hamilton City Council/Environment Waikato Liaison Committee acts as a forum for discussing and communicating issues that are of significance to both councils. The committee meets quarterly (or as required) and reports directly to Council.

Note:

Further detail on Council's committees, subcommittees and joint committees (including meeting dates/times, agendas/minutes) can be viewed or downloaded from the website www.hamilton.co.nz (under Hamilton City Council/Representation/Meetings and Council Committees). Elected members are also appointed to a number of other collaborative working groups in addition to the committees listed above.



6.0 COUNCIL'S MANAGEMENT STRUCTURE

(NGA WHAKAHAERE O TE KAUNIHERA)

Council is supported by a corporate organisation, led by Chief Executive Tony Marryatt and six general managers – known as Management Executive (MX).



Management Executive and staff are responsible for managing service delivery and implementing Council's decisions and policies.

The organisation is structured under six groups, each of which is headed by a general manager, i.e.:

- Communication and Marketing Group – (Philip Burton)
- Strategic Group – (Brent McAlister)
- Corporate Group – (Mike Garrett)
- Environmental Services Group – (Graeme Fleming)
- Community Services Group – (Sue Duignan)
- Works and Services Group – (Sally Davis).

The Mission of the organisation is:

Making a difference in our community by:

- Focusing on our customers
- Developing a strong motivated workforce
- Incorporating our values in the way we work.

The organisation's values shown below guide the way management and staff work together with Council and the public.

Working together

- We work and communicate across the organisation and with our community.

Honesty and openness

- We act with integrity to promote a climate of mutual trust and respect.





Getting things done

- We make quality decisions based on best information, within agreed timeframes and budget. We are responsible for our actions.

Challenging our performance

- We review and continuously improve the way we do our business. We learn from our mistakes and move forward.

Valuing success

- We recognise achievement and celebrate outstanding performance.

6.1 RELATIONSHIP OF MANAGEMENT EXECUTIVE TO THE ELECTED MEMBERS

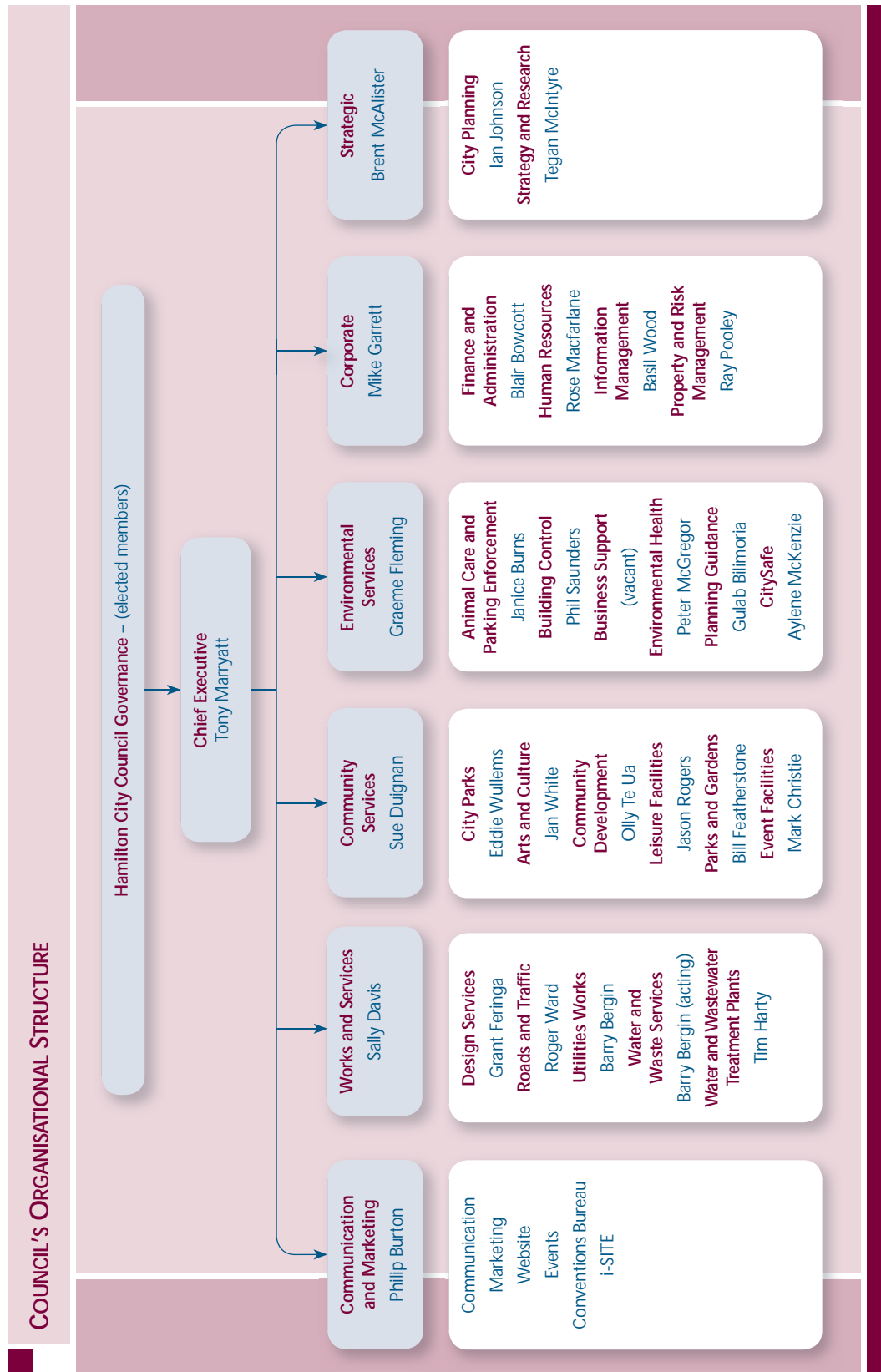
The Management Executive team manages organisation-wide issues and provides the link between the elected members and staff. They are responsible for monitoring operational performance, giving policy advice, implementing policy, strategic planning and service delivery. By working collaboratively, the Management Executive team ensures that action undertaken within all six groups is consistent with Council's Vision, Mission, Goals and Values, the Long-Term Plan, the Annual Plan and the Corporate Plan.

Council's elected members, management and staff work together at different levels to decide what activities should be undertaken by Council to help achieve Council's Vision for the City and Hamilton's Community Outcomes (as outlined in Section 7.7), and to plan how the activities can best be undertaken. This takes place within a framework of consultation with the community and affected parties, competing priorities, timeframes, resources and decisions of Council. It occurs within the overall framework of growing and developing the city in a way that enhances its social, economic, environmental and cultural well-being.

The following diagram shows Management Executive's relationship to the elected members, as well as how the units are structured under each of the six key management groups.



Council's Organisational Structure



COUNCIL'S MANAGEMENT STRUCTURE



6.2 QUALITY MANAGEMENT

Hamilton City Council uses ISO 9001:2000 as its Quality Management System. Hamilton Zoo is the first New Zealand zoo to be ISO 14001 certified in Environmental Management Systems. This provides an excellent framework for the management of environmental issues. The quality system uses management reviews, documented procedures, process mapping, internal and external audits, and quality systems training to provide a systematic approach to improvement throughout the organisation.

6.3 ORGANISATIONAL DEVELOPMENT

Council is continuing to implement a programme of organisational development, which aims to assist the organisation to achieve its vision and mission. The principles of business excellence and best practice are incorporated throughout all levels of the organisation on an ongoing basis. Continued involvement with the New Zealand Business Excellence Foundation provides Council with opportunities to measure its performance with other organisations using the New Zealand Business Excellence Criteria. The framework is internationally recognised, and being non-prescriptive is equally applicable to diverse industries. External evaluation using the Business Excellence Criteria is recognised as the toughest business assessment an organisation can subject themselves to.

The application of best practice has a positive impact on organisational performance. This can be identified in increased outputs, reduced expenditure and more efficient use of revenue. Best practice also brings benefits through improvement in key organisational processes and improved customer and employee satisfaction.

Organisational development is specifically focused on developing best practice under the umbrella of Business Excellence through the ongoing improvement of key organisational processes.

Staff profile as at 30 June 2006

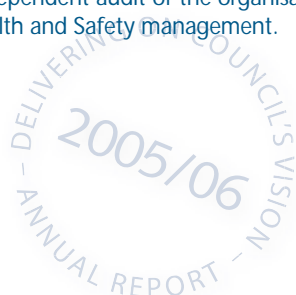
Employment Status	Male	Female	Total
Permanent Full-time	379	270	649
Permanent Part-time	24	179	203
Temporary	25	27	52
Casual/On-call	92	101	193
Total	520	577	1097

6.4 HEALTH AND SAFETY MANAGEMENT

Council is continuing its commitment to the prevention and management of workplace injury and illness. Active involvement by managers, supervisors and other dedicated personnel in recovery, rehabilitation and workplace-based return to work programmes is a standard approach to business.

Council's health and safety management approach is focused on having robust systems in place, the involvement of all staff in decision-making and the setting of realistic and achievable goals to ensure a safe and healthy working environment.

Council had its ACC tertiary level accreditation reconfirmed in June 2006 for a further two years following an independent audit of the organisation's Health and Safety systems. Tertiary level represents best practice in Health and Safety management.



7.0 MONITORING COUNCIL'S PERFORMANCE FOR 2005/06

(NGA AROMATAWAI O TE KAUNIHERA)

7.1 FINANCIAL MONITORING MECHANISMS

Quarterly financial reports are considered by Council's Finance and Audit Committee and include detailed variances on all expenditure to budget. In addition, the Finance and Audit Committee can request further information on any aspect of Council's finances as part of its monitoring role.

7.2 NON-FINANCIAL MONITORING MECHANISMS

The 'non-financial' performance of Council is monitored and assessed each year primarily through Council's:

- Annual Residents Survey
- Customer Satisfaction Survey Programme
- Ongoing requests for service
- Key performance measures and targets for Council's significant services (refer to Section 9.0).

In addition, Council receives feedback from the community on its performance and issues that need to be addressed through a range of other feedback mechanisms such as consultation/submission processes on various plans and strategies (e.g., submissions, meetings, forums and focus groups), neighbourhood network meetings and partnerships with various organisations.

7.3 COUNCIL'S ANNUAL RESIDENTS SURVEY

Council's Annual Residents Survey (ARS) is one of the main methods of ascertaining residents' views on how effectively Council is operating, particularly in regard to its provision of key facilities and services. Specifically the ARS provides a number of performance measures and targets for Council's Long-Term Council Community Plan/Annual Plan, as well as providing background information for a number of Council investigations and decisions. Information from this survey (primarily customer satisfaction indices and usage data) is included among the performance measures and targets for most of Council's significant services, which are reported on in Section 9.0.

The survey has been carried out each year since 1984 by an independent research company, and provides a useful measure of community opinion over time. This year the survey was undertaken by International Research Consultants Ltd and Hamilton based survey company Digipoll Ltd between 19 May 2006 and 11 June 2006. The survey was conducted by telephone interview and gained responses from 700 randomly selected residents. The questionnaire for the 2006 survey used a split path approach whereby all respondents were asked all the key questions, then the sample was split into two paths i.e. half of the respondents rated one set of facilities and services while the second stream answered questions about the other set. The margin of error for the 700 interviews on the key questions was plus or minus 3.7% at the 95% confidence level and for the questions in the split path segment of the questionnaire (based on 350 interviews) it was plus or minus 5.2% at the 95% confidence level.

During 2003, the management of Hamilton City Council developed a framework to interpret the customer satisfaction index (CSI) scores⁴ for the various facilities and services measured within the ARS and other customer satisfaction projects. This framework covers two streams of Council provided services, i.e., those with Customer Choice and those where there is No Customer Choice. Each of these streams has a different CSI score interpretation. The Customer Choice services and facilities would normally expect to receive higher CSI scores as dissatisfied customers can take their business elsewhere. For No Customer Choice services and facilities the customer has no option but to remain with the Council provided service and therefore dissatisfied customers remain, which can result in a lower CSI score, i.e., they cannot change their supplier if they are dissatisfied and therefore more dissatisfied 'customers' remain as users.

⁴ The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.





Customer Choice CSI Scores	Performance Index CSI Score Interpretation	No Customer Choice CSI Scores
84 or higher	Exceptional performance	79 or higher
82 – 83	Excellent performance	77 to 78
78 – 81	Very good performance	73 to 76
73 – 77	Good performance, but with potential for improvement	68 to 72
67 – 72	Fair: Needs improvement	62 to 67
66 or lower	Needs significant improvement	61 or lower

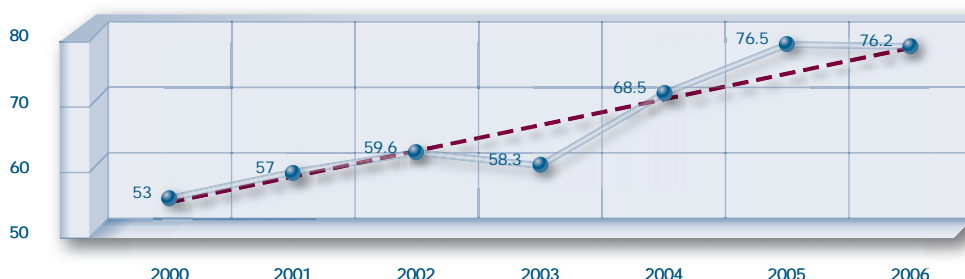
Results from the 2006 ARS show that high levels of satisfaction for key areas reached in the 2005 survey (the highest results satisfaction levels recorded to date for most facilities and services) were confirmed again this year.

Question	2004	2005	2006
Overall performance of Council	68.5	76.5	76.2
Hamilton as a place to live	81.6	82.8	81.6
Value for rates	66.8	70.8	69.5
Quality of Council facilities and services in the past year	71.8	72.5	71.1

OVERALL PERFORMANCE OF COUNCIL

Residents were asked how they rated Council's overall performance over the 2005/06 year (when answering this question residents take into account Council management and staff, elected representatives, improvements in facilities/services etc). This year the overall CSI score achieved remained high at 76.2.

OVERALL PERFORMANCE OF COUNCIL (CSI Scores)



HAMILTON AS A PLACE TO LIVE

Respondents were asked how they rated their satisfaction with Hamilton as a place live. This year's CSI score was 81.6, reflecting exceptional customer satisfaction.

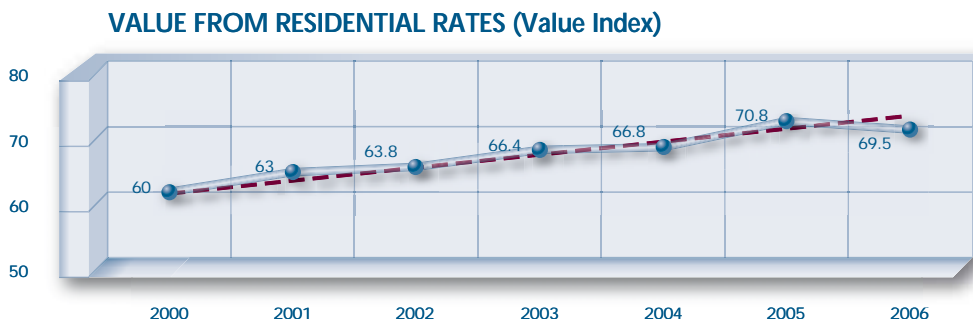
Respondents were then asked if they felt that Hamilton had become a better or worse place to live during the past 12 months. The 2006 index was 76.3, down 2.5 points from 2005, but still well ahead from 2002 when the index was 59.

HAMILTON AS A PLACE TO LIVE (Index Score)



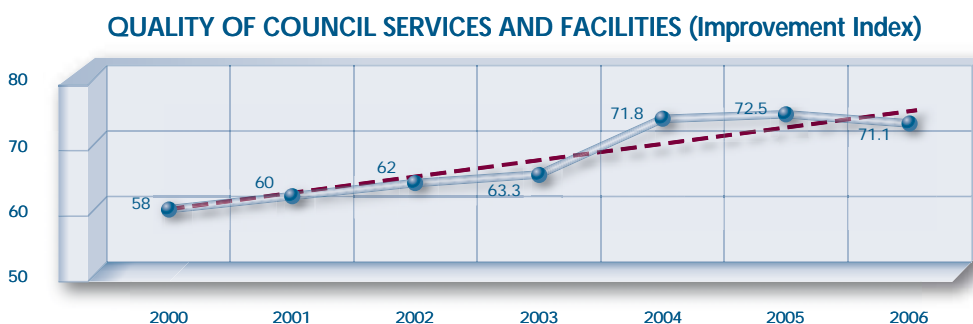
VALUE FROM RESIDENTIAL RATES

Respondents who paid residential rates to Council were asked to evaluate the value they received from those residential rates. This year the Value Index was 69.5, slightly down from the record high of 70.8 achieved in 2005.



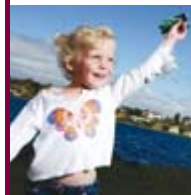
QUALITY OF COUNCIL SERVICES AND FACILITIES

Respondents were asked overall how they would rate the quality of Council facilities and services in the past 12 months. The Improvement Index for 2006 was 71.1, reflecting a 1.4 point decrease from last year (72.5) but similar to the index of 71.8 in 2004.



Council is striving to be a world-class organisation and to provide Hamilton with facilities and services of a high standard. These results outlined above show that Council is continuing to maintain the high standard set last year, with its continual drive toward making a difference in the community with the dedication of elected members and staff to that vision being major factors of the organisation being so highly regarded.

DELIVERING ON COUNCIL'S VISION
2005/06
ANNUAL REPORT





MAIN ISSUES COUNCIL SHOULD BE LOOKING AT

Respondents to the ARS are also asked to identify the three most important issues Council should be looking at. Responses to this question provide important data for Council when considering service levels for Council projects and programmes. A summary of the responses from the last five years is provided below.

2002	2003	2004	2005	2006
<ul style="list-style-type: none"> • Law and Order (including safety, crime and other law and order) (22%) • Recreational facilities (including upgrading Rugby Park, comments about the show grounds, pools, playgrounds and wanting more for youth) (17%) • Roads (including road maintenance, development of roads and bypasses and footpaths) (16%) • Rates (including reducing rates and getting more value for money from rates) (12%) • Car parking (10%) 	<ul style="list-style-type: none"> • Law and Order (including safety, crime and other law and order) (21.8%) • Roads (including road maintenance, development of roads and bypasses) (16%) • Water or drinking water (14.1%) • Traffic, including congestion (12.3%) • Political in-fighting or lack of Councillor teamwork (10.7%) 	<ul style="list-style-type: none"> • Traffic, including congestion (26.9%) • Law and Order (including safety, crime and other law and order) (18.4%) • Roads (including road maintenance, development of roads and bypasses) (17.1%) • Water or drinking water (11.3%) • Car parking (9.9%) • Public Transport (9.7%) 	<ul style="list-style-type: none"> • Traffic, including congestion (45.3%) • Roads (including road maintenance, development of roads and bypasses) (21.6%) • Public Transport (21.6%) • Law and Order (including safety, crime and other law and order) (16.5%) • Car parking (12.5%) • City Development/Planning (14.7%) 	<ul style="list-style-type: none"> • Traffic, including congestion (36.6%) • Roads (including road maintenance, development of roads and bypasses) (26.6%) • Public Transport (14.9%) • Law and Order (including safety, crime and other law and order) (14.3%) • Recreational facilities (including comments about the show grounds, pools, playgrounds and wanting more for youth) (9.9%) • City Development/Planning (9.6%) • Car parking (8.4%)

Traffic was again rated the main issue for 2006, with roads the second most commonly mentioned and public transport the third. Over the last four years, respondents have identified traffic and transportation issues with increased frequency. Council is continuing to tackle the city's congestion and transport issues through Access Hamilton, a transport strategy that focuses on easing traffic congestion and encourages the use of alternative forms of transport such as buses, walking and cycling. A 3.5 per cent Access Hamilton targeted rate was adopted by Council through the 2005/06 Annual Plan to generate revenue to address transportation issues in the city. For more information on Access Hamilton refer to Section 3.0.

Law and order and issues of crime and safety have also featured strongly in recent years, and Council has responded by engaging 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 Safety Patrol Team, a vehicle crime reduction programme and a youth-

at-risk initiative. Council supports the Crime Prevention Through Environmental Design (CPTED) philosophy, and has begun to incorporate it into public place design and development. Council also supports the Nightrider late night bus service, a safe, reliable late night transport option. A Liquor Control Bylaw is in effect in the central city 24 hours a day, seven days a week.

Customer Satisfaction with Services and Facilities

Council measures its performance against community satisfaction then uses the survey results to plan future services that are tailored to the community's needs.

Overall, of the 66 facilities and services surveyed in the 2006 Residents Survey, 22 increased their satisfaction rating between 2005 and 2006 and 44 recorded a decreased rating. Although the results for 2006 are slightly lower than those for 2005, many of the 2005 results were significantly ahead of recent history. The 2006 results show that once again, significant proportions of Hamilton residents are very satisfied with most of the services and facilities Council provides (although there are still opportunities for improvement).

For many of the services and facilities, where respondents give particularly negative ratings they are asked a further question to provide comment on why they gave a negative score. Council uses the in-depth feedback gained from the Annual Residents Survey to identify, consider and make improvements to facilities and services.

Individual CSI scores from the ARS for each of the services and facilities surveyed are grouped under the relevant significant services at the start of each outcome area in Section 9.0.

7.4 CUSTOMER SATISFACTION SURVEY PROGRAMME

Council also operates a comprehensive system of Customer Satisfaction Surveys (around 40 in total) for most Council activities to gain detailed feedback from residents / customers on perceptions of variations to the performance of individual Council services and facilities on an ongoing basis. The methodologies of these surveys vary depending on the customer characteristics. For example, Theatre Services use face-to-face interviews with theatre patrons immediately after a performance has finished, while Water and Waste Services use mail return questionnaires using a random sample drawn from their 'request for service' database. The customer satisfaction surveys vary in their frequency depending on the nature of the service or facility.

7.5 ONGOING REQUESTS FOR SERVICE

Council operates two integrated request for service systems (organised by specific units of Council known as MAXIMO and Authority Customer Action Requests) to log and track issues raised by customers.

Requests for service by Council units can be made 24 hours a day, seven days a week by using Council's main telephone line 838 6699, or by emailing info@hcc.govt.nz.

7.6 PERFORMANCE MEASURES AND TARGETS FOR SIGNIFICANT SERVICES

Key performance measures and targets for each of Council's 25 significant services are shown and reported in Section 9.0.

7.7 A COMMUNITY VISION FOR THE CITY

As noted in Section 1.0, the Local Government Act 2002 (LGA 2002) requires local authorities to get their local communities thinking about and identify how they would like to see Hamilton develop over the next 10 years and beyond (these are known as community outcomes).

Council is also required by the LGA 2002 to show in its Long-Term Plan how its activities contribute towards the community outcomes. The LGA 2002 allowed Council to develop an interim set of Community Outcomes for its 2004–14 Long-Term Council Community Plan based on information available to Council at the time.

The interim set of Community Outcomes in Hamilton's 2004–14 Community Plan were primarily based on information from:

- Hamilton's Strategic Plan 2002–2012
- Hamilton's Sustainability Indicators
- Council's Annual Residents Survey





- The Quality of Life Project
- Community Profiles

The community outcomes were grouped into six outcome areas that formed the structure of Hamilton's 2004–14 Community Plan and Council's 2005/06 Annual Plan. This 2005/06 Annual Report is based on these six outcome areas.

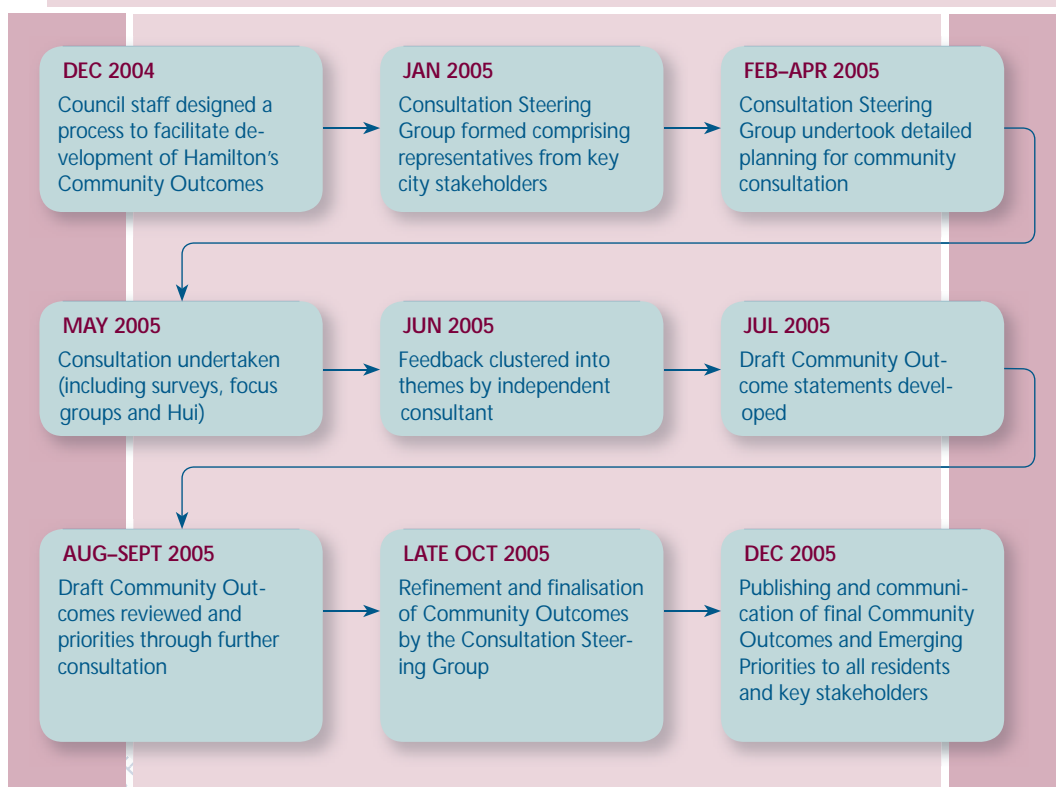
Hamilton's Community Outcomes 2005

The LGA 2002 required Council to facilitate a process to identify community outcomes for inclusion in its 2006–16 Long Term Council Community Plan. Community outcomes can be described as statements of what Hamilton communities want to work towards over the coming 10 years.

During May and June 2005, more than 3,000 people had their say about what would make Hamilton a better place. Opportunities were provided through focus groups, surveys and a hui hosted by mana whenua. Consultation was also undertaken by Council's Neighbourhood and Youth Development Workers to identify issues and opportunities at the neighbourhood level in Hamilton; and by Choosing Futures Waikato (www.choosingfutures.co.nz) to identify community outcomes for the Waikato region as a whole. The key steps for the remainder of the process used to identify Hamilton's Community Outcomes are outlined in the following diagram.

The key steps for the remainder of the process used to identify Hamilton's Community Outcomes are outlined in the following diagram.

KEY STEPS IN DEVELOPING HAMILTON'S COMMUNITY OUTCOMES



The community outcomes were developed by a Consultation Steering Group of representatives from the following groups and organisations:

- Hamilton Arts Sector Group
- Hamilton Environment Centre Trust
- Ministry of Social Development
- Sport Waikato
- Te Runanga o Kirikiriroa
- Waikato Chamber of Commerce
- Waikato Raupatu Lands Trust
- Hamilton City Council
- Hamilton Youth Council
- Nga Mana Toopu o Kirikiriroa
- Social Services Waikato
- Tertiary Education Alliance
- Waikato District Health Board



HAMILTON'S COMMUNITY OUTCOMES

HAMILTON'S COMMUNITY OUTCOMES

<div style="background-color: #0070C0; color: white; text-align: center; padding: 2px; font-weight: bold;">SUSTAINABLE AND WELL-PLANNED</div> <p>"An attractive city that is planned for the well-being of people and nature, now and in the future"</p> <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. 	<div style="background-color: #0070C0; color: white; text-align: center; padding: 2px; font-weight: bold;">VIBRANT AND CREATIVE</div> <p>"A city that encourages creativity for a vibrant lifestyle"</p> <p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 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. 	<div style="background-color: #FF9900; color: white; text-align: center; padding: 2px; font-weight: bold;">UNIQUE IDENTITY</div> <p>"A city with a strong identity that recognises the significance of its river and history"</p> <p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 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.
<div style="background-color: #800000; color: white; text-align: center; padding: 2px; font-weight: bold;">SAFETY AND COMMUNITY SPIRIT</div> <p>"A safe, friendly city where all people feel connected and valued"</p> <p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 4.1 Has safe roads and low crime rates, where people can feel secure at all times. 4.2 Promotes awareness and involvement in community activities and events. 4.3 Enables ethnic communities to feel connected and valued. 4.4 Addresses social issues and values volunteers. 4.5 Builds socially engaged, responsive communities. 	<div style="background-color: #FFCC00; color: white; text-align: center; padding: 2px; font-weight: bold;">HEALTHY AND HAPPY</div> <p>"Active and healthy people with access to affordable facilities and services"</p> <p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 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. 5.2 Provides affordable, responsive and accessible activities and health care for people of all ages and abilities. 5.3 Is an ideal place for family and whanau, with lots of activities and places for tamariki and rangatahi to enjoy. 5.4 Provides access for all people to a range of healthy, affordable, quality housing. 	<div style="background-color: #92D050; color: white; text-align: center; padding: 2px; font-weight: bold;">INTELLIGENT AND PROGRESSIVE CITY</div> <p>"Business growth that is in harmony with the city's identity and community spirit"</p> <p>HAMILTON PEOPLE WANT A CITY THAT:</p> <ol style="list-style-type: none"> 6.1 Is recognised as the thriving economic hub for the Waikato region and provider of regional services. 6.2 Attracts and retains sustainable, innovative businesses. 6.3 Offers a range of job opportunities throughout the city to suit all skill levels. 6.4 Is progressive and cosmopolitan, creating an environment for business success. 6.5 Attracts and retains people and investment and grows great ideas.

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.

LET'S TAKE
HAMILTON
FORWARD
TOGETHER

For further information on Hamilton's Community Outcomes, visit: www.myhamilton.org.nz.



Council's Strategic Framework

During 2005/06 Council developed a new Strategic Framework for Hamilton, which built on the components, outlined in its March 2005 Vision for the City – Vibrant Hamilton. The new set of community outcomes for Hamilton and other key inputs (eg., feedback from Council's Annual Residents Survey) were a key contributor to the development of the new framework.

The strategic framework will:

- provide a focus for Council's planned direction for the city's development
- provide a mechanism to integrate Council's plans and policies
- communicate Council's direction to other key stakeholders and enable them to align their strategic planning with Council's Vision.

The Vision contained in the City Strategic Framework comprises three key strands. Each strand highlights a series of statements of strategic intent that outline Council's Vision for planning and managing the city's ongoing sustainable development. The Strategic Framework's three strands and their accompanying introductions are shown below.

Strand A: Investing in Our People

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

Strand B: Creating Identity and Prosperity

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

Strand C: Protecting Our Future

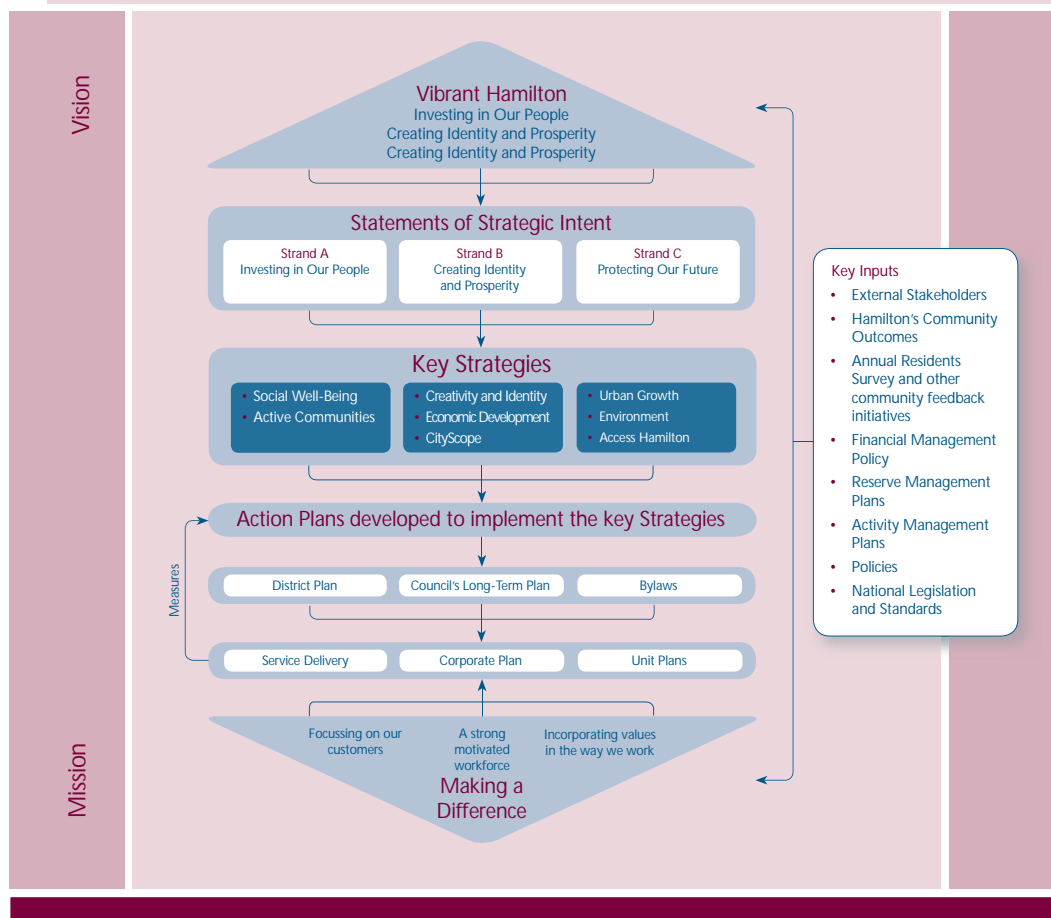
Hamilton is a city experiencing rapid and sustained growth. Our vision for the city is to see development achieved sustainably, efficiently and creatively. Good planning today will benefit the city of tomorrow.

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

The new city strategic framework forms the structure of Council's 2006–16 Long-Term Plan and will be reflected through future Annual Reports.



RELATIONSHIP OF THE CITY STRATEGIC FRAMEWORK TO COUNCIL'S KEY PLANS AND POLICIES



Monitoring Progress towards Hamilton's Community Outcomes

Council has used a number of mechanisms to assess the city's progress in working towards the community outcomes i.e.:

- Hamilton's Sustainability Indicators
- The Quality of Life in New Zealand's Cities Project
- Involvement in other national and regional monitoring programmes.

Hamilton's Sustainability Indicators

As part of putting Agenda 21 into action, Council worked with the community between 1998 and 2000 to develop sustainability indicators for the city. The inaugural Hamilton Sustainability Indicators Report was published as a printed document in September 2002. This document used 25 indicator themes to provide a snapshot of sustainability in Hamilton. To effectively determine if development is sustainable these issues need to be consistently monitored over the long term.

Since the 2002 report, data for each of the measures comprising the 25 indicators has been annually updated and evaluated as showing either an improving or deteriorating sustainability trend. Some of the measures have been modified in response to community feedback (note that some of the numbers and titles of measures will have changed accordingly since the 2002 report). Since 2004 the annual indicator updates have been published on the www.myhamilton.org.nz website. Summaries of indicator trends have also been included in each of Council's Annual Reports.

The Hamilton Sustainability Indicators have provided a way to measure (directly or indirectly), changes to Hamilton's environmental, social, economic and cultural well-being. Interpreting whether indicator trends are having a positive or negative impact on the city's environmental, social, cultural and economic well-being is not always straightforward, e.g., an increase in consents issued for new houses is viewed by many as having a





number of positive economic benefits for Hamilton. On the other hand, the addition of new houses can result in negative environmental impacts through increased pressure on the city's infrastructure, e.g., the roading network and water/wastewater system.

Interpretation of trends in environmentally-focused indicators tends to be more clear cut. For instance, most would view improvements in water quality and soil health indicators as having a positive impact on the city's well-being.

During 2006/07 Hamilton's Sustainability Indicators will be updated and extended to monitor progress towards Hamilton's new community outcomes. This process will include discussions with key stakeholders.

The summary of results from the 2006 update outlined below show that although Hamilton is doing well on a number of counts, a number of issues remain for the community e.g. noise, solid waste and housing affordability.

Key to Indicator Trends

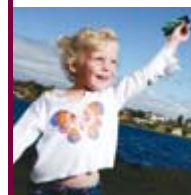
- | | | | |
|---|------------------------|---|--------------------------------------|
| ☺ | Improving trend | ☹ | Deteriorating trend |
| ☹ | No change in trend | ✦ | Insufficient data to determine trend |
| ★ | Proposed new indicator | | |

Overall Summary of Trends

Improving Trend	
☺ 15 Indicators	<ul style="list-style-type: none"> • Air Quality • Water Quality • Water Usage • Soil Health • Urban Trees • Work • Income • Business • Visitor Accommodation • Education • Public Involvement in Decision-Making • Youth Well-Being • Crime and Safety • Health • Sport and Participation
No Change in Trend	
☹ 5 Indicators	<ul style="list-style-type: none"> • Urban Development • Transport • Historic Structures/Sites • Arts and Culture • Community Diversity and Cohesion
Deteriorating Trend	
☹ 3 Indicators	<ul style="list-style-type: none"> • Noise • Solid Waste • Housing Affordability
Insufficient Data to Determine Trend	
✦ 2 Indicators	<ul style="list-style-type: none"> • Energy • Partnership with Maori

Summary of Trends by the Community Plan's Six Outcome Areas

Outcome Area A: Sustaining Hamilton's Environment	
☺ 1. Air Quality	<ul style="list-style-type: none"> ☺ • Particulate Matter (PM₁₀) levels ☺ • Benzene levels ☺ • Maximum Carbon Monoxide levels ☺ • Maximum Nitrogen Dioxide levels ✦ • Residents' perception of air pollution
☺ 2. Water Quality	<p><i>Waikato River</i></p> <ul style="list-style-type: none"> ☹ • Ecological health ☹ • Recreational health <p><i>Hamilton's Drinking Water</i></p> <ul style="list-style-type: none"> ☺ • Drinking water standard ☺ • Residents' satisfaction with taste of drinking water <p><i>Hamilton Lake</i></p> <ul style="list-style-type: none"> ☺ • Trophic index of Lake Rotoroa
☺ 3. Water Usage	<ul style="list-style-type: none"> ☺ • Total water usage in Hamilton City ☺ • Average daily water usage per person ☹ • Total commercial and industrial water usage per annum
☺ 4. Soil Health	<ul style="list-style-type: none"> ☺ • Number of confirmed contaminated sites remediated or managed
☹ 5. Noise	<ul style="list-style-type: none"> ☹ • Number of excessive noise complaints to Council ☹ • Residents' perception of neighbourhood noise
☺ 6. Urban Trees	<ul style="list-style-type: none"> ☺ • Total number of street trees in Hamilton ☺ • Number of trees protected in the Hamilton City District Plan ☺ • Number of groups involved in community planning programmes ✦ • Bird counts – (sampling for this indicator began in the winter of 2004 trend data not available as yet)
✦ 7. Energy	<ul style="list-style-type: none"> ✦ • Annual household expenditure on energy
☹ 8. Solid Waste	<ul style="list-style-type: none"> ☹ • Residential and industrial/commercial waste to Horotiu landfill ☹ • Waste from household kerbside collection ☺ • Waste recycled
Outcome Area B: Growing Hamilton	
☺ 9. Urban Development	<ul style="list-style-type: none"> ☺ • Building consents for new dwellings ☺ • Average size of new dwellings ☺ • Population densities in residential areas ☺ • Average number of people per house ☺ • Ratio of greenfield to infill development
☺ 10. Transport	<ul style="list-style-type: none"> ☺ • Road trauma ☹ • Car ownership per household ☺ • Total passenger numbers using public transport ☺ • Residents' satisfaction with Council provided cycling facilities ☹ • Cycle use in the central city ☹ • Travel Times on key routes within Hamilton





☹ 11. Housing Affordability	☹ • Home ownership rate ☹ • House sale price index ☹ • Home mortgage affordability index ☹ • CPI adjusted median rent
Outcome Area C: Promoting Hamilton	
☺ 12. Work	☺ • Unemployment rate ☺ • Number of job vacancy advertisements ☹ • Ratio of those in the non-working age group to those in the working age groups
☺ 13. Income	☺ • Average hourly earnings ☹ • Annual number of food parcels supplied to Hamilton residents
☺ 14. Business	☺ • Number of businesses and full time equivalent employment ☺ • Number of businesses of different sizes ☺ • Business gains and losses
☺ 15. Visitor accommodation	☺ • Visitor guest nights and hotel/motel occupancy rates in Hamilton ☺ • Origin of guests
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton	
☹ 16. Historic structures/sites	☹ • Number of built heritage and sites of archaeological, historic and cultural significance in current District Plan
☹ 17. Arts and Culture	☹ • Residents' use and satisfaction with Council's community facilities (arts and culture) ☺ • Number of items issued at Hamilton City Libraries
Outcome Area E: Living in Hamilton	
☺ 18. Education	☺ • Enrolments at the University of Waikato, Wintec and Te Wananga ☹ • Participation in school based community education courses ☺ • Hamilton school leavers with no formal qualification
☺ 19. Public Involvement in Decision-making	☹ • Voter turnout at general and local authority elections ☺ • Number of candidates standing in local authority elections ☺ • Community satisfaction with Council's provision of opportunities for community involvement in decision-making
☺ 20. Youth Well-being	☺ • Number of police apprehensions of juveniles in Hamilton
✦ 21. Partnership with Maori	✦ • Maori involvement in public decision-making
☺ 22. Crime and Safety	☺ • Rate of reported dishonesty offences ☺ • Rate of reported sexual offences ☺ • Rate of reported violent offences ☺ • Perceptions of safety in the CBD and in neighbourhoods

☺ 23. Community Diversity and Cohesion	☺ • Resident perception of ethnic diversity in Hamilton + • Number of discrimination complaints to the Human Rights Commission ☺ • Residents' sense of community within local neighbourhood ★ • Residents involved in volunteer work
☺ 24. Health	☺ • Life expectancy in Waikato region ☺ • Frequency of physical activity + • Residents' perception of own health status
Outcome Area F: Enjoying Hamilton	
☺ 25. Sport and Participation	☺ • Residents' use of Council community facilities (sport and participation) ☺ • Area of greenspace in the city per resident ★ • Participation in sporting activities

Quality of Life Project

Hamilton City Council is a contributing member council of the Quality of Life Project. The purpose of this project is to provide information to decision-makers to improve the quality of life in major New Zealand urban areas. Involvement in this project allows Council to determine the effectiveness of current practices relevant to other metropolitan local authorities. It also enables participating councils to identify the links of the four well-beings and to raise the profile of urban policy issues at a national level. The 12 member councils are:

- Rodney District Council
- North Shore City Council
- Auckland City Council
- Waitakere City Council
- Manukau City Council
- Hamilton City Council
- Tauranga City Council
- Porirua City Council
- Hutt City Council
- Wellington City Council
- Christchurch City Council
- Dunedin City Council.

The latest substantive report from the project was published in 2003 and can be accessed online at www.bigcities.govt.nz or in hard copy from Council's Strategic Group (phone 838 6810, email strategic@hcc.govt.nz). The 2003 report details results for 56 indicators (and 147 measures) comprising of official statistics from Statistics New Zealand, statistics from government agencies and community organisations, and results from the Quality of Life Residents Survey Programme.

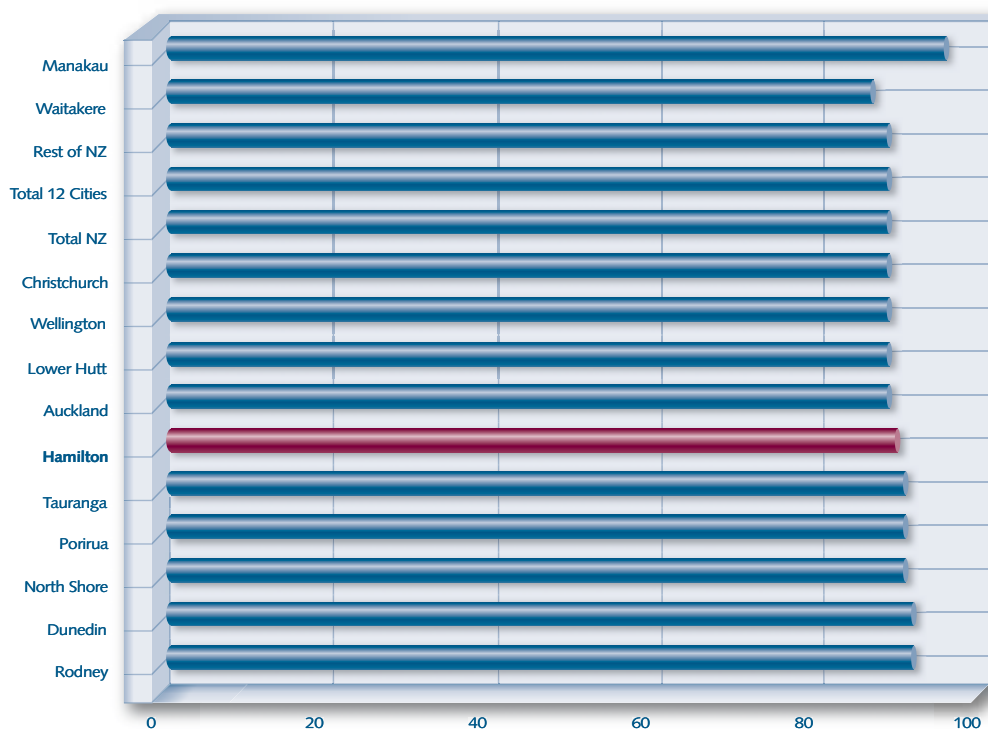
The Quality of Life project undertakes a comprehensive residents' survey every two years to provide information for use by the member councils. The latest Quality of Life Residents Survey is being undertaken from August to October 2006. This is a telephone survey of 7500 residents (aged 18 years and over) comprising at least 500 randomly selected households from each of the 12 project member councils plus 1,500 households from other non-urban areas throughout New Zealand. Results from this survey will be made available on the www.bigcities.govt.nz website from February 2007. Data from this survey will be useful to augment the range of information that will be gained through the 2006 Census of Population and Dwellings.

One of the key measures from the 2004 Quality of Life Survey was people's perception of their overall quality of life. As shown in the following graph, Hamilton residents rate their overall quality of life relatively highly (sixth highest out of the 12 councils participating areas in the project).





PERCENTAGE OF RESIDENTS RATING THEIR OVERALL QUALITY OF LIFE AS 'GOOD' OR 'VERY GOOD': 2004



Important trends and results from the project are reported to the chief executives of member councils. Hamilton City Council is represented on the project's research team that is responsible for the collection of information through the survey and from other sources and the production of reports from the project.

Involvement in Other National and Regional Monitoring Programmes

Staff from Hamilton City Council have also been involved in contributing to the establishment of national and regional monitoring frameworks. The Monitoring and Reporting Community Outcomes (MARCO) group is a multi-agency working group (comprising representatives from Environment Waikato and its constituent councils and the Waikato District Health Board) that was established in mid-2004 to develop and maintain a core set of indicators for monitoring progress toward community outcomes at a regional level and to establish an integrated regional monitoring plan. Environment Waikato's 2006–16 Long-Term Plan includes the 75 core indicators that have been identified to monitor the regional community outcomes. A baseline report of the core indicators has been produced by MARCO and can be downloaded from www.choosingfutures.co.nz.

The Linked Indicators Project (LIP) is a whole of government project led by Statistics New Zealand that is identifying a core set of indicators to measure sustainable development for New Zealand. The LIP framework is part of the government's Sustainable Development Programme of Action (refer www.mfe.govt.nz) and will ultimately provide data for a core set of sustainable development indicators and measures at a national, regional and eventually local scale. Council staff have been closely watching the development of the LIP framework and have provided detailed feedback on the process to local government representatives on the national working team.

Monitoring and Reporting Undertaken by Other Key Organisations

Council recognises that other organisations also monitor key aspects of the city's well-being. As noted previously, Council will be working with a number of key stakeholders during 2006/07 to identify potential indicators to measure the new set of Hamilton's Community Outcomes.

8.0 THE TREATY OF WAITANGI/COUNCIL'S PARTNERSHIP WITH MAORI (KO TE TIRITI O WAITANGI ME NGĀ HONONGA O TE KAUNIHERA KI TE IWI MAORI)

8.1 INTRODUCTION

Hamilton City Council (Te Kaunihera o Kirikiriroa) supports the principles of justice and partnership offered and agreed to in the Treaty of Waitangi (Te Tiriti o Waitangi) by Maori and the Crown. Through Articles II and III Council recognises Maori as tangata whenua with kaitiakitanga (guardianship) status and ownership rights regarding land, and that Maori are assured the same rights as other citizens. To this end, Council continues to build partnerships with:

- Waikato Raupatu Trustee Company Ltd – an iwi authority representing the views of Waikato-Tainui across the Waikato and King Country regions
- Nga Mana Toopu o Kirikiriroa (NaMTOK) – an iwi group representing the views of local mana whenua⁵ (Maori with historic ties to the Hamilton/Kirikiriroa area) on issues relating to the management of Hamilton's natural and physical resources
- Te Runanga o Kirikiriroa (TeROK) – an urban iwi authority representing the views of maataa waka⁶ (Maori from other areas) on social issues and Maori contribution to decision-making.

The city enjoys the benefits of the historic knowledge, experience and views of Maori and the inclusive role that Maori play in Hamilton communities. The Local Government Act 2002 reinforces the importance of continuing to foster such relationships, the necessity of good communication and the value of Maori heritage and values in New Zealand's progress as a distinctive nation.

Maori people comprise around 20 per cent of Hamilton's residents. It is estimated that 40 per cent of those identifying as Maori are from hapu with close ties to the Hamilton area, while 60 per cent are originally from other areas of the country. Council has an important role in supporting its local communities, including working to improve the opportunities for Maori and other citizens to contribute to decision-making and play an active role in the city's development.

8.2 DEVELOPING COUNCIL'S RELATIONSHIP WITH MAORI

In 1995 Hamilton City Council commissioned the 'Shane Jones Report' which gave clear guidelines for Council to consult with Maori within the city in respect to their responsibilities under the Treaty of Waitangi, the Waikato-Tainui Raupatu Settlement 1995 and the Resource Management Act 1991.

Since the Shane Jones Report was adopted Maori have played an increasing influence in the city, both as part of the community and through the distinctive contribution of Maori heritage and culture to Hamilton. Today, Hamilton City Council, Waikato Raupatu Trustee Company Ltd, NaMTOK and TeROK successfully work, individually and collectively, at continuing to develop Hamilton as a city where all cultures work in partnership and respect each others' views, heritage, culture and strengths.

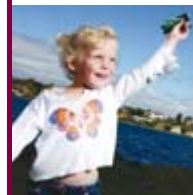
Council will continue to undertake comprehensive consultation in order to strengthen its current relationship with Waikato-Tainui and develop it into a strategic partnership that reflects the importance of the iwi authority and its close connections to the Maori king movement (kingitanga).

Council recognises and respects the kawa/protocols and associations of Waikato-Tainui and the importance of that role within the city, and the mutual welcoming of Maori, Pacific people, Asian people, European people and other New Zealanders alike.

Council's partnerships and service agreements with NaMTOK and TeROK are long-term and mutually beneficial. They provide a mana whenua perspective and a maataa waka (urban Maori/Pacific) view on issues relating to the Treaty.

In line with the spirit of the Local Government Act 2002, Council will continue consultation with Waikato-Tainui, its current partner organisations and other key community stakeholders in order to foster positive community and city initiatives. The relationship, roles and functions of each of the partner relationships is outlined as follows.

- 5 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.
- 6 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.





8.3 COUNCIL'S RELATIONSHIP WITH WAIKATO RAUPATU TRUSTEE COMPANY LTD

Waikato Raupatu Trustee Company Ltd is the principal constitutional and legally mandated iwi authority for the Waikato-Tainui iwi within the Waikato-King Country region, encompassing some 33 hapu and 63 marae across several local authority boundaries.

Waikato-Tainui as a whole takes on the umbrella governance focus for its people, its tribal culture and their maintenance. In terms of its people, Waikato-Tainui regards the sustainable development of local communities as being of utmost importance. To this end it participates in commercial business activities to provide for housing, employment and training and the necessary funding for education and marae grants.

In terms of Waikato-Tainui culture the Waikato River is regarded as te tupuna awa (the ancestral river), representing the mana (authority) and mauri (life force) of the iwi. A key environmental issue for the Raupatu Lands Trust is to monitor any pollutant effects on the river and lakes within the city.

The Waikato Raupatu Trustee Company is in the process of strengthening its relationship with Council. Both parties are seeking a partnership approach to ensure that consultation is robust and positive. The intention is to ensure a strategic affiliation that will complement the existing partnerships Council has in place.

8.4 COUNCIL'S RELATIONSHIP WITH NGA MANA TOOPU O KIRIKIRIROA

NaMTOK advocates the views and opinions of Hamilton's mana whenua people (a subset of Waikato-Tainui) who have a strong affinity with the natural and physical resources within the boundaries of Hamilton City and neighbouring local authorities. They are able to bring forward their local historical and cultural knowledge of the natural resources to any issue.

As a result NaMTOK is seen as the primary authority for such knowledge, kawa and protocol within the city and its environs. NaMTOK regards its partnership with Council as honouring Article II of the Treaty of Waitangi, preserving and commemorating traditional landmarks from a mana whenua perspective in order to assist with positive community dialogue between Maori and non-Maori.

8.5 COUNCIL'S RELATIONSHIP WITH TE RUNANGA O KIRIKIRIROA

TeROK provides Council with a number of support services and access to urban Maori (Waikato-Tainui and other Maori) perspectives on a wide range of social issues (Article III). The two organisations meet regularly through the Joint Venture Committee to discuss Maori contribution to decision-making, to facilitate Council consultation with Maori and to support Maori social services and organisations. The Maori Project Fund, which TeROK administers on behalf of Council, provides valuable funding for a range of projects, including capacity building for Rauawaawa (Maori community support groups in the city).

Partnerships and service delivery contracts with NaMTOK and TeROK are annual contracts and provide for regular review by both parties. These reviews enable processes and programmes to be amended to ensure that the interaction of Council with Maori communities remains relevant and appropriate to community needs. Most recently, TeROK has been involved with Council staff in co-authoring an educational handbook for elected members and staff on local Maori history and protocol.

8.6 ACHIEVEMENTS FOR 2005/06

As noted previously, Hamilton City Council has two established partnerships; one with the local mana whenua of Hamilton, through Nga Mana Toopu o Kirikiriroa (NaMTOK), and one with tauwi and Pacific peoples, through Te Runanga o Kirikiriroa (TeROK). Both these partnerships include annual financial contracts that support and enable these groups to participate in the democratic and decision-making processes of Council.

For the 2005/06 year Council provided funding of \$80,000 to NaMTOK for a range of resource management related services. This included the review and reporting on eight resource consents which were identified to be of specific interest to Maori. Feedback from NaMTOK is directly reported to Council's Statutory Management Committee, which ensures that the views of tangata whenua are taken into account in resource management decision-making.

TeROK received \$180,000 funding from Council for the 2005/06 year. The funding (like that for NaMTOK) includes payment for services provided to Council and an element of capacity building funding to support the engagement by TeROK in local government processes.

During 2005/06 two meetings of the Council and TeROK Joint Venture Committee took place to discuss issues of partnership. The minutes of this committee were reported to Council's Community and Leisure Committee. In addition, TeROK has provided policy advice to Council on matters of relevance to Maori and Pacific peoples. TeROK also conducted specific training for Council staff on bicultural issues and basic te reo Maori skills.

A number of specific projects were achieved in 2005/06 that furthered partnerships between Council and Maori and contributed to Maori well-being:

- **Completion of Stage One of Te Parapara Garden, Hamilton Gardens**

In 2005/06, Council began work on Te Parapara Garden at the Hamilton Gardens. This garden showcases traditional Maori horticulture practices, and aims to reconstruct traditional Maori garden features and carved structures that were present along the banks of the Waikato River between 1840-1850. Council has worked closely with Nga Mana Toopu o Kirikiriroa in the design and development of Te Parapara Garden. Stage One of the garden development was officially unveiled on 20 July 2006, and the remainder of the work is expected to take place between 2006/07 and 2009/10.

- **Celebration of Te Arikini Dame Te Atairangikaahu's Coronation**

In recognition of Te Arikini Dame Te Atairangikaahu's 40th anniversary of her coronation (koroneihana), Council displayed celebratory street flags in Hamilton's Central Business District.

Sadly, Dame Te Ata passed away on 15 August 2006. Council acknowledges her significant contribution to Maoridom and her role as a visionary leader in New Zealand. An official Council delegation attended Dame Te Ata's tangi at Turangawaewae Marae in Ngaruawahia on 17 August 2006.

Council also made a remembrance book in Dame Te Ata's honour available in Council's main building in Garden Place. Members of the public were invited to pay their respects and express their personal sentiments to Dame Te Atairangikaahu by signing the remembrance book. The pages of the book will be professionally bound into a permanent book and presented to Dame Te Ata's family.

- **Promotion of an Annual Kowhai Festival**

During Council's 2005/06 Annual Plan submission process, Nga Mana Toopu o Kirikiriroa proposed that an annual kowhai festival be established to acknowledge pre-European horticulture and to increase the profile and importance of the Waikato River within the city. Council endorsed the concept of the kowhai festival by providing funding for the planting of kowhai trees along the Waikato River in 2005/06. A total of 277 kowhai trees were planted along the Waikato riverbank from the Ferrybank Lounge to Claudelands Bridge.

- **Interagency Hui on Increasing Maori Participation in Local Government**

Council staff were involved in an interagency project team aimed at increasing Maori participation in democratic processes in local government. A number of agencies collaborated in this project, including the Ministry of Social Development, the Department of Internal Affairs, Te Runanga o Kirikiriroa, Te Puni Kokiri and Environment Waikato. Three hui were held in Hamilton in July 2006.

- **Consultation on Representation Review**

As part of a representation review in August 2005, Council resolved to adopt the Single Transferable Voting (STV) system for Council's 2007 triennial election. Feedback provided by TeROK showed support for the STV voting system as a way of potentially increasing the chances of Maori representation within the elected members if Council decided against the creation of separate Maori wards and seats. Council subsequently decided not to introduce dedicated Maori wards but adopted to introduce the STV electoral voting system. Council's decision to adopt STV was overturned by a binding referendum that was held on 13 May 2006 (forced by a residents' poll on the issue). The results of this referendum called for the First Past the Post voting system to be retained as the preferred voting system for Council's 2007 and 2010 triennial elections.





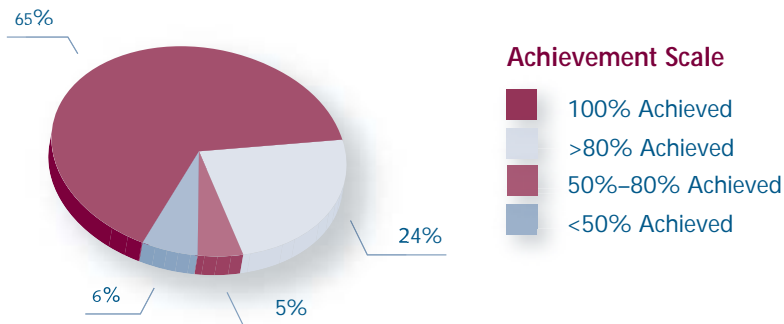
9.0 INTRODUCTION TO THE STATEMENT OF SERVICES

WHAKATAKI PURONGO RATONGA

Key performance measures and targets are used to maintain and enhance the intended levels of service for each of Council's 25 significant services. The performance measures and targets take into account the diversity of Council's facilities and services and have been developed to appropriately measure the way in which the significant service is provided.

The pie graph below shows the overall performance results for 2005/06 against an achievement scale.

Performance Results for 2005/06



In 2005/06 there were 147 performance measures across Council's 25 significant services. Of these, 95 measures (65%) were fully achieved, 36 (24%) were over 80% achieved, 7 (5%) were 50% to 80% achieved, and 9 (6%) were less than 50% achieved.

The following section shows in detail each significant service's level of achievement for the performance measurements outlined in year two of Hamilton's Community Plan 2004–14 (as well as any changes to performance measures and targets outlined in Hamilton City Council's 2005/06 Annual Plan).

This section also outlines:

- An overview of each outcome area, describing the various elements that are central to sustaining and improving Hamilton's environmental, social, economic and cultural well-being.
- Each significant service's role and the contribution that the service makes to Hamilton's Community Outcomes
- Each significant service's contribution to Hamilton's Sustainability Indicators
- Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable or that have a community/city focus towards improving Hamilton's sustainability
- The cost of providing each significant service for the year ended 30 June 2006
- Annual Residents Survey results for 2004–2006 relevant to each significant service.

A pictorial guide that outlines the layout and content of the statement of services section follows.



GUIDE TO THE STATEMENT OF SERVICES (NGAA TAKE AARAHĪ O TE KAUNIHERA)

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STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

OUTCOME AREA D: EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON
(Te Rōhe Wānanga D: Ngā Mahi Toi, Kōwhiri, Kōwhiri, Kōwhiri, Kōwhiri)
(Page 96 of Hamilton's Community Plan 2004-14)

1 OUTCOME AREA OVERVIEW

Hamilton's community is enriched by the opportunity to engage in a wide range of artistic and cultural activities. The community's ability to build on this variety is dependent on the city continuing to foster its cultural environment, predominantly through investment in programmes and facilities that encourage wide community participation. Integral to this is the continued need to value both traditional and contemporary forms of Nga taonga whakamāori (Māori arts and culture). The utilisation of arts and cultural product within the community will enhance aesthetic appeal and create a sense of community belonging.

The city's reputation as an arts and cultural centre is growing in relation to its capacity to host local, national and international events or performances on a regular basis. The provision of suitable facilities, including libraries, theatres, art galleries and museums, is vital to achieve the outcome of an artistic and creative community.

Hamilton has a well-defined cultural and built heritage. Increased public awareness will make an important contribution to developing widespread community support for the protection of these cultural artefacts and historic sites.

2 OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Hamilton theatre services	9, 10	9.1, 9.4, 10.1, 10.2	16. Historic structures and sites
Hamilton City Libraries	10, 12	10.3, 12.2	17. Arts and culture
Waikato Museum of Art and History	9, 10	9.1, 10.2	

Pages 30-32 of Hamilton's Community Plan 2004-14
Pages 41-43 of this Annual Report

3 SIGNIFICANT SERVICES

Significant Services	Role
Hamilton theatre services	Provides theatre facility management and associated event support, including agency services, specialist theatre equipment and services for events at three Hamilton theatres and within the community.
Hamilton City Libraries	Manage and operate five community libraries and the central library in Garden Place.
Waikato Museum of Art and History	Encourages, supports and promotes Hamilton's art and history (including Te Arai Kōwhiri), which includes operating a community arts group venue and managing exhibitions. Science and technology are also promoted through Excite! Beak Cottage and the Ranghihi Arts also managed by the museum.

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www.hamilton.co.nz/annualreport/

STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

OUTCOME AREA

- Each **Outcome Area Overview** provides a description of the various elements that are central to sustaining and improving Hamilton's environmental, social, economic and cultural well-being.
- The **Outcomes and Indicators** show Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.
- Significant Services** gives a brief description of what the significant service does.
- Council's Contribution by Role Towards the Community Outcomes** lists Council's significant services in each outcome area and the various role/s (including the primary role) that the significant service has in contributing towards achievement of the community outcomes.
- Improving Council's and Hamilton's Sustainability** outlines examples of specific projects and programmes undertaken by Council in each outcome area. The examples show Council's focus on making its own operations more sustainable (internal), or that have a community/city focus (external) towards improving Hamilton's sustainability.

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STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

4 COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Facilitator	Support Provider	Role Monitor	Regulator	Service Provider
Hamilton theatre services	•	•			✓
Hamilton City Libraries					✓
Waikato Museum of Art and History					✓

✓ Primary role • Role

5 IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004-14 Community Plan in outcome area D focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> Management of Council (and community) archives in the central library Information Communication Technology Strategy (2003) for the libraries 	<ul style="list-style-type: none"> Assistance to community-based performing arts groups Hamilton City Libraries website (www.hamiltonlibraries.co.nz) Digitisation of the historic photograph collection at Council libraries Hamilton City Libraries Strategic Plan (2002) Summer school holiday reading programmes at Council libraries Implementation of a strategy to ensure more new books appear faster on library shelves Libraries and Museum Communication Channel Management Strategy identifies the most effective means of customer access to services provided by these facilities Waikato Museum of Art and History's Strategic Plan 2001-2011 Exhibitions at the Waikato Museum of Art and History Exhibitions Policy for the Museum (ensures a systematic means of programming exhibitions) School-focused educational programmes at the Museum and Excite! Provision of an historic disc register in Hamilton's Proposed District Plan (Reference Version, November 2001) Ongoing maintenance of Beak Cottage Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.siglife.govt.nz)

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STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

STATEMENT OF SERVICES

Guide to the Statement of Services



STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

6 EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON
Cost of service for the year ended 30 June 2006

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Hamilton Theatre Services	2,667	2,295	2,434
Hamilton City Libraries	6,780	6,969	6,425
Waikato Museum of Art and History	4,462	4,129	4,021
Total expenditure	13,909	13,393	12,880
Less revenue			
Hamilton Theatre Services	862	663	829
Hamilton City Libraries	724	689	740
Waikato Museum of Art and History	413	313	310
Total revenue	1,999	1,665	1,879
Net cost of service	11,910	11,728	11,001
Operating expenditure funded by:			
Operating revenue	1,999	1,665	1,879
Rates	11,910	11,728	11,001
Total	13,909	13,393	12,880
Capital expenditure	1,439	1,354	1,444
Capital expenditure funded by:			
Revenue	3	0	38
Rates	1,436	1,354	1,406
Total	1,439	1,354	1,444

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COST OF SERVICE

6. The **Cost of Service** table shows the cost centre accounts for the Outcome Area comparing actual against budget. The table shows how much revenue and expenditure (budget/actual) for each of the operational significant services in the cost centre.

STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

7 OUTCOME AREA D: EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON
Annual Residents Survey Results 2004-2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Hamilton Theatre Services			
Founders Memorial Theatre	76.4	76.1	75.1
The Community Theatre*	72.4	70.8	67.9
The Mission Theatre	69.5	65.5	67.2
Hamilton City Libraries			
Central Library	82.1	83.2	83.6
Your branch library	79.9	80.1	81.7
Waikato Museum of Art and History			
Artlink	79.2	73.9	68.4
Waikato Museum of Art and History	79.3	75.5	74.3

Note:

- The Community Theatre was previously known as the Westpac Trust Community Theatre.
- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (1 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a representative total of 100.
- Refer to Section 7.6 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.

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ANNUAL RESIDENTS SURVEY RESULTS

7. Lists by significant service in each outcome area the **Annual Residents Survey (ARS)** results achieved in 2005/06. Note: some significant services do not have questions asked in the ARS.

STATEMENT OF SERVICES
Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

HAMILTON THEATRE SERVICES (Te Whare Tapere o Kōwhiri)
(Page 109 of Hamilton's Community Plan 2004-14 and page 46 of Hamilton City Council's 2005/06 Annual Plan)

8 Objective
To provide and maintain quality performance facilities and services to meet community needs and expectations.

9 MEASURING OUR PROGRESS

10 Key Performance Measures (Long-Term (10 Year Horizon))

Key Performance Measures	Target 2013/14	Results achieved in 2005/06
1. Achieved a CSI score for: • Founders Memorial Theatre of 75 • The Community Theatre* of 74 • The Mission of 70 as measured by a survey of theatre patrons.	75 CSI 74 CSI 70 CSI	75.1 CSI 67.9 CSI 67.2 CSI
2. Achieved a combined total patronage of 150,000 for Hamilton Theatre Services venues, as measured by attendance records.	150,000 patrons	126,890 patrons. Founders Memorial Theatre was closed for building maintenance in February 2006. The Community Theatre and The Mission were also closed for part of February 2006 for maintenance.
11 Service Delivery		
3. Hamilton residents increased use of Hamilton Theatre Services venues to the following levels: • Founders Memorial Theatre 60% • The Community Theatre* 24% • The Mission 12% as measured by Council's Annual Residents Survey	60% 24% 12%	54.4% (25.1%) (11%) (These figures reflect theatre closures for renovations, as noted in Long Term (10 Year Horizon) performance measure 2).
4. Achieved a combined percentage occupancy days for all Hamilton Theatre Services venues of 50%, as measured by attendance records.	50%	46% reflects theatre closures for renovations.

* The Community Theatre was previously known as the Westpac Trust Community Theatre.

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SIGNIFICANT SERVICE

8. The **Key Objective(s)** for this significant service that contribute towards the relevant community outcomes.
9. **Long-Term Performance Measures** that encapsulate the significant service's core business and cover the period 2004-14. They relate to the **objective(s)** and are relevant and measurable.
10. The **Long-Term Plan Performance Measure Target** to be achieved by 20013/14.
11. **Service Delivery Performance Measures** are some of the main means of measuring actions that contribute towards achievement of the long-term performance measures. They relate to the objective(s) and are relevant and measurable.
12. The **Service Delivery Performance Measure Target** to be achieved in 2005/06.
13. The **Results Achieved** in 2005/06 specify the results achieved and note any variance of interest.

9.2 OUTCOME AREA A: SUSTAINING HAMILTON'S ENVIRONMENT (TE ROHE WHAKAPUTAINA A: TAUTOKO TE TAIAO O KIRIKIRIROA)

(Page 58 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

The city is a complex environmental system, and impacts significantly on the ecosystems that make up the natural fabric of the city. Historically the city has grown with little regard to the land, water, plant and animal life of the region. Today that is changing, and the city is beginning to recognise the need to work in partnership with its natural environment. Enhancing the quality of Hamilton's natural surroundings is a considerable undertaking.

Air quality ultimately affects all life forms within Hamilton, in particular its residents. Air quality can be improved through increased efficiency of our vehicles, the promotion of renewable, non-polluting energy resources and the increasing availability of more sustainable transportation networks and means of travel.

The Waikato River is a taonga (treasure) for the whole community (and particularly tangata whenua), and a major natural resource that makes a valuable contribution to the city's recreational and infrastructural activities. Conditions upstream affect water quality in the Waikato River, Hamilton's lakes, and the streams that flow through Hamilton. The city in turn influences water conditions for downstream users.

Preventing, avoiding, and remediating soil contamination in both industrial and residential situations will result in a healthier environment, as will improved efforts to address and reduce noise pollution.

The protection and enhancement of the city's biodiversity is a significant challenge. As the city grows, new development needs to protect and enhance the gully networks and areas of indigenous flora and fauna. Re-planting existing gullies and reserve areas, and establishing linked greenspace corridors, will help restore the ecological balance of the city. These areas also provide Hamilton with a valuable recreational resource that contributes positively to the city's overall amenity.

The adoption of more efficient energy systems will reduce the city's greenhouse gas emissions and limit the depletion of finite resources. Further reduction, reuse and recycling of waste will also minimise the city's impact on the natural and built environment.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Wastewater management	1	1.2	1. Air quality
Stormwater management	1	1.2	2. Water quality
Recycling/refuse collection	4	4.1, 4.2, 4.3	3. Water usage
Water supply	1	1.3	4. Soil health
Sustainable environment	1, 2, 3, 4	1.2, 2.2, 2.3, 3.1, 4.1, 4.2	5. Noise
Environmental health	1	1.1, 1.2, 1.3, 1.4, 1.5	6. Urban trees
			7. Energy
			8. Solid waste
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report



SIGNIFICANT SERVICES

Wastewater management	Contributes to the protection of public health and the environment through the collection and treatment of urban wastewater.
Stormwater management	Operates and maintains the stormwater network to ensure community safety and the protection of property by draining stormwater from roadways and public land through pipes and open watercourses to the city's streams, lakes and the Waikato River.
Recycling/refuse collection	Provides for the weekly collection of household recyclables and refuse from residential properties in the city. Manages the Refuse Transfer Station (including the Recycling Centre), the Horotiu Landfill, three closed landfills and also provides a composting facility at the Hamilton Organic Centre.
Water supply	Provides for water treatment, storage and distribution in Hamilton City. Raw water is drawn from the Waikato River into the Hamilton City Water Treatment Station where it is treated to provide a high standard of drinking water.
Sustainable environment	Provides leadership for sustainable living and works to engage and support the different sectors of the Hamilton community (including schools, householders and community groups) to achieve positive environmental outcomes for the city.
Environmental health	Protects and promotes public health by undertaking monitoring, inspection and enforcement of various activities using relevant legislation and national standards. Also covers central city safety initiatives and activities.

COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Wastewater management			•		✓
Stormwater management			•		✓
Recycling/refuse collection			•		✓
Water supply			•		✓
Sustainable environment	✓	•	•		
Environmental health	•		•	✓	

✓ Primary role • Role.

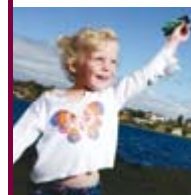
DELIVERING ON COUNCIL'S VISION
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IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> • Environmental Management Systems/ISO 14001 operating at Hamilton Zoo • Training of staff for Environmental System Auditing • Council's Energy Management Programme • Internal waste minimisation policy (including waste reduction targets and six monthly audits) • Corporate Procurement Policy with environmental standards • Development, implementation and review of Activity Management Plans (in particular the plans for Wastewater, Stormwater, Water Supply, Refuse/Recycling Collection – including Horotiu Landfill) • Membership of and participation in EECA's (Energy Efficiency and Conservation Authority) Energy Wise Council's Forum • Membership of ICLEI (International Council for Local Environmental Initiatives) • Member of ICLEI's Sustainability Reporting Alliance • Membership of Cities for Climate Protection (Milestone I) • Construction and use of worm bins for food waste 	<ul style="list-style-type: none"> • Participation in Project Watershed (a major project aimed at providing better, more co-ordinated management of river-based works and services in the greater Waikato catchment) • Implementation of Hamilton's Waste Management Plan 2004 (solid and liquid waste components) • Kerbside recycling ('Sort it Out') • Kerbside recycling for primary and secondary schools • Membership of Cities for Climate Protection (Milestone I) • The Horotiu Landfill gas to energy project • Contaminated Sites Management Strategy • Food Safety Awards programme • Support of the Enviroschool's programme • Walking School Bus programme • Support of Hamilton's Environment Centre • Administration of Council's Envirofund • Gully restoration programme (including the Gully Restoration Guide publication, to assist people in the ecological restoration of Hamilton's gully systems) • Plants for gullies scheme • Community planting programme • Know it?...Live it! community environmental education programme: <ul style="list-style-type: none"> – Energy booklet – Transport booklet – Water booklet – Waste booklet – Shopping booklet – The Green Who's Who Guide • Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) • Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)



SUSTAINING HAMILTON'S ENVIRONMENT

Cost of service for the year ended 30 June 2006

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Wastewater management	14,389	11,734	11,345
Stormwater management	6,431	5,606	4,839
Recycling/refuse collection	11,989	10,632	11,792
Water supply	11,287	10,435	7,916
Sustainable environment	613	681	522
Environmental health	1,622	1,483	1,556
Total expenditure	46,331	40,571	37,970
Less revenue			
Wastewater management	1,620	1,652	1,594
Stormwater management	2	5	6
Recycling/refuse collection	8,972	7,196	8,499
Water supply	3,957	3,800	3,091
Sustainable environment	0	0	4
Environmental health	641	504	534
Total revenue	15,192	13,157	13,728
Net cost of service	31,139	27,414	24,242
Operating expenditure funded by:			
Operating revenue	15,192	13,157	13,728
Reserves	256	204	0
Rates	30,883	27,210	24,242
	46,331	40,571	37,970
Capital expenditure	29,234	36,660	21,594
Capital expenditure funded by:			
Reserves	6,093	6,905	3,138
Loans	18,435	24,034	14,663
Revenue	795	620	1,181
Rates	3,911	5,101	2,612
	29,234	36,660	21,594

OUTCOME AREA A: SUSTAINING HAMILTON'S ENVIRONMENT

Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Wastewater management			
City's wastewater system	71.9	77.4	76.2
Stormwater management			
City's stormwater system	68.0	72.2	70.0
Recycling/refuse collection			
Household refuse collection	79.5	82.1	81.5
Kerbside recyclable collection	78.4	81.1	82.2
Hamilton Organic Centre	78.2	82.8	79.8
Hamilton Refuse Transfer Station	77.2	81.4	78.6
Water supply			
Continuity of water supply	80.4	85.4	83.9
Water pressure	79.1	85.1	80.9
Clarity of the water	70.0	78.0	76.2
Taste and odour of the water	60.1	70.0	67.0
Sustainable environment			
Hamilton Environment Centre	74.0	76.2	81.9
Environmental health			
Handling of noise complaint	*	80.6	78.8
Outcome of noise complaint	*	76.5	80.4
Night patrol in the Central City	77.2	76.8	76.1

* Question not asked in that year.

Note:

- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.





WASTEWATER MANAGEMENT (TE ROOPUU WHAKAHAERE PARAWHAKAKINO)

(Page 62 of Hamilton's Community Plan 2004–14 and page 36 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a high level of compliance for the Wastewater Treatment Plant's resource consents as reported to and audited by Environment Waikato annually.	✓	1. A report has been submitted to Environment Waikato but a grade has not yet been received.
2. No wastewater overflows from pumping stations occurred through mechanical or electrical equipment failure.	✓	2. Seventy five overflows were caused by mechanical and electrical failure. This increase was due to problems associated with one particular pump station, which have now been resolved. There is an ongoing programme to provide additional storage at key sites.
Service Delivery	2005/06	Results achieved in 2005/06
3. No more than 60 wastewater blockages per 100 km of reticulation system per year.	✓	3. Achieved. Forty-one blockages per 100 km of wastewater pipeline occurred.
4. Achieved a CSI score for the city's wastewater system of 75, as measured by Council's Annual Residents Survey.	✓	4. 76.2 CSI.



STORMWATER MANAGEMENT (TE ROOPUU WHAKAHAERE WAI-AAWHA)

(Page 64 of Hamilton's Community Plan 2004–14 and page 36 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for the city's stormwater system of 70 as measured by Council's Annual Residents Survey.	70 CSI.	1. 70 CSI.
2. No major concerns raised by Environment Waikato around stormwater consent compliance.	✓	2. Achieved.
Service Delivery	2005/06	Results achieved in 2005/06
3. Ensured that all new stormwater systems in the city comply with standards in the Hamilton City Development Manual.	✓	3. Achieved. Auditing of subdivision development and adherence to design standards by Council staff ensured that all new stormwater systems comply with the specifications set out in the Hamilton City Development Manual.
4. Ensured that existing stormwater systems in the city comply with standards in the Hamilton City Development Manual in accordance with a staged work programme.	Programme developed.	4. Achieved.
5. Completed the annual programme of watercourse maintenance.	✓	5. Achieved.





RECYCLING/REFUSE COLLECTION (WHAKAHOU (TIA)/KOOHINGA RAAPIHI)

(Page 66 of Hamilton's Community Plan 2004–14 and page 37 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To ensure that adequate and appropriate waste collection and reduction, reuse, recycling, recovery, treatment and disposal are provided for the city (whether by public or private means) in order to protect public health and the natural environment.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for the: <ul style="list-style-type: none"> Refuse Transfer Station of 77 Hamilton Organic Centre of 84 Household refuse collection of 83 Household kerbside recyclable collection of 82 as measured by Council's Annual Residents Survey. 	77 CSI 84 CSI 83 CSI 82 CSI.	1. 78.6 CSI 79.8 CSI 81.5 CSI 82.2 CSI.
Service Delivery in 2004/05	2005/06	Results achieved in 2005/06
2. Satisfied 90% of requests relating to non-collection of household refuse within 24 hours.	✓	2. Achieved. 94% of 'non-collection' type enquiries were satisfied within 24 hours.
3. Satisfied 90% of requests relating to non-collection of household recyclables within 24 hours.	✓	3. Achieved. 96% of 'kerbside recycling' type enquiries were satisfied within 24 hours.
4. Achieved a high level of compliance for the Horotiu Landfill's resource consents as reported to and audited by Environment Waikato and Waikato District Council annually.	✓	4. A report is to be submitted to Environment Waikato and Waikato District Council by 30th September 2006.
5. Closed landfills comply with resource consent conditions.	✓	5. No compliance issues were raised by Environment Waikato with the Cobham Drive closed landfill. Resource consent applications have been made to Rototuna and Willoughby closed landfills.
6. Diverted 20,000 tonnes of waste for recycling through kerbside recycling, recycling centre operations and greenwaste composting at the Hamilton Organic Centre.	✓	6. Achieved (29,176 tonnes).
7. Achieved waste reduction targets in Council's Waste Management Plan within agreed timeframes.* <ul style="list-style-type: none"> <i>By December 2005, 60% of garden waste will be diverted from landfill and beneficially used.</i> <i>By December 2005, over 500 Hamilton businesses will be receiving support from the Waikato Advisory Service and other groups supporting this service and 100 of these businesses will be able to report on the quantity of waste they are diverting from landfill.</i> 	✓	7. <ul style="list-style-type: none"> 59% of all garden waste measured in April 2005 was diverted to the Hamilton Organic Centre and composted. Achieved.

* The italicised text outlines the relevant waste reduction targets from Council's Waste Management Plan.

WATER SUPPLY (TUKUA WAI)

(Page 68 of Hamilton's Community Plan 2004–14 and page 38 of Hamilton City Council's 2005/06 Annual Plan)

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.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Retained the Ministry of Health's grading of the city's water treatment station operation at 'A', and the city's water pipe network system at 'a'.	Water supply grading Aa.	1. Achieved. Hamilton's water supply was graded by the Waikato District Health Board's Public Health Unit (on behalf of the Ministry of Health) earlier this year. 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.
2. Achieved a CSI score of 67 for the taste and odour of water, as measured by Council's Annual Residents Survey.	67 CSI.	2. 67 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
3. Flows and pressures complied with the standards set out in the Hamilton City Development Manual.	✓	3. Twelve service requests regarding water flowrate/pressure were below the required service level due to minor localised network faults. These faults have now been rectified or further work has been programmed.
4. Achieved a CSI score of: <ul style="list-style-type: none"> 82 for water pressure 73 for clarity of the water 60 for taste and odour of water as measured by Council's Annual Residents Survey.	✓ ✓ ✓	4. <ul style="list-style-type: none"> Achieved (80.9 CSI) Achieved (76.2 CSI) Achieved (67.0 CSI).



SUSTAINABLE ENVIRONMENT (TAUTOKO TE TAIAO)

(Page 70 of Hamilton's Community Plan 2004–14 and page 38 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score of 50 for residents taking positive environmental actions.	50 CSI.	<p>1. The following measures (taken from Council's 2006 Residents Survey) were used to determine the extent of residents taking positive environmental actions:</p> <p>Residents' awareness of Environmental Education Programmes, which promote positive environmental actions – 41.8% resident awareness.</p> <p>Percentage of usage for:</p> <ul style="list-style-type: none"> • Kerbside recycling: 80.2% • Refuse Transfer Station: 61.1% • Hamilton Organic Centre: 36.6%. <p>CSI scores for:</p> <ul style="list-style-type: none"> • Kerbside recycling: 82.2 CSI • Refuse Transfer Station: 78.6 CSI • Hamilton Organic Centre: 79.8 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
2. Gully Restoration Programme membership increased by 10%.	✓	2. Achieved (15% increase).
3. Actioned high levels of involvement in community-based environmental education programmes as demonstrated by participation records.	✓	3. Achieved. The "Know it? Live It!" community education programme was furthered with the production of the Shopping booklet and reprint of the Waste household booklet. The booklets were supported by a series of events and educational opportunities to learn about Hamilton's urban issues. There are now over 760 members of the "Know it? Live it!" database.
4. Implemented and reviewed components of the 10-year Waste Management Plan.	Reviewed the liquid waste component of the plan.	4. Achieved. A review of the liquid component of the Waste Management Plan was undertaken. Targets and actions relating to the 2005/06 financial year have been implemented. These include investigating kerbside recycling options for small to medium enterprises and the development of resources to facilitate better diversion of green waste and construction and demolition wastes at the Refuse Transfer Station.

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ENVIRONMENTAL HEALTH (Te Whaiao Hauora)

(Page 72 of Hamilton's Community Plan 2004–14 and page 73 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Approximately 1500 inspections of food premises completed in accordance with regulations under the Health Act 1956 and Council's monthly inspection schedules.	1500 inspections.	1. Four hundred and three inspections were completed. Staff resignations and difficulty in recruiting new staff due to a market shortage of trained Environmental Health Officers meant that this target was not able to be met.
2. Approximately 200 inspections of licensed premises completed in accordance with regulations under the Sale of Liquor Act 1989 and Council's monthly inspection schedules.	200 inspections.	2. Achieved (267 inspections).
Service Delivery	2005/06	Results achieved in 2005/06
3. All complaints regarding excessive noise investigated within 30 minutes of the time of complaint.	✓	3. 96% of complaints were investigated within 30 minutes. The remaining 4% occurred when a number of noise complaints were received together and had to be prioritised.
4. Ensured remediation of contaminated sites as identified by the contaminated sites management strategy.	✓	4. Achieved. A total of 83 contaminated sites have been remediated or are subject to a management plan since monitoring began in 1999. Sites are remediated/managed on a priority basis through land information memoranda and planning/building consent processes. Twenty-two sites were remediated and/or managed during 2005/06.
5. Ensured that programmes outlined in the crime prevention monitoring contract are undertaken.	✓	5. Achieved (as per the Central City Safety 2005/06 Business Plan).



OUTCOME AREA B: GROWING HAMILTON

(TE ROHE WHAKAPUTAINA B: TE WHAKATUPU O KIRIKIROA)

(Page 74 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

Hamilton's increasing population, and changing population composition, have a range of implications for the city's development in areas such as housing, transport, industrial and commercial activities.

Higher density housing (including greater infill development) can make more efficient use of the city's infrastructure, and provide more accommodation choice for an increasingly diverse community. The accessibility of facilities and services (both central city and suburban) for all groups within the community is a key concern in their development, design and location.

Hamilton's current structure/layout results in significant commuter traffic flows across the city. More flexible forms of urban development, advances in telecommunications (e.g., enabling more people to work from home), and increased integration of business activity, employment and services throughout the city, linked with a more sustainable transport system options will change this over time.

Hamilton's central area is the focal point of the city and region's retail, commercial, arts, cultural and entertainment spheres. As such, it caters for a range of cultural, social and economic needs. Enhancement of the central area requires continued investment in the upgrading of streets, urban 'greening', beautification of buildings and the use of public art. The central area will benefit where new development is based around an integrated design philosophy that encompasses pedestrian friendliness and accessibility, safety, the river, local heritage, and recognises the diversity of functions located in the area.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Road network management	5	5.5, 5.6, 5.7	9. Urban development
Hamilton Transport Centre	5, 6	5.5, 5.6, 5.8, 6.2	10. Transport
Environmental services	5, 6	5.1, 5.2, 5.3, 5.4, 5.6, 6.1, 6.2, 6.3	11. Housing affordability
Endowment and investment property portfolio management	5	5.4	
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report

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SIGNIFICANT SERVICES

Road network management	Provides for the ongoing, sustainable management of the operation, maintenance, growth and development of the city's transportation network.
Hamilton Transport Centre	An integral part of the city and region's transportation network. Accommodates long and short haul bus services, as well as tour coaches and taxi services and a short-term car parking drop-off zone. It includes ticketing facilities, a cafe, toilets, bike lockers and a visitor information centre.
Environmental services	Provides for management of the built environment primarily through consent, enforcement of relevant legislation and education techniques. Comprises Animal Care and Control, Building Control, Parking Enforcement and Planning Guidance.
Endowment and investment property portfolio management	Manages two funds: the Domain Endowment Fund and the Municipal Endowment Fund. Both funds are required by legislation to be invested in property in order to maximise the financial return to the city.



COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Road network management			•		✓
Hamilton Transport Centre					✓
Environmental services			•	✓	
Endowment and investment property portfolio Management	✓				

✓ Primary role • Role.





IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> • Initiatives to improve the efficiency of Council's vehicle fleet • Introduction of Fleet Bikes to Council's vehicle pool • Participation in the national Bike to Work Day • Council's Corporate Travel Plan (<i>Every Trip Counts</i>). The aim of the plan is that Hamilton City Council staff will consider their transport choices and, in line with Access Hamilton, wherever possible will use alternative modes of transport. • Development, implementation and review of Activity Management Plans (in particular, the plans for Roads and Traffic and Planning Guidance) 	<ul style="list-style-type: none"> • New and upgraded bus shelters (Adshel) • Promotion of Bike Wise week • Cycling in Hamilton 2000 Strategy • Hamilton's Integrated Transport Strategy (HITS) (1999) and development of Access Hamilton • Partnered with NZ Police on Road Safety campaigns (e.g., 'Back to School', 'Cab It or Cop It', 'Take Another Look' (focusing on intersection safety) and speed campaigns) • Production of a city cycling map (2005) aimed at households • Easy Guide to Eco-Building (2001) • Safety awareness campaign for swimming pool owners • Development towards a World Class Building Consent Programme • Development and use of the Standardised Waikato Building Consent Group Application Form for all building consent applications throughout the Waikato • Ongoing update of the website www.buildhamilton.co.nz which provides a wealth of information to residential or commercial builders and developers • Hamilton City's Proposed District Plan (References Version, November 2001) • Establishment/implementation of structure plans for the city's future growth areas • Money back guarantee programme for non-notified resource consents not issued within the statutory timeframe • Landonline TA (territorial authority) Online Certification • A Dog's Life – Good Dog Owner's Guide (2005) • Organisation and facilitation of the annual 'Dog Day Afternoon' event • Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) • Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)

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GROWING HAMILTON

Cost of service for the year ended 30 June 2006

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Road network management	22,876	20,360	19,303
Environmental services	9,874	8,479	7,991
Hamilton Transport Centre	854	886	544
Endowment and investment property portfolio management	4,193	2,270	1,909
Total expenditure	37,797	31,995	29,747
Less revenue			
Road network management	3,279	3,439	3,319
Environmental services	10,372	7,872	7,424
Hamilton Transport Centre	221	203	229
Endowment and investment property portfolio management	5,981	4,691	4,207
Total revenue	19,853	16,205	15,179
Net cost of service	17,944	15,790	14,568
Operating expenditure funded by:			
Operating revenue	19,853	16,205	15,179
Reserves	674	24	0
Rates	17,270	15,766	14,568
	37,797	31,995	29,747
Capital expenditure	20,464	31,386	14,378
Capital expenditure funded by:			
Reserves	60	1,120	264
Loans	12,487	20,233	3,597
Subsidies	2,986	4,334	5,043
Revenue	22	32	483
Rates	4,909	5,667	4,991
	20,464	31,386	14,378



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OUTCOME AREA B: GROWING HAMILTON

Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Road Network Management			
Street lighting in general	70.8	77.7	73.2
Street lighting in your area	68.6	76.1	70.9
Footpaths in general	71.0	76.6	73.9
Footpaths in your area	71.0	77.2	74.0
Streets in general	67.8	74.6	70.0
Streets where you live	70.2	76.7	72.5
Traffic management	68.4	73.8	71.4
Pedestrian facilities	68.3	76.9	71.6
Pedestrian safety	*	*	69.9
Locations of crossings	*	*	70.9
Cycling facilities	65.6	67.5	65.2
Off street car parking	59.3	65.7	62.0
Central City car parking in general	56.2	59.1	59.7
Getting around in non-peak traffic	*	*	73.6
Getting around in peak traffic	*	*	47.1
Knox Street Commuter Car Park	*	*	78.9
Hamilton Transport Centre			
Hamilton Transport Centre	73.2	83.4	78.3
Environmental Services			
Dog control service	71.9	80.4	74.3

* Question not asked in that year.

Note:

- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.



ROAD NETWORK MANAGEMENT

(Te Roopuu Whakahaere Tuuhonotanga Huarahi)

(Page 78 of Hamilton's Community Plan 2004–14 and page 41 of Hamilton City Council's 2005/06 Annual Plan)

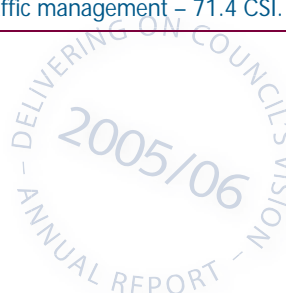
Objective

To develop and maintain a safe, efficient and sustainable transport system that meets the community's needs.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for: <ul style="list-style-type: none"> streets throughout the city of 70 streets around here of 73 traffic management of 70 street lighting throughout the city of 70 street lighting around here of 68 footpaths in general throughout the city of 70 footpaths around here of 70 pedestrian facilities of 70 as measured by Council's Annual Residents Survey.	70 CSI 73 CSI 70 CSI 70 CSI 68 CSI 70 CSI 70 CSI 70 CSI	1. 70.0 CSI 72.5 CSI 71.4 CSI 73.2 CSI 70.9 CSI 73.9 CSI 74.0 CSI 71.6 CSI.
2. Achieved a CSI score of 70 for residents' perception about traffic congestion when driving on Hamilton's roads, as measured by Council's Annual Residents Survey. ⁴	70 CSI.	2. Getting around in peak traffic – 47.1 CSI Getting around in non-peak traffic – 73.6 CSI.
3. Achieved a CSI score for cycle facilities throughout the city of 60, as measured by Council's Annual Residents Survey.	60 CSI.	3. 65.2 CSI.
4. Achieved a CSI score of 70 for pedestrian safety and efficiency/negotiation of the road network as measured by Council's Annual Residents Survey.	70 CSI.	4. The following measures were used to determine residents' satisfaction with pedestrian safety and efficiency/negotiation of the road network: Pedestrian facilities – 71.6 CSI Pedestrian safety – 69.9 CSI Locations of crossings – 70.9 CSI Traffic management – 71.4 CSI.

⁴ Two new questions relating to traffic congestion were asked in Council's 2006 Annual Residents Survey. These questions (getting around in peak traffic and getting around in non-peak traffic) were deemed to give a more accurate indication of residents' perception of traffic congestion in Hamilton.





Service Delivery	2005/06	Results achieved in 2005/06
5. Achieved a Smooth Travel Exposure (% of vehicle kilometres travelled on roads defined as smooth) of 85% for all Hamilton's roads in line with Transfund New Zealand standards.	✓	5. Achieved (85%).
6. Established and implemented a monitoring process for measuring the network efficiency by use of a peak hour travel time survey, including baseline travel time and peak travel time on specified routes.	✓	6. Achieved. Surveys were conducted in August 2005 and June 2006. Travel times are measured on five selected routes at morning and evening peaks and inter-peak times in order to derive a congestion index using Austroads standard methodology.
7. Achieved an 80% satisfaction rating for acknowledgement of, and response to, requests for service, as measured by the Roads and Traffic Unit's monthly feedback surveys.	✓	7. Achieved (81.7% for the period April 2005 to March 2006). Telephone surveys are conducted each month from a sample of respondents who logged requests for service. The monthly surveys are then analysed and reported on in six-monthly periods (in March and September).
8. Implementation of Council's Parking Strategy.	✓	8. The Knox Street Car Park (which provides 442 carparks) opened on 19 April 2006 in the Central Business District (CBD). On-street parking prices and time limits in the CBD were reviewed in accordance with Council's Parking Strategy to ensure parking turnover and to provide a balance between the needs of residents in the CBD fringe and commuters.
9. Implemented the 10 year comprehensive Access Hamilton transport programme.	✓	9. Achieved. A comprehensive works programme has been agreed by Council and a project director appointed. Several initial projects have been implemented (e.g., the beginning of the free CBD shuttle bus and the implementation of a number of walking school buses in Hamilton). For more information on Access Hamilton, refer to Section 3.0.
10. Road safety managed in accordance with Council's safety management system and road safety plan.	✓	10. An annual audit of Council's Safety Management System was undertaken in July 2005 by Opus International Consultants. The methodology has subsequently been reviewed and updated as a result of audit recommendations. Six projects were included in the road safety action plan for 2005/06, and five were delivered but reduced in scope due to staff shortages.

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Service Delivery	2005/06	Results achieved in 2005/06
11. Worked with key road safety partners (e.g., NZ Police, Land Transport Safety Authority, and community groups such as Te Runanga o Kirikiriroa) to achieve objectives of the Road Safety Strategy.	✓	<p>11. Several projects have been undertaken with transport partners:</p> <ul style="list-style-type: none"> • Regional Land Transport Strategy – with Transit New Zealand, Environment Waikato and other territorial local authorities • Joint Officials Group – with Transit New Zealand, Environment Waikato and other territorial local authorities • Te Rapa Bypass and Rotokauri growth cell – Transit New Zealand, Environment Waikato and Waikato District Council • NZ Police – ‘Back to School’, ‘Cab It or Cop It’, ‘Take Another Look’ (focusing on intersection safety) and speed campaigns • Safer Routes Project – worked with community groups in the Chartwell area.





HAMILTON TRANSPORT CENTRE (TE WAAHI HARI WAKA O KIRIKIROA)

(Page 80 of Hamilton's Community Plan 2004–14 and page 42 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To provide an efficient transport centre for Hamilton's residents and visitors.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2004/05
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for the Hamilton Transport Centre of 79, as measured by Council's Annual Residents Survey.	79 CSI.	1. 78.3 CSI.
2. Achieved a usage measure for the Hamilton Transport Centre of 39.8%, as measured by Council's Annual Residents Survey.	40%.	2. 36.6%.
Service Delivery	2004/05	Results achieved in 2004/05
3. Achieved all performance measures and targets in the Transport Centre annual maintenance contract.	✓	3. Achieved (Building Warrant of Fitness completed and records available).

PARKING ENFORCEMENT (URUHI (NA) WAAHI TUU O NGAA WAKA)

(Page 82 of Hamilton's Community Plan 2004–14 and page 42 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To ensure maximum availability of parking spaces within the city and that motor vehicles comply with Land Transport Safety Authority Standards.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Parking warden patrols are provided on a continuous scheduled basis through the central business district and other key areas in the city during the hours stated in each annual service level agreement between the Parking Enforcement Unit and Hamilton City Council.	Percentage of patrols as stated in service level agreement 75%.	1. Achieved (80%).
Service Delivery	2005/06	Results achieved in 2005/06
2. Achieved a turnover of parking space in the city that is equal to or better than the time limits set for these areas.	75%.	2. Achieved (82%).
3. Limited the number of motor vehicles displaying an out-of-date licence and/or Warrant or Certificate of Fitness within the city to less than 4% (through standardised annual surveys conducted by the Parking Enforcement Unit).	Less than 4%.	3. Achieved (3.4%).

BUILDING CONTROL (MANA WHAKAHAERE WHARE)

(Page 83 of Hamilton's Community Plan 2004–14 and page 43 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To protect and promote public safety and well-being relating to the construction and maintenance of new and existing buildings through legislative techniques, and to educate people to comply with legislation.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Processed 100% of all building consents and project information memoranda in accordance with timeframes set out in the Building Regulations.	✓	1. Processed 100% of all building consents and project information memoranda within statutory timeframes with an average processing time of eight working days.
2. Audited 100% of the fire safety records of all buildings identified on Council's compliance schedule matrix (comprising approximately 1000 high risk and 2000 low risk buildings):	✓	2. 700 high risk buildings were audited.
• 1000 high risk buildings – annually	✓	• 400 low risk buildings were audited.
• 400 low risk buildings – annually.		
3. Inspected all buildings that were subject to a building consent in accordance with timeframes set out in the Building Regulations.	✓	3. Inspected all buildings subject to a building consent. Approximately 90% were inspected within timeframes set out in the Building Regulations.
Service Delivery	2005/06	Results achieved in 2005/06
4. Processed 100% of all land information memoranda (LIMS) in accordance with timeframes set out in the Local Government Official Information and Meetings Act 1987.	✓	4. Achieved.
5. Coordinated a workshop with local building industry representatives on the new Building Act.	✓	5. Achieved. A workshop was held on 10 May 2006 with 150 industry representatives in attendance.
6. Ran a public awareness campaign to educate swimming pool owners on pool fencing requirements and ongoing maintenance.	✓	6. Achieved. Posters and educational material were delivered to key stakeholders and other interested parties.





PLANNING GUIDANCE (HANGA TIKANGA AARAHITANGA)

(Page 84 of Hamilton's Community Plan 2004–14 and page 43 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To provide quality service, advice and interpretation when dealing with applications for new subdivisions (as well as new and existing land uses in the city) to comply with the requirements of the Resource Management Act 1991 and the Hamilton City District Plan(s).

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. All resource consent applications and certificates processed within the statutory time limits of the: <ul style="list-style-type: none"> Resource Management Act 1991 Hamilton City District Plan(s). 	✓	1. 97.42% (681 out of 699) of all resource consent applications (notified, non-notified, controlled, discretionary, and subdivision applications) were granted within the statutory timeframe: <ul style="list-style-type: none"> 100% of all non-notified land use consents were granted within the statutory timeframe. 99.64% of all non-notified subdivision consents were granted within the statutory timeframe. Only one consent was issued outside the timeframe. Overall 2.58% of all applications were assessed outside of the statutory timeframe, i.e., 17 notified applications and one non-notified subdivision application. These applications were of a complex nature and final decisions had to be made by Council's Statutory Management Committee.
2. Inspected and effectively monitored at least 65 resource consents per month.	65 per month.	2. Achieved (89 per month).
Service Delivery	2005/06	Results achieved in 2005/06
3. Non-notified resource consent customers refunded 100% of fees application if not issued within the statutory timeframes.	✓	3. 99.8% of applications were processed within the statutory timeframe. Only one out of 668 resource consent applications was not processed within the statutory timeframe (fees were refunded accordingly). This complex subdivision application took longer to process as staff had to obtain comments from other units within Council.

4. Achieved a 50% recovery of total costs through fees and charges.	✓	4. 47% was achieved due to fewer applications and out-sourcing because of staff shortages.
5. Achieved 90% satisfaction by Council's Statutory Management Committee of all notified applications.	✓	5. Council's Statutory Management Committee supported five out the six applications (83%).
6. 95% of cases taken to the Environment Court and supported by staff were successful.	✓	6. Achieved (100%).



ANIMAL CARE AND CONTROL (MANA WHAKAHAERE KARAREHE)

(Page 85 of Hamilton's Community Plan 2004–14 and page 44 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for animal care and control services of 76, as measured by Council's Annual Residents Survey.	76 CSI.	1. 74.3 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
2. Completed a minimum of 40 community presentations in accordance with the requirements of Council's Dog Control Policy 1997.	✓	2. Achieved (40 presentations).
3. Responded to all urgent requests for services involving public safety in relation to offences against public place bylaws (e.g., dogs, litter, skateboarding, advertising signs) within one hour of receipt and to all routine requests for service within 48 hours, as measured by Council's customer action request process.	✓	3. Achieved.





ENDOWMENT AND INVESTMENT PROPERTY PORTFOLIO MANAGEMENT (TE TAIAO WHAI TIKANGA ROOPUU WHAKAHAERE)

(Page 86 of Hamilton's Community Plan 2004–14 and page 44 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To manage Council's property portfolio in a manner that fulfils legislative requirements (primarily the Building Act 1991 and the Health and Safety in Employment Amendment Act 2002).

To manage Council's property portfolio to ensure returns are in line with the current market average for similar properties.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a gross return on Municipal Endowment Fund investment properties within 1% of average market returns.	✓	1. & 2. Financial returns were assessed by an independent registered valuer, who confirmed them as being typical for the Hamilton market.
2. Domain Endowment Fund ground leases achieved a return in line with the average market return of similar properties.	✓	
Service Delivery	2005/06	Results achieved in 2005/06
3. Developed and implemented an Activity Management Plan for properties.	Activity Management Plan developed and incorporated as part of Council's 2006-16 Long-Term Plan.	3. An Activity Management Plan for 'Properties' (which includes managing building assets for other activities) was commended in 2004/05. This plan will be finalised late 2005 and will be a key component in the development of Councils 2006–16 Long Term Council Community Plan.
4. Ensured statutory compliance with the Building Act 1991 and the Health and Safety in Employment Amendment Act 2002 in respect of all Council owned buildings.	✓	4. Achieved.

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OUTCOME AREA C: PROMOTING HAMILTON

(TE ROHE WHAKAPUTAINA C: NGAA WHAKAATURANGA O KIRIKIRIROA)

(Page 88 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

Hamilton has a key role as the service centre for the greater Waikato region. Local businesses are in a position to lead the way in the development of more sustainable processes and products, which will reinforce the city and region's clean green image. Promoting the quality of life that Hamilton offers will help to attract and retain business in the city. Opportunities such as tourism and biotechnology, also offer the potential to provide more employment and to broaden the economic base of the city and region.

Attracting tourists to this area is an integral part of marketing the city. Hamilton's proximity to regional centres and attractions creates significant opportunities for the tourism sector, and for events marketing. Hamilton also offers its own attractions, such as the Waikato River, the city's lakes, Hamilton Zoo, the Waikato Museum of Art and History and Hamilton Gardens, as well as a variety of recreational and cultural opportunities.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Economic development	7	7.1, 7.2, 7.3, 7.4	12. Work. 13. Income.
City promotion	8	8.1, 8.2, 8.3	14. Business. 15. Visitor accommodation.
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report

SIGNIFICANT SERVICES

Economic development	Communicating, marketing and supporting Hamilton's economic development activities through partnerships and financial support (primarily through the economic development agency The Katolyst Group).
City promotion	Communicates to local residents and those living outside the city the points of difference and advantages that Hamilton has to offer. Also includes news media relations, Council's participation in a Sister Cities Programme and providing support to key events.

COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Economic development	•	✓	•		
City promotion	•	✓	•		

✓ Primary role • Role.





IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> Buy Local Policy (part of the Council's Corporate Procurement Policy) Council is a key contributor towards local employment Hard Copy (monthly staff magazine) 	<ul style="list-style-type: none"> Development of Council's website www.hamilton.co.nz as a communication and promotional tool for the city Support/coordination of key city events, e.g., through the Event Sponsorship Fund and the website www.whatsonhamilton.co.nz Partnerships with economic development agencies (e.g., The Katolyst Group) Promotion/support of Waikato Innovation Park Provision of economic information to a range of organisations (in particular developers and businesses), e.g., Hamilton Quarterly Review, Hamilton Economic Update City News (delivered to all Hamilton households each month) Hamilton's Economic Development Strategy 2005 Facilitation of economic development clusters Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)

OUTCOME AREA C: PROMOTING HAMILTON

Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
City Promotion			
City News	74.9	77.8	79.0
What's On Hamilton website	74.5	78.5	80.3
myhamilton website	73.7	68.0	78.0
Hamilton City Council website	70.5	73.1	74.9
Visitor Information Centre	76.6	83.5	78.2

Note:

- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.

PROMOTING HAMILTON

Cost of service for the year ended 30 June 2006

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Economic development	953	1,027	958
City promotion	687	781	595
Total expenditure	1,640	1,808	1,553
Net cost of service	1,640	1,808	1,553
Operating expenditure funded by:			
Rates	1,640	1,808	1,553
	1,640	1,808	1,553
Capital expenditure	1,200	35	1
Capital expenditure funded by:			
Loans	1,200	0	0
Rates	0	35	1
	1,200	35	1





ECONOMIC DEVELOPMENT (NGAA RATONGA TAIAO)

(Page 92 of Hamilton's Community Plan 2004–14 and page 46 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved the key performance indicators of Waikato Economic Development, as outlined in the annual service level agreement between Hamilton City Council and Waikato Economic Development.	✓	1. Waikato Economic Development is now known as The Katolyst Group. The service level agreement (Katolyst Strategic Plan) is currently under development.
Service Delivery	2005/06	Results achieved in 2005/06
2. Reviewed and implemented Hamilton's Economic Development Strategy.	Implementation of Strategy.	2. Achieved. The Strategy has been reviewed and approved by Council and implementation is ongoing.
3. Assisted Innovation Waikato Ltd with stage 2 of Waikato Innovation Park.	✓	3. Achieved.
4. Assisted with the establishment and ongoing operation of the business incubator component of Waikato Innovation Park.	✓	4. Achieved through funding of The Katolyst Group (formerly known as Waikato Economic Development).
5. Economic information about Hamilton published, distributed quarterly and available on the internet at www.hcc.govt.nz and www.b2h.co.nz .	✓	5. Achieved. Information (e.g. Hamilton Quarterly Review and Hamilton Economic Update) is available on www.hamilton.co.nz . (The B2H website is not currently being utilised).
6. Allocated at least 20% of the Event Sponsorship Fund to the growth or development of significant 'icon' events for the city.	✓	6. Achieved (40.3%). The 'icon' events that were given financial assistance in the 2005/06 year were: <ul style="list-style-type: none"> • New Zealand National Motorshow • Fuel Festival of New Zealand Theatre • Parachute • The Great Race • Hamilton Gardens Summer Festival • Balloons Over Waikato

DELIVERING ON COUNCIL'S VISION
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CITY PROMOTION (NGAA RATONGA WHAKAPIKI)

(Page 94 of Hamilton's Community Plan 2004–14 and page 46 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To promote Hamilton to the city's residents and to those living outside Hamilton, and to keep them informed about Council and city activities.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a resident satisfaction rating of 90% for overall quality of life in Hamilton, as measured through Council's Annual Residents Survey.	90%.	1. 81.8 CSI. Although this rating is for the city overall (including non-Council related services), Council provides a significant number of facilities/services that make up inputs into this CSI.
2. Achieved an average of 10,000 visitors per month to the Hamilton City Council website www.hcc.govt.nz .	10,000.	2. The website was redeveloped to www.hamilton.co.nz and made live in November 2005. The website is achieving 60,000 visitors per month.
3. Achieved a CSI score for Hamilton City Council's website www.hcc.govt.nz of 75, as measured by Council's Annual Residents Survey.	75 CSI.	3. 74.9 CSI. The website was redeveloped to www.hamilton.co.nz and made live in November 2005.
Service Delivery	2005/06	Results achieved in 2005/06
4. Council's free publication City News distributed to all Hamilton households eight times per year.	✓	4. Achieved.
5. Produced two six-monthly calendars, which promote Hamilton events to visitors, events businesses and overseas markets.	✓	5. Information is now incorporated on www.hamilton.co.nz , on www.whatsonhamilton.co.nz website and in City News.



OUTCOME AREA D: EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON

(TE ROHE WHAKAPUTAINA D: NGAA MAHI TOI, TIKANGA-AA-IWI, TAONGA TUKU IHO O KIRIKIROA)

(Page 96 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

Hamilton's community is enriched by the opportunity to engage in a wide range of artistic and cultural activities. The community's ability to build on this variety is dependent on the city continuing to foster its cultural environment, predominantly through investment in programmes and facilities that encourage wide community participation. Integral to this is the continued need to value both traditional and contemporary forms of Nga toi tangata whenua (Maori arts and culture). The utilization of arts and cultural product within the community will enliven aesthetic appeal and create a sense of community belonging.

The city's reputation as an arts and cultural centre is growing in relation to our capacity to host local, national and international events or performances on a regular basis. The provision of suitable facilities, including libraries, theatres, art galleries and museums, is vital to achieve the outcome of an artistic and creative community.

Hamilton has a well-defined cultural and built heritage. Increased public awareness will make an important contribution to developing widespread community support for the protection of these cultural artefacts and historic sites.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Hamilton theatre services	9, 10	9.1, 9.4, 10.1, 10.2	16. Historic structures and sites
Hamilton City Libraries	10, 12	10.3, 12.2	17. Arts and culture
Waikato Museum of Art and History	9, 10	9.1, 10.3	
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report

SIGNIFICANT SERVICES

Hamilton theatre services	Provides theatre facility management and associated event support, ticketing agency services, specialised theatre equipment and services for events at three Hamilton theatres and within the community.
Hamilton City Libraries	Manages and operates five community libraries and the central library in Garden Place.
Waikato Museum of Art and History	Encourages, supports and promotes Hamilton's art and history (including Tainui Iwi history), which includes operating a community arts group venue and managing exhibitions. Science and technology are also promoted through Exscite. Beale Cottage and the Rangiriri are also managed by the museum.



Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

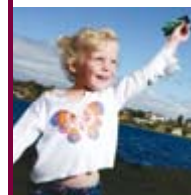
Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Hamilton theatre services	•	•			✓
Hamilton City Libraries					✓
Waikato Museum of Art and History					✓

✓ Primary role • Role.

IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> • Management of Council (and community) archives in the central library • Information Communication Technology Strategy (2003) for the libraries 	<ul style="list-style-type: none"> • Assistance to community-based performing arts groups • Hamilton City Libraries website (www.hamiltonlibraries.co.nz) • Digitisation of the historic photograph collection at Council libraries. • Hamilton City Libraries Strategic Plan (2002) • Summer/school holiday reading programmes at Council libraries • Implementation of a strategy to ensure more new books appear faster on library shelves • Libraries and Museum Communication Channel Management Strategy (identifies the most effective means of customer access to services provided by these facilities) • Waikato Museum of Art and History's Strategic Plan 2001–2011 • Exhibitions at the Waikato Museum of Art and History • Exhibitions Policy for the Museum (ensures a systematic means of programming exhibitions) • School-focused educational programmes at the Museum and Exscite • Provision of an historic sites register in Hamilton's Proposed District Plan (References Version, November 2001) • Ongoing maintenance of Beale Cottage • Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) • Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)



STATEMENT OF SERVICES

Outcome Area D: Experiencing Arts, Culture and Heritage in Hamilton

EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON

Cost of service for the year ended 30 June 2006

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Hamilton Theatre Services	2,667	2,295	2,434
Hamilton City Libraries	6,780	6,969	6,425
Waikato Museum of Art and History	4,462	4,129	4,021
Total expenditure	13,909	13,393	12,880
Less revenue			
Hamilton Theatre Services	862	663	829
Hamilton City Libraries	724	689	740
Waikato Museum of Art and History	413	313	310
Total revenue	1,999	1,665	1,879
Net cost of service	11,910	11,728	11,001
Operating expenditure funded by:			
Operating revenue	1,999	1,665	1,879
Rates	11,910	11,728	11,001
	13,909	13,393	12,880
Capital expenditure	1,439	1,354	1,644
Capital expenditure funded by:			
Revenue	3	0	38
Rates	1,436	1,354	1,606
	1,439	1,354	1,644

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OUTCOME AREA D: EXPERIENCING ARTS, CULTURE AND HERITAGE IN HAMILTON

Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Hamilton Theatre Services			
Founders Memorial Theatre	76.4	76.1	75.1
The Community Theatre*	72.4	70.8	67.9
The Meteor theatre	69.5	65.5	67.2
Hamilton City Libraries			
Central Library	82.1	83.2	83.6
Your branch library	79.9	80.1	81.7
Waikato Museum of Art and History			
ArtsPost	79.2	73.9	68.4
Waikato Museum of Art and History	79.3	75.5	74.1

Note:

- * The Community Theatre was previously known as the Westpac Trust Community Theatre.
- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.



HAMILTON THEATRE SERVICES (TE WHARE TAPERE O KIRIKIROA)

(Page 100 of Hamilton's Community Plan 2004–14) and page 48 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To provide and maintain quality performance facilities and services to meet community needs and expectations.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for: <ul style="list-style-type: none"> Founders Memorial Theatre of 75 The Community Theatre* of 74 The Meteor of 70 as measured by a survey of theatre patrons.	75 CSI 74 CSI 70 CSI.	1. 75.1 CSI 67.9 CSI 67.2 CSI.
2. Achieved a combined total patronage of 150,000 for Hamilton Theatre Services venues, as measured by attendance records.	150,000 patrons.	2. 128,850 patrons. Founders Memorial Theatre was closed for building maintenance in February 2006. The Community Theatre and The Meteor were also closed for part of February 2006 for maintenance.
Service Delivery	2005/06	Results achieved in 2005/06
3. Hamilton residents increased patronage of Hamilton Theatre Services venues to the following levels: <ul style="list-style-type: none"> Founders Memorial Theatre 60% The Community Theatre* 24% The Meteor 12% as measured by Council's Annual Residents Survey.	✓ ✓ ✓	3. (54.4%) (25.1%) (11%). (These figures reflect theatre closures for renovations, as noted in Long Term (10 Year Horizon) performance measure 2).
4. Achieved a combined percentage occupancy days for all Hamilton Theatre Services venues of 50%, as measured by attendance records.	✓	4. 46% (reflects theatre closures for renovations).

* The Community Theatre was previously known as the WestpacTrust Community Theatre.



HAMILTON CITY LIBRARIES (TE WHARE PUKAPUKA O KIRIKIROA)

(Page 102 of Hamilton's Community Plan 2004–14 and page 48 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To develop and maintain a libraries environment that delivers excellent resources and services to customers and that meets community needs and expectations.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score of: <ul style="list-style-type: none"> 85 for the central library 80 for community libraries as measured by the Council's Annual Residents Survey.	85 CSI 80 CSI.	1. 83.6 CSI 81.7 CSI.
2. Achieved a proportion of active borrowers to city residents of 60 per cent.	60%.	2. 51%.
Service Delivery	2005/06	Results achieved in 2005/06
3. Achieved the following number of visits to the: <ul style="list-style-type: none"> central library community libraries as measured by attendance records.	460,000 450,000.	3. 374,302 680,788 The overall attendance (1,055,090) exceeded targets. These results demonstrate a shift towards Community Libraries. The reasons for this shift include factors such as the accessibility of the libraries in the community, floating book stocks in the community libraries and the implementation of a retail strategy that focuses on customers' needs.
4. Issued 1.6 million items of library material across the central and community libraries.	✓	4. Achieved (1.73 million items). This measure reflects the refreshing and restocking the library collection with a more diverse range of stock.
5. Achieved the following number of visitors to the Hamilton City Libraries website www.hamiltonlibraries.co.nz .	125,000 visitors.	5. Achieved (263,244 visitors). The web visits continue to increase as more people utilise online sources of information.





WAIKATO MUSEUM OF ART AND HISTORY (TE WHARE TAONGA O WAIKATO)

(Page 104 of Hamilton's Community Plan 2004–14 and page 49 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To develop and maintain museum and arts facilities that deliver excellent resources and services to customers and that meets community needs and expectations.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score of: <ul style="list-style-type: none"> 85 for the Waikato Museum of Art and History 80 for ArtsPost as measured by Council's Annual Residents Survey.	85 CSI 80 CSI.	1. 74.1 CSI 68.4 CSI.
2. Achieved 200,000 visitors to the Waikato Museum of Art and History, as measured by attendance records.	200,000 visitors.	2. 135,543 visitors. The annual attendance figures for the Museum continue to rise (from 108,538 visitors in 2004/05, a 24.9% increase).
Service Delivery	2005/06	Results achieved in 2005/06
3. Achieved the target visitor numbers to the Waikato Museum of Art and History, as measured by attendance records.	140,000 visitors.	3. 135,543 visitors. The annual attendance figures for the Museum continue to rise (from 108,538 visitors in 2004/05, a 24.9% increase).
4. Achieved a CSI score of 95 for the Waikato Museum of Art and History, as measured by a survey of Museum visitors.	✓	4. 85.4 CSI).
5. Developed and implemented a marketing/branding strategy for the Museum and ArtsPost that promotes them as enjoyable, fun and dynamic facilities for the whole community.	Strategy implemented.	5. A marketing strategy has been developed for the Museum. The revised brand is to be launched in August 2006 (ArtsPost is now part of the Museum's management).
6. Achieved 30,000 visitors to ArtsPost, as measured by attendance records.	✓	6. 23,223 visitors. ArtsPost was closed for renovations in January and February 2006.



Outcome Area E: Living in Hamilton

OUTCOME AREA E: LIVING IN HAMILTON

(TE ROHE WHAKAPUTAINA E: NOHONGA KI ROTO O KIRIKIROA)

(Page 106 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

Education is an investment in Hamilton's greatest resource, its people. Educational facilities and programmes that offer a variety of life-long learning and training opportunities, as well as ready access to information, provide the best means of achieving full community participation. The provision of world-class research and educational institutions is a strong basis for Hamilton's economic diversity. Embracing information technology, and responding to the changing patterns of work and learning that it is creating, are important for the ongoing upskilling of Hamilton's community.

Hamilton seeks to be a supportive community where all people, including families, older people and youth are valued. The well-being of our community members is affected by the encouragement of community spirit and pride within local neighbourhoods. Recognition of the role that all can play to achieve a supportive community, and the implementation of strategies that contribute to that outcome, are vital to the well-being of our city.

Part of meeting the community's social, physical and emotional needs involves providing for a range of accommodation and transport options, recreational and leisure facilities, and community support groups. Ensuring services and facilities are accessible, culturally appropriate, and community-focused is necessary to achieve a happy healthy community.

Individuals and community groups are encouraged to make a positive difference in the city through their own actions, and by contributing to local authority elections and consultation processes. Council partnerships within the community are vital to ensure that participation is meaningful and can affect outcomes.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Community support	12, 13	12.2, 13.1, 13.2, 13.3	18. Education
Community facilities	13	13.1, 13.2	19. Public involvement in decision-making
Emergency management	13	13.1, 13.3	20. Youth well-being
Partnership with Maori	14	14.3, 14.4	21. Partnership with Maori
Representation and civic affairs	14	14.1, 14.2	22. Crime and safety
			23. Community diversity and cohesion
			24. Health
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report

SIGNIFICANT SERVICES

Community support	Coordinates, manages, operates and funds a range of community-based programmes and initiatives. Often involves Council working in partnership with community organisations, government agencies and various services in Hamilton to benefit a number of sectors of the community.
Community facilities	Provides and maintains affordable housing for older people. Manages two large community centres and provides and maintains cemeteries and cremation services, public toilets, and community halls and leased buildings for community groups.



STATEMENT OF SERVICES

Outcome Area E: Living in Hamilton



Emergency management	Prepares strategies, programmes and plans that minimise, reduce or eliminate the impact of the consequences of a major disaster in Hamilton and the Waikato region.
Partnership with Maori	Maintains a relationship with the Waikato Raupatu Trustee Company (Tainui). Also covers the partnerships with Nga Mana Toopu o Kirikiriroa (on natural and physical resource management issues) and Te Runanga o Kirikiriroa (which includes discussing relevant partnership issues, administration of Council's Maori Project Fund and the provision of services and policy advice on urban Maori issues).
Representation and civic affairs	Provides services to enable democratic local decision-making, including elected member's remuneration, meetings, public consultation, communication and civic functions. Also covers elections and the maintenance of the electoral roll.

COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Community support	•	•			✓
Community facilities		•			✓
Emergency management	•				✓
Partnership with Maori	•	✓			
Representation and civic affairs	•				✓

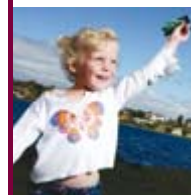
✓ Primary role • Role.

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IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.

Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> • Equal Employment Opportunities Policy • Health and Safety Management Policy (e.g., backstrain prevention programme, Health and Safety Code of Practice, Health and Safety Handbook) • Quality Management System (all Council's operations are currently certified to the ISO 9001/2000 international quality standard) • The Corporate Plan's vision, goals and values • The Organisational Development Programme—Make a Difference (to ensure Council becomes a world-class organisation) • Training programmes for more effective community consultation • Bi-cultural awareness training • Leadership development programme • Comprehensive customer satisfaction survey programme (approximately 40 specific surveys of various Council facilities and services) • Process mapping (electronically mapping the organisation's key processes to increase staff awareness and access) • Participation in the Benchmarking Club—administered by the Centre for Organisational Excellence and Research, Massey University (sharing best practice processes and procedures with 23 other organisations) • Ongoing upgrade of Council's intranet to improve its functionality and usability • Development and review of Activity Management Plans (in particular for Cemeteries and Crematorium) 	<ul style="list-style-type: none"> • Council's Ethnic Communities Coordinator • Update of People and Well-Being: Community Development Plan (2002) • Support for inner city crime prevention and central city wardens • 24/7 Liquor Ban Bylaw for the central city (Public Places Liquor Control Bylaw 2005) • Activities undertaken by neighbourhood and youth development workers • Action plans of the Youth Policy, Child and Family Policy, Older Persons Policy and Disability Strategy • School holiday programme and after-school programmes • Hamilton Directory for New Settlers 2005 • Distribution of Community Assistance grants and Creative New Zealand grants • Funding Hamilton and the Waikato Region 2006 (provides organisations in Hamilton and the Waikato with information on a range of funding sources) • Hamilton Youth Council • Hamilton City Council of Elders • Support of community houses/centres • Rates Remission Policy of residential rates for those experiencing financial hardship • Waikato Region Civil Defence Emergency Management Plan (2005) • Policy and Guidelines for Community Consultation (1999) (currently under review) • Council's Annual Residents Survey • Hamilton's Community Outcomes • Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) • Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)



STATEMENT OF SERVICES

Outcome Area E: Living in Hamilton

LIVING IN HAMILTON

Cost of service for the year ended 30 June 2006.

	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Community support	3,463	3,498	2,991
Community facilities	2,996	6,303	6,059
Emergency management	625	698	548
Partnership with Maori	265	265	265
Representation and civic affairs	5,574	5,660	5,132
Total expenditure	12,923	16,424	14,995
Less revenue			
Community support	391	504	504
Community facilities	888	2,242	2,273
Emergency management	322	324	275
Representation and civic affairs	28	22	217
Total revenue	1,629	3,092	3,269
Net cost of service	11,294	13,332	11,726
Operating expenditure funded by:			
Operating revenue	1,629	3,092	3,269
Loans	300	500	0
Rates	10,994	12,832	11,726
	12,923	16,424	14,995
Capital expenditure	150	149	1,118
Capital expenditure funded by:			
Loans	58	58	384
Rates	92	91	734
	150	149	1,118

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OUTCOME AREA E: LIVING IN HAMILTON

Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Community Facilities			
Cemetery – overall environment	82.9	79.9	81.1
Representation and Civic Affairs			
Opportunities Council provides for community participation in decision-making	59.8	67.2	66.9
Councillors and Mayor	57.8	74.4	73.7
Provision of information	66.6	72.0	70.3
The process used	*	70.1	71.4
The outcome of submissions etc	*	68.0	66.9

Note:

- * Question not asked in that year.
- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.





COMMUNITY SUPPORT (TE ROOPUU TAUTOKO HAPORI)

(Page 110 of Hamilton's Community Plan 2004–14 and page 51 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To support the community by providing funding, resources, research, designated liaison advisors, development workers, and services that promote the well-being of Hamilton's residents.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved effective monitoring and evaluation of Community Support Services, projects and activities.	75% of all services, projects and activities have an effective monitoring and reporting process in place.	1. The Community Development Unit undertakes ongoing monitoring of 75% of agencies receiving grants or financial support from Council for community support service provision. Monitoring and reporting processes for services, projects and activities across the unit are currently being redeveloped to reflect the recently completed unit review and the subsequent refocusing of particular functions to improve monitoring of services, projects and activities.
2. Maintained partnerships to provide sustainable funding for employment initiatives programmes.	Maintained and received 50% of funding from training provider partners.	2. 50% of funding was achieved from the Ministry of Social Development for employment programmes.
Service Delivery	2005/06	Results achieved in 2005/06
3. 80% of cadets registered in the New Zealand Qualifications Authority training programme completed Level 1 requirements.	✓	3. This service ended in December 2005 as recommended through a review process.
4. Achieved all projects in the action plans for: <ul style="list-style-type: none"> Hamilton's Older Person's Policy Hamilton's Youth Policy Hamilton's Child and Family Policy. 	✓ ✓ ✓	4. Action plan projects were completed as follows: <ul style="list-style-type: none"> 97% completed for the Older Person's Policy 93% completed for the Youth Policy. 88% completed for the Child and Family Policy.
5. Investigated and implemented new employment opportunities for the long-term unemployed	Implemented.	5. A new contract has been agreed to for six months with Work and Income New Zealand (WINZ) called a Work Mentoring Programme. This programme provides for 15 placements in Council for anyone registered with WINZ.

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COMMUNITY FACILITIES (NGAA WHARE-AA-IWI)

(Page 112 of Hamilton's Community Plan 2004–14 and page 51 of Hamilton City Council's 2005/06 Annual Plan)

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.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a 95% customer satisfaction rating for Council's housing for older people, as measured by the Housing Services Annual Tenants Survey.	95%.	1. The tenants survey has been reviewed and will be conducted in August/September 2006.
2. Achieved a CSI score of 80 for the overall environment at Hamilton Park Cemetery and Crematorium, as measured by Council's Annual Residents Survey.	80 CSI.	2. 81.1 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
3. Completed stage 2 of the road maintenance work at Hamilton Park Cemetery.	✓	3. Completed in 2004/05.
4. Identified the needs of tenants by contacting them three times per year (through Council's Housing Liaison Officer).	✓	4. Achieved as per the tenant visiting programme. This target was adjusted to two times per year as a result of the housing services area being reviewed.
5. Implemented an annual customer monitoring programme for community development.	✓	5. A survey of stakeholders in Community Centres was undertaken in June 2005. During 2005/06, in line with a unit restructure, Council's Community Development Unit reviewed the key stakeholder groups from which to obtain feedback. Specific surveys will be undertaken in 2006/07.





EMERGENCY MANAGEMENT (ROOPUU WHAKAHAERE OHORERE)

(Page 114 of Hamilton's Community Plan 2004–14 and page 51 of Hamilton City Council's 2005/06 Annual Plan)

Objective

- A. To develop a fully integrated, comprehensive emergency management system for the Waikato Valley Emergency Operating Area (WVEOA).
- B. To develop partnerships with all other emergency response agencies that will support WVEOA's response to and recovery from any declared emergency event.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score of 80 from key stakeholders representative of the emergency management community (e.g., fire, police, local authorities).	80 CSI.	1. 68.5 CSI (survey undertaken in November 2005).
2. Continuously reviewed emergency management operating procedures in line with best practice.	Maintained ISO 9002 registration.	2. Achieved.
3. Assisted in the development of the five-yearly review of the Civil Defence and Emergency Management Group (CDEM) Plan approved in 2005	Reviewed the CDEM Plan by 2010/11.	3. Achieved.
Service Delivery	2005/06	Results achieved in 2005/06
4. Reviewed and implemented the annual service level agreement with both the Waikato Valley Emergency Operating Area (WVEOA) and the Regional Civil Defence and Emergency Management Group (CDEM).	✓	4. WVEOA Arrangements have been reviewed and will be recommended to the CDEM in November 2006. The WVEOA Arrangements were developed in line with best practice and replace the previous service level agreement (SLA). (There is no legal requirement to have SLAs in place). The CDEM Plan was implemented in May 2005 and must be reviewed by 2010/11 (five-yearly). The CDEM Plan is legislatively required under the Civil Defence Emergency Management Act 2002.
5. Implemented Emergency Management Training Plans.	110 staff trained.	5. Achieved. 250 staff were trained through 22 training sessions.
6. Implemented Emergency Management Awareness Plans.	150 groups contacted.	6. Achieved. A Public Education and Awareness Plan was completed and 161 community contacts were made.
7. Emergency operational response procedures in place and reviewed.	3 audits undertaken.	7. Operational response procedures are audited annually to ensure compliance with Council's ISO9001 quality standards. Response procedures were also tested during "readiness and response" exercises – eight exercises were conducted and four were independently evaluated.
8. Undertook Radio/Telephone communication review.	✓	8. A radio/communication review is currently in progress which is due for completion in November 2006

PARTNERSHIP WITH MAORI (HONONGA KI TE IWI MAORI)

(Page 116 of Hamilton's Community Plan 2004–14 and page 52 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To promote and strengthen the partnership between Council and tangata whenua.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Fostered processes that provide opportunities for Maori to contribute to Council's decision-making (in accordance with the Treaty of Waitangi and the Local Government Act 2002), as demonstrated through performance targets set in annual service level agreements between Te Runanga o Kirikiriroa (TeROK), Nga Mana Topu o Kirikiriroa (NaMTOK), and Hamilton City Council.	✓	1. <ul style="list-style-type: none"> TeROK hosted one of the five public meetings for Council's Proposed 2006–16 Long-Term Plan (LTP) consultation on 21 April 2006. Council also worked with TeROK to develop and provide the whakatau to welcome submitters speaking on Maori issues at the June 2006 hearings for Council's Proposed 2006–16 LTP. Planning was undertaken in 2005/06 (in conjunction with TeROK, Te Puni Kokiri, Ministry of Social Development and Environment Waikato) for a series of three hui run in July 2006 on Maori electoral options and Maori contribution to local decision-making.
Service Delivery	2005/06	Results achieved in 2005/06
2. Joint Venture Committee meetings held on a regular basis and reported to Council.	8 meetings held.	2. Two meetings were held. A review of partnerships with Maori organisations commenced in 2005/06 to reflect Waikato-Tainui's status and role as the region's iwi authority.
3. NaMTOK advice incorporated into notified resource consent applications.	✓	3. Achieved. Eight resource consent applications incorporated advice from NaMTOK.
4. TeROK involved in discussions on review of wards and representation, and the electoral voting system for Council's 2007 triennial election.		4. Feedback from TeROK on arrangements/options for electoral systems was used by Council prior to developing representation and electoral proposals for public consultation.
5. Distribution of grants from the Maori Project Fund contributes to the capacity building of Maori as demonstrated through half yearly reports.	✓	5. Achieved. Twenty-five grants were approved and distributed to various community organisations.



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REPRESENTATION AND CIVIC AFFAIRS (MANATUU MAANGAI WHAKATINANA)

(Page 118 of Hamilton's Community Plan 2004–14 and page 52 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To maintain the democratic process of local government that meets community expectations and complies with legislation.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Council, committee and subcommittee meetings were notified and held in accordance with the provisions of the Local Government Official Information and Meetings Act 1987.	✓	1. Achieved.
2. Achieved a CSI score for the opportunities Council provides for community involvement in decision-making of 60, as measured by Council's Annual Residents Survey.	60 CSI.	2. 66.9 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
3. Community Plan (Long-Term Council Community Plan), Annual Plan, Annual Report and Hamilton City District Plan produced in compliance with legislative requirements.	Final 2005/06 Annual Plan, 2004/05 Annual Report, Proposed 2006-16 Community Plan and Hamilton City Proposed District Plan (November 2001 – References Version) made operative.	3. <ul style="list-style-type: none"> Final 2005/06 Annual Plan – achieved (completed and met legislative requirements) 2004/05 Annual Report – achieved (completed and met legislative requirements) Proposed 2006-16 Long-Term Plan – achieved (completed with clear audit and met legislative requirements. Note: The Final Long-Term Plan was adopted by Council on 30 June 2006 with an unqualified opinion from Audit New Zealand). A small number of outstanding references lodged with the Environment Court are still pending. Council is aiming to make the Proposed District Plan operative in 2007.
4. Hamilton City Council's 2004 triennial election conducted in accordance with legislative requirements.	Review commenced.	4. Achieved (review completed).

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5. Undertook the review on wards and representation and the electoral voting system (FPP or STV) for Hamilton City Council's 2007 triennial election.	✓	5. <ul style="list-style-type: none"> Achieved (representation review completed). The 2007 elections will be conducted using two wards, with six members elected from each ward. Achieved. A referendum conducted in May 2006 for the electoral voting system – First Past the Post (FPP) system chosen for the 2007 and 2010 triennial elections.
6. Council submissions prepared in response to key issues/proposals that could impact on Council's operations and the city's development.	✓	6. Achieved.





OUTCOME AREA F: ENJOYING HAMILTON

(TE ROHE WHAKAPUTAINA F: HARIKOA O KIRIKIROA)

(Page 120 of Hamilton's Community Plan 2004–14)

OUTCOME AREA OVERVIEW

The provision of sufficient open space, recreational facilities and services, is essential to meet the community's growing recreation and leisure needs. Recreational facilities and greenspace also provide for informal leisure, help protect our biodiversity, and add form and vitality to the city's structure. A flexible approach to the development, and the creation of an interconnected network of open and recreational space, will contribute to our community's well-being.

Facilities in the city that attract regional, national and international sporting and recreational events contribute to the city's economic and social life, and further enhance the city's reputation.

OUTCOMES AND INDICATORS

The table below shows Council's contribution of the significant services to the relevant community outcomes and sustainability indicators.

Significant Services	Primary Community Outcomes	Community Outcomes	Outcome Area Sustainability Indicators
Sports areas	15	15.0, 15.3, 15.4	25. Sport and participation
Parks and gardens	15	15.1, 15.2	
Event facilities	15	15.2, 15.3, 15.4	
Swimming facilities	15	15.2, 15.3, 15.4	
Hamilton Zoo	15	15.2, 15.3, 15.4	
	Pages 30–32 of Hamilton's Community Plan 2004–14		Pages 41–43 of this Annual Report

SIGNIFICANT SERVICES

Sports areas	Provides developed open spaces with facilities for specific active leisure needs and general public use.
Parks and gardens	Provides open space for passive and general active recreation including parks, walkways and playgrounds. Also maintains plantings within open spaces, parks, streets and traffic islands.
Event facilities	Operates and maintains Waikato Stadium, Seddon Park, Claudelands Events Centre and the Hamilton City Leisure Centre.
Swimming facilities	Funds and operates public swimming facilities throughout the city.
Hamilton Zoo	Operates and maintains Hamilton Zoo for conservation, education, recreation and scientific purposes.

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COUNCIL'S CONTRIBUTION BY ROLE TOWARDS THE COMMUNITY OUTCOMES

Council is contributing towards achievement of the community outcomes in this outcome area through provision of the following significant services in a variety of roles:

Significant Service	Role				
	Facilitator	Support Funder	Monitor	Regulator	Service Provider
Sports areas				•	✓
Parks and gardens					✓
Event facilities					✓
Swimming facilities					✓
Hamilton Zoo					✓

✓ Primary role • Role.

IMPROVING COUNCIL'S AND HAMILTON'S SUSTAINABILITY

Examples of specific projects and programmes undertaken through Hamilton's 2004–14 Community Plan's six outcome areas that focus on making its own operations more sustainable (internal), or that have a community/city focus (external), towards improving Hamilton's sustainability are shown below.



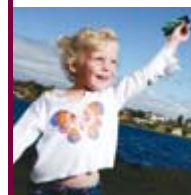


Internal Projects/Programmes	External Projects/Programmes
<ul style="list-style-type: none"> • Environmental Management Systems/ISO 14001 operating at Hamilton Zoo • Training of staff for Environmental System Auditing • Development of on-site recycling at Hamilton Zoo • Construction and use of worm bins for food wastes • Development and review of Activity Management Plans (in particular the plans for Parks and Gardens and Aquatic Facilities) • Energy efficiency projects at Waterworld 	<ul style="list-style-type: none"> • Council's Recreation and Leisure Plan 2002–2012 • Provision and maintenance of walkways • Restoration and maintenance of local green areas/native bush • Reserves management plans programme • Planting trees through the Community Planting Programme • Council's Proposed District Plan policies that promote open space and vegetation in the city • Ongoing provision of children's play-grounds in the city (all Council provided playgrounds meet recognised safety standards) • Aquatic Facilities Strategy 2002-2012 • Swimming programmes – school children learn water safety skills and techniques to survive in water • Riversafe Programme – in partnership with Water Safety New Zealand and ACC, Waterworld is offering this programme that focuses on teaching children survival techniques in rivers • Green Prescription – in partnership with Sport Waikato, Council offers specific programmes to help people become active and focus on health and well-being • Aquatic exercise programme for '50's Forward' • Hamilton Zoo's participation in co-operative breeding programmes for endangered New Zealand native and exotic species • Animal Eye to Eye Encounters at Hamilton Zoo (enables people to 'get close' to animals such as Rhinos and Chimpanzees) • Conservation Fund – Hamilton Zoo is involved in gifting a percentage of profits made from Eye to Eye Encounters to various conservation funds worldwide to assist with the protection and research of endangered species • Monitoring, reporting and promotion of Hamilton's Sustainability Indicators (www.myhamilton.org.nz) • Monitoring, reporting and promotion of the Quality of Life Project for New Zealand's largest cities (www.bigcities.govt.nz)

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ENJOYING HAMILTON

Cost of service for the year ended 30 June 2006.



	Actual 2005/06 \$000	Budget 2005/06 \$000	Actual 2004/05 \$000
Expenditure			
Sports areas	2,521	2,628	2,528
Parks and gardens	9,404	9,352	8,599
Stadiums and event facilities	7,467	7,678	7,268
Swimming facilities	4,744	4,611	4,601
Hamilton Zoo	2,401	2,190	2,037
Total expenditure	26,537	26,459	25,033
Less revenue			
Sports areas	150	111	121
Parks and gardens	760	728	755
Stadiums and event facilities	2,799	2,965	2,944
Swimming facilities	2,109	1,735	2,017
Hamilton Zoo	673	698	714
Total revenue	6,491	6,237	6,551
Net cost of service	20,046	20,222	18,482
Operating expenditure funded by:			
Operating revenue	6,491	6,237	6,551
Reserves	265	225	0
Rates	19,781	19,997	18,482
	26,537	26,459	25,033
Capital expenditure	9,860	5,870	5,056
Capital expenditure funded by:			
Reserves	5,081	2,336	1,272
Loans	2,109	1,007	501
Subsidies	255	0	0
Revenue	350	167	585
Rates	2,065	2,360	2,698
	9,860	5,870	5,056

OUTCOME AREA F: ENJOYING HAMILTON
Annual Residents Survey Results 2004–2006

Facility/Service	Customer Satisfaction Index		
	2004	2005	2006
Sports Areas			
Sports areas	78.0	69.2	71.5
Porritt Stadium	76.9	69.3	71.0
Parks and Gardens			
Hamilton Gardens	89.4	87.2	86.8
Parks and gardens in the city	83.7	74.7	79.2
Hamilton Lake	83.8	79.9	79.7
City walkways	81.4	80.8	79.6
Children's playgrounds	77.1	66.0	69.0
Neighbourhood parks	77.1	70.4	70.2
City beautification	76.4	76.8	74.5
Overall appearance of the city	75.6	75.8	73.8
Public toilet facilities	64.3	66.1	66.8
Events Facilities			
Waikato Stadium	85.1	84.6	81.3
Seddon Park**	78.2	69.4	69.1
Hamilton City Leisure Centre	68.8	65.1	67.9
Claudlands Events Centre*	68.2	61.6	66.4
Swimming Facilities			
Waterworld	75.4	74.8	72.5
Gallagher Aquatic Centre	77.8	76.1	72.5
Hamilton Zoo			
Hamilton Zoo	83.1	83.0	84.4

* Claudlands Events Centre was previously known as Waikato Events Centre.

** Seddon Park was previously known as Westpac Park.

Note:

- The CSI (Customer Satisfaction Index) is based on an 11-point satisfaction scale (0 = very dissatisfied to 10 = very satisfied). Scores from individual survey respondents are then aggregated into a single index out of 100.
- Refer to Section 7.0 (Monitoring Council's Performance) for further information about Council's Annual Residents Survey.



SPORTS AREAS (WAAHI HAAKINAKINA)

(Page 124 of Hamilton's Community Plan 2004–14 and page 55 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To meet the community's need for active recreational opportunities as identified through user consultation by the acquisition, development and maintenance of sports areas.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for sports areas of 75 as measured by Council's Annual Residents Survey.	75 CSI.	1. 71.5 CSI.
2. Achieved a CSI score for Porritt Stadium of 75 as measured by a survey of users.	75 CSI.	2. 71.0 CSI.
3. Achieved the provision of 8 hectares of open space per 1000 residents.	✓	3. Achieved.
Service Delivery	2005/06	Results achieved in 2005/06
4. Developed sports fields sufficient to meet demand as determined through meetings and regular liaison with codes.	No performance target for 2005/06.	4. There was no performance target for 2005/06, however meetings with summer and winter codes were held. User needs were assessed and the sports field requirements of the codes were met. Future sites for sports fields have been identified in the Rototuna and Rotokauri Structure Plans.





PARKS AND GARDENS (WAAHI PAAKA ME NGAA MAARA)

(Page 125 of Hamilton's Community Plan 2004–14 and page 55 of Hamilton City Council's 2005/06 Annual Plan)

Objective

To provide and maintain parks, reserves, other forms of open space, city beautification areas, amenity trees and fountains.

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for <ul style="list-style-type: none"> parks and gardens in general of 82 Hamilton Gardens of 92 Hamilton Lake of 75 children's playgrounds in general of 75 city beautification of 75 as measured by Council's Annual Residents Survey.	82 CSI 92 CSI 75 CSI 75 CSI 75 CSI.	1. 79.2 CSI 86.8 CSI 79.7 CSI 69.0 CSI 74.5 CSI.
2. Achieved the provision of 8 hectares of open space per 1000 residents.	✓	2. Achieved.
3. Achieved the provision of a park with the ability to accommodate a neighbourhood playground within 500m of each home in Hamilton.	✓	3. Achieved as planned for 2005/06, with new playgrounds provided at Farrington Avenue Reserve and Rototuna Park and an upgrade to the existing playground at Nawton Domain.
4. Achieved the provision of a walkway within 500m of each home in Hamilton.	✓	4. Achieved as planned for 2005/6 with a new walkway linkage developed at Chartwell Park.
5. Achieved the provision of a designated cycleway within 500m of each home in Hamilton.	✓	5. Achieved as planned for 2005/06 with new walkway/cycleway linkages constructed at Flagstaff Park and Hamilton Gardens and the existing walkway at Hayes Paddock upgraded to shared use walkway/cycleway standard.
Service Delivery	2005/06	Results achieved in 2005/06
6. Planted trees on public open space with the involvement of not less than 80 representatives from community organisations, adjacent property owners or interested stakeholders.	✓	6. Achieved. A total of 47,915 trees, shrubs and sedges were planted at 69 locations with the help of 95 community groups and individuals.
7. Achieved the acquisition as subdivision takes place of all major gully systems into public reserve land.	✓	7. Achieved. Additional gully land was acquired at Te Awa O Katapaki Esplanade, Mangaiti Gully and Te Manatu Park.
8. Achieved acquisition as available of private land that includes waahi tapu into public reserve land.	✓	8. No additional land was available for acquisition in 2005/06.
9. Contributed to the enhancement of biodiversity within Hamilton as measured through increased indigenous flora.	✓	9. Achieved. Approximately 139,000 native trees and shrubs were planted.
10. Hamilton Gardens contributed \$5m of economic benefit to Hamilton, as measured by an annual economic impact assessment study.	✓	10. Achieved. A study was not undertaken in 2005/06. The previous economic impact assessment in 2004 reports the measure as consistently being achieved, and an economic impact assessment will be undertaken triennially in the future.

EVENT FACILITIES (WAAHI TAIWHANGA)

(Page 127 of Hamilton's Community Plan 2004–14 and page 56 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
<p>1. Achieved a CSI score for the:</p> <ul style="list-style-type: none"> Waikato Stadium of 85 Seddon Park** of 80 Claudlands Events Centre* of 70 <p>as measured by a survey of venue patrons.</p> <p>2. Achieved a CSI score from venue hirers of the:</p> <ul style="list-style-type: none"> Waikato Stadium of 80 Seddon Park** of 75 <p>as measured by a continuous hirers' survey.</p> <p>3. Achieved annual event day usage for:</p> <ul style="list-style-type: none"> Waikato Stadium of 30 days Seddon Park** of 30 days Claudlands Events Centre *of 50 days <p>as measured by usage records.</p>	<p>85 CSI</p> <p>80 CSI</p> <p>70 CSI.</p> <p>80 CSI</p> <p>75 CSI.</p> <p>30 days</p> <p>30 days</p> <p>50 days</p>	<p>1. 86.5 CSI</p> <p>89 CSI</p> <p>Venue patron survey not conducted in 2005/06, with a hirer survey undertaken instead – the result was 74.4 CSI.</p> <p>2. 88.3 CSI.</p> <p>A survey was not conducted in 2005/06 as Westpac Park underwent a number of renovations which limited the number of cricket matches that were able to be held.</p> <p>3. 31 days.</p> <p>18 days (the number of cricket matches held in 2005/06 was limited due to renovations at Westpac Park).</p> <p>92 days.</p>
Service Delivery	2005/06	Results achieved in 2005/06
<p>4. Achieved hours used for functions for:</p> <ul style="list-style-type: none"> Waikato Stadium of 2700 hours <p>as measured by usage records.</p>	✓	<p>4. Achieved (8014 hours).</p>

* Claudlands Events Centre was previously known as Waikato Events Centre.

** Seddon Park was previously known as Westpac Park.





SWIMMING FACILITIES (WAAHI KAUKAU)

(Page 129 of Hamilton's Community Plan 2004–14 and page 57 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved a CSI score for: <ul style="list-style-type: none"> Waterworld of 78.8 Gallagher Aquatic Centre of 78.5 as measured by a survey of users.	78.8 CSI 78.5 CSI.	1. 79.3 CSI 84.9 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
2. Achieved 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.	✓ ✓	2. 47.0% 18.4%.
3. Achieved 700,000 visits across all Council-funded pools.	✓	3. Achieved (771,014 visits).
4. Provided technical direction to at least five Hamilton school pools to assist them in developing pool management strategies to meet national standards for water quality or other health and safety issues.	✓	4. Technical assistance was given to four school pools that are part of Council's Partner Pool programme. This assistance has been provided on an individual needs basis.



HAMILTON ZOO (TE WHARE KARAREHE)

(Page 131 of Hamilton's Community Plan 2004–14 and page 57 of Hamilton City Council's 2005/06 Annual Plan)

Objective

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

MEASURING OUR PROGRESS

Key Performance Measures	Target	Results achieved in 2005/06
Long-Term (10 Year Horizon)	2013/14	
1. Achieved 200,000 visits to Hamilton Zoo.	200,000 visits.	1. 107,847 visits.
2. Achieved a CSI score of 75 for Hamilton Zoo, as measured by a survey of zoo users.	75 CSI.	2. 90.2 CSI.
Service Delivery	2005/06	Results achieved in 2005/06
3. Received no non-compliance reports from audits carried out by the Ministry of Agriculture and Forestry and maintained a licence status.	✓	3. Achieved. No non-compliances were recorded and the Zoo License has been maintained.
4. Achieved a user satisfaction rating of 75% for zoo education services, as measured by a continuous teacher survey.	✓	4. Achieved. Forty teacher surveys were returned with 100% satisfaction.
5. Hamilton residents increased their usage of Hamilton Zoo to 50%, as measured by Council's Annual Residents Survey.	✓	5. Achieved (50.3%).





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AUDIT REPORT



AUDIT REPORT
TO THE READERS OF
HAMILTON CITY COUNCIL AND GROUP'S
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006

The Auditor-General is the auditor of Hamilton City Council (the City Council) and group. The Auditor-General has appointed me, B H Halford, using the staff and resources of Audit New Zealand, to carry out an audit on his behalf. The audit covers the City Council's compliance with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report of the City Council and group for the year ended 30 June 2006, including the financial statements.

Unqualified opinion

In our opinion:

- The financial statements of the City Council and group on pages 117 to 149:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the City Council and group's financial position as at 30 June 2006; and
 - the results of operations and cash flows for the year ended on that date.
- The service provision information of the City Council on pages 51 to 107 fairly reflects the levels of service provision as measured against the intended levels of service provision adopted, as well as the reasons for any significant variances, for the year ended on that date; and
- The Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (the "other requirements")

The audit was completed on 22 September 2006, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and the other requirements did not have material misstatements, whether caused by fraud or error.





Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the other requirements.

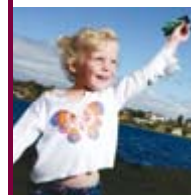
We evaluated the overall adequacy of the presentation of information in the financial statements and the other requirements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the City Council and group as at 30 June 2006. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The Council is also responsible for preparing the information in the other requirements, including service provision information that must fairly reflect the Council's levels of service provision. The Council's responsibilities arise from Section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

2005/06
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Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit and in conducting the audit of the Long Term Council Community Plan, we have no relationship with or interests in the City Council or any of its subsidiaries.

B H Halford
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of Hamilton City Council for the year ended 30 June 2006 included on Hamilton City Council's web site. Hamilton City Council is responsible for the maintenance and integrity of the Hamilton City Council's web site. We have not been engaged to report on the integrity of the Hamilton City Council's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 22 September 2006 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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FINANCIAL OVERVIEW

Council has reported a net surplus after tax of \$20.3m for the 2004/05 financial year (2003/04, \$6.2m). The net surplus for 2004/05 includes non cash vested assets \$11.4m, and capital subsidies/other capital contributions \$12.1m used to fund capital expenditure.

The significant variances to the financial result for 2003/04 included:

- rates levied were \$73.3m, an increase of \$3.0m over last year (2003/04, \$70.3m), of which \$1.8m was from city growth (new rateable properties)
- Transfund capital subsidies received were \$5.0m, an increase of \$2.3m over last year (2003/04, \$2.7m). The major project for which subsidy was received was \$2.5m for the Mill Street roading development
- 2003/04 included a one off accounting writedown of the library book collection asset of \$4.34m
- the net operating cost of providing services excluding the depreciation allowance decreased by \$2.8m to \$49.6m compared to 2003/04. The significant item comprising this decrease was the previous year's accounting writeoff on disposal of roading assets resulting from the asset renewal programme of \$3.8m.

Interest cost incurred in servicing debt (excluding internal borrowing interest) increased to \$6.91m (2003/04, \$6.78m).

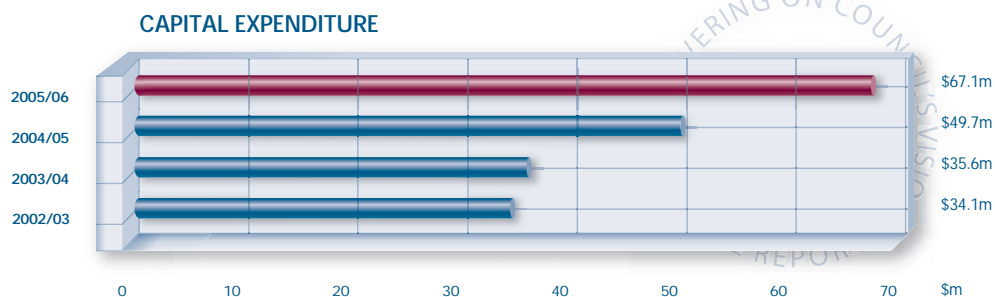
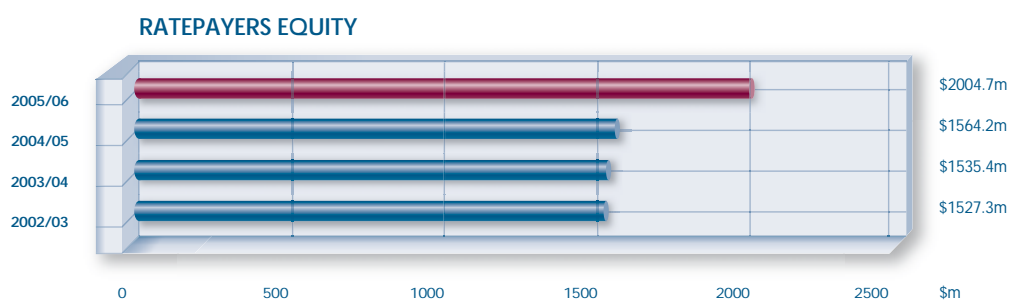
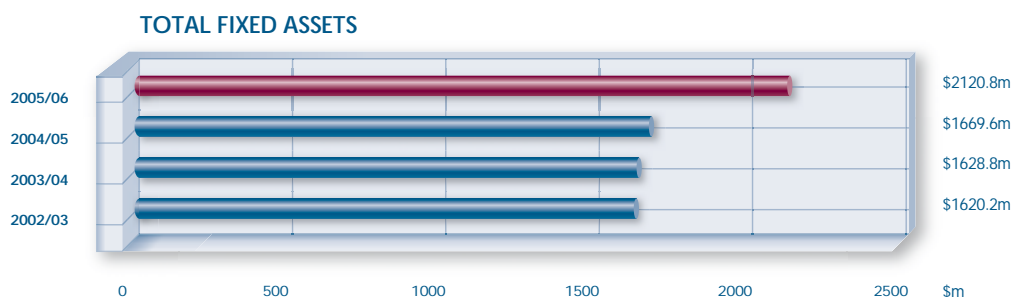
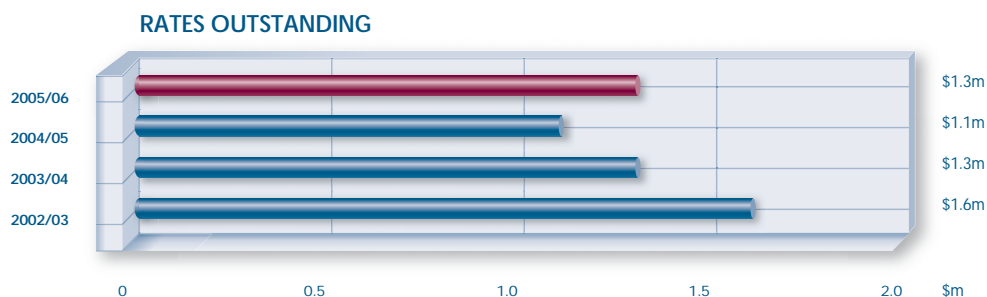
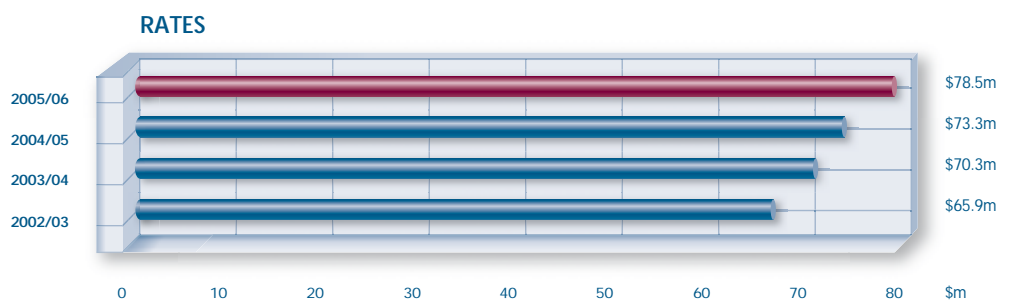
Overall net debt (including internal borrowing) increased to \$135.2m (2003/04, \$119.6m) due to loan funded capital expenditure.

Capital expenditure for the 2004/05 financial year was \$49.7m (2003/04, \$35.6m). A number of significant projects were undertaken during the 2004/05 financial year. These include the first year of the programme to upgrade the water treatment station (\$7.6m), construction of a new water reservoir in Hamilton South – including bulk watermain (\$5.13m), construction of Horotiu Landfill stages 4 and 6 (\$2.12m), major roading projects at Mill Street (\$3.55m) and Thomas Road (\$1.02m), Wairere Drive/Resolution Drive bulk watermain (\$1.05m), and new wastewater trunks in Rototuna (\$0.50m).



FINANCIAL SUMMARY

The financial summary of key items from June 2002 to June 2005 is shown as follows:

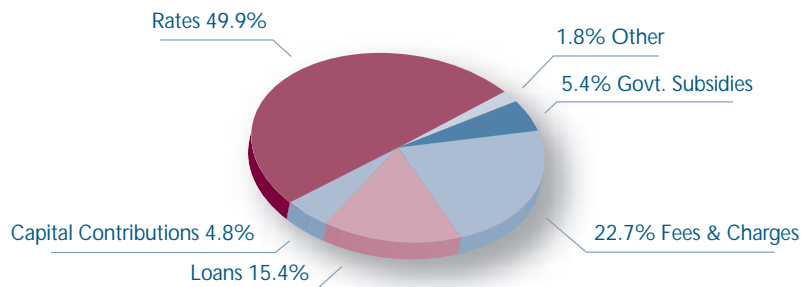




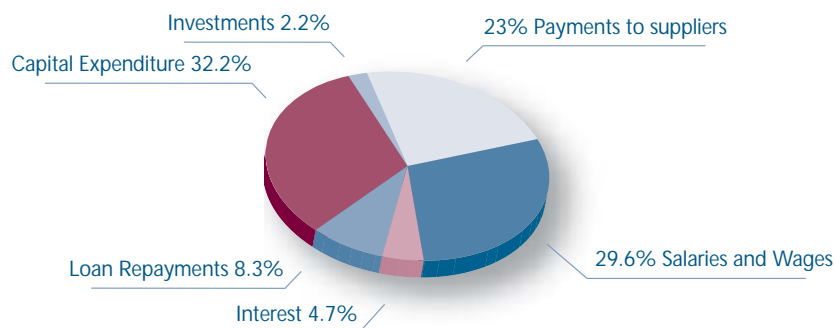
CASH FLOW

The sources and uses of cash for the year ended 30 June 2005 is summarised as follows:

Sources of Cash (\$147.74m)



Uses of Cash (\$147.65m)



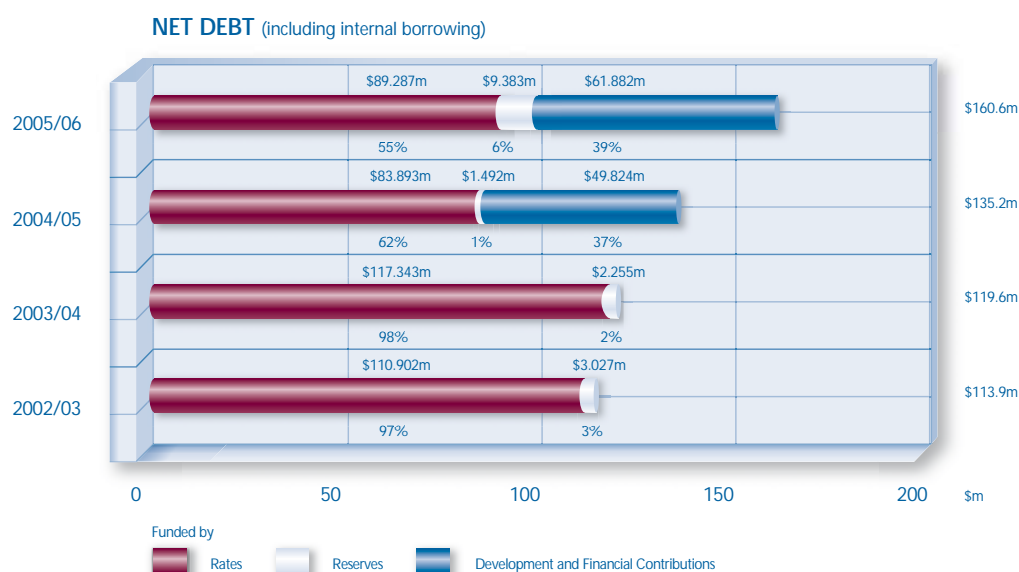
NET DEBT

Council introduced an internal borrowing programme during the 2000/01 financial year. Rather than sourcing all its borrowing externally, Council utilizes funds from reserves and working capital cash to reduce external borrowing and charges an internal interest rate on these funds, which is then added to the reserves.

Council has introduced a new policy of development and financial contributions as from 1 July 2005 which will provide a dedicated funding stream to support urban growth. In line with the introduction of this policy, Council has analysed the overall net debt based on sources of funding used to repay the principal and interest costs for subsequent years.

The graph below shows the net debt levels (including internal borrowing) from June 2002 to June 2005 and how it is funded in subsequent years.





Council has six key financial performance targets for the management of debt. These are:

1. The net debt shall not exceed 15 per cent of total equity.

Council's net debt (excluding internal borrowing) as at 30 June 2005 is \$100.9m, compared with rate-payers' equity of \$1,564.2m.

- The target has been met at 6.5 per cent.

If internal borrowing of \$34.3m is included, the net debt position for the same period is \$135.2m and the net debt to total ratepayers' equity ratio is 8.6 per cent.

2. The net debt shall not exceed 150 per cent of total revenue.

Council's net debt (excluding internal borrowing) as at 30 June 2005 is \$100.9m, compared with total revenue of \$136.0m.

- The target has been met at 74.2 per cent.

If internal borrowing of \$34.3m is included, the net debt position for the same period is \$135.2 and the net debt to total revenue ratio is 99.4 per cent.

3. The total cost of servicing the interest payments shall not exceed 15 per cent of total revenue for that year.

Total interest costs for 2004/05 are \$8.45m, compared with total revenue of \$136.0m.

- The target has been met at 6.2 per cent.

If internal borrowing of \$34.3m is excluded, the interest cost for the same period is \$6.91m, and the interest cost to total revenue ratio is 5.1 per cent.

4. The total cost of servicing the interest payments shall not exceed 20 per cent of rates levied for that year.

Total interest costs for 2004/05 are \$8.45m, compared with rating revenue of \$73.3m.

- The target has been met at 11.5 per cent.

If internal borrowing of \$34.3m is excluded, the interest cost for the same period is \$6.91m, and the interest cost to rating revenue ratio is 9.4 per cent.

5. The net debt per capita shall not exceed \$1,500 for that year.

Council's net debt (excluding internal borrowing) as at 30 June 2005 is \$100.9m, compared with the estimated population of 132,000.

- The target has been met at \$764.

If internal borrowing of \$34.3m is included, the net debt position for the same period is \$135.2m and the net debt per capita is \$1,024.



6. Liquidity – the term debt and committed loan facilities as a percentage of current net debt shall not be less than 110 per cent.

Council's term debt and committed loan facilities as at 30 June 2005 is \$155.6m, compared with the current net debt (including working capital requirements) of \$111.0m.

- The target has been met at 140.2 per cent.

FINANCIAL SUMMARY	2001/02	2002/03	2003/04	2004/05
Rates levied	\$63.3 m	\$65.9 m	\$70.3 m	\$73.3 m
Rates outstanding	\$1.5 m	\$1.6 m	\$1.3 m	\$1.1 m
Total fixed assets	\$1,615.5 m	\$1,620.2 m	\$1,628.8 m	\$1,669.6 m
Ratepayers' equity	\$1,515.4 m	\$1,527.3 m	\$1,535.4 m	\$1,564.2 m
Capital expenditure	\$39.0 m	\$34.1 m	\$35.6 m	\$49.7 m
Debt repaid during year	\$ 5.4 m	\$ 7.9 m	\$ 5.1 m	\$ 5.8 m
Net debt*	\$91.0 m	\$94.1 m	\$91.2 m	\$100.9 m
Net debt (including internal borrowing)	\$106.4 m	\$113.9 m	\$119.6 m	\$135.2 m

FINANCIAL INDICATORS

% Rates outstanding to rate levied	2.4%	2.4%	1.9%	1.5%
Net debt* per rateable property	\$1,979	\$1,931	\$1,953	\$2,102
Net debt* per capita	\$767	\$763	\$730	\$764
Net debt* as % of rates levied	143.8%	142.8%	129.7%	137.7%
Interest payment as % of rates levied	11.9%	11.7%	11.0%	11.5%
Interest payment* as % of rates levied	10.7%	10.6%	9.6%	9.4%
Loan principal repayment as % of rating levied	8.5%	12.0%	7.3%	7.9%
Net debt* as % of ratepayers' equity	6.0%	6.2%	5.9%	6.5%
Net debt (including internal borrowing) as % of ratepayers' equity	7.0%	7.5%	7.8%	8.6%

Liquidity-term debt and committed loan facilities as % to current net debt (including working capital requirements)

NA	150.9%	151.8%	140.2%
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*Excluding internal borrowing



STATEMENT OF FINANCIAL PERFORMANCE

		Council and Consolidated		
		Actual	Budget	Actual
		2006	2006	2005
	Note	\$000	\$000	\$000
REVENUE				
Revenue from outcome areas	1	41,027	36,656	36,848
Rates	2	78,289	78,229	73,433
Revenue assigned to asset development	3	27,255	15,310	23,525
Other revenue	4	2,045	1,497	2,169
Total revenue		148,616	131,692	135,975
EXPENDITURE				
Expenditure from outcome areas	1	132,516	125,377	116,297
Other expenditure		62	50	12
Total expenditure		132,578	125,427	116,309
Surplus before taxation		16,038	6,265	19,666
Less tax expense	6	0	0	0
Net surplus after taxation		16,038	6,265	19,666
Share of associate's retained surplus/(loss)	9	(181)	0	667
Net surplus		15,857	6,265	20,333

STATEMENT OF MOVEMENT IN EQUITY

		Council and Consolidated		
		Actual	Budget	Actual
		2006	2006	2005
	Note	\$000	\$000	\$000
Net surplus		15,857	6,265	20,333
Net increase in revaluation of assets	7	401,917	0	4,386
Net increase in revaluation of investment properties	7	6,931	0	4,110
Net increase in revaluation of shareholdings	7	15,821	0	0
Transfer from revaluation reserve to accumulated funds on disposal of assets	7	(5)	0	(62)
Total recognised revenues and expenses for the year		440,521	6,265	28,767
Equity at beginning of year		1,564,158	1,567,865	1,535,391
Equity at end of year		2,004,679	1,574,130	1,564,158

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.



STATEMENT OF FINANCIAL POSITION

		Council and Consolidated		
		Actual	Budget	Actual
		2006	2006	2005
	Note	\$000	\$000	\$000
EQUITY				
Accumulated funds	7	1,316,357	1,318,384	1,301,457
Revaluation reserves	7	657,484	224,319	232,815
Restricted reserves	7	7,901	7,274	7,107
Council created reserves	7	22,937	24,153	22,779
Total Equity		2,004,679	1,574,130	1,564,158
ASSETS				
Current Assets				
Cash and bank		290	0	107
Investments and loans	8	4,975	5,034	37
Accounts receivable and prepayments	10	9,188	10,000	9,176
Inventories		655	400	571
Mortgages		5	0	5
Properties intended for sale	11	0	0	545
Total Current Assets		15,113	15,434	10,441
Non-Current Assets				
Mortgages		8	0	12
Investment properties	12	49,468	34,048	42,201
Investments and loans	8	35,620	15,613	23,855
Fixed assets	13	2,071,318	1,695,117	1,626,903
Total Non-Current Assets		2,156,414	1,744,778	1,692,971
Total Assets		2,171,527	1,760,212	1,703,412
LIABILITIES				
Current Liabilities				
Bank overdraft	14	0	300	0
Accounts payable and income in advance	15	16,541	14,000	18,673
Employee entitlements	16	3,416	3,500	3,255
Term debt	17	33,915	10,564	6,458
Finance lease liabilities	18	638	300	504
Total Current Liabilities		54,510	28,664	28,890
Non-Current Liabilities				
Employee entitlements	16	1,334	1,500	1,377
Term debt	17	103,260	149,418	100,213
Finance lease liabilities	18	1,459	1,000	1,527
Landfill aftercare provision	19	6,285	5,500	7,247
Total Non-Current Liabilities		112,338	157,418	110,364
Total Liabilities		166,848	186,082	139,254
Net Assets		2,004,679	1,574,130	1,564,158

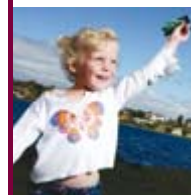
The accompanying statement of accounting policies and notes to the financial statements form part of, and should be read in conjunction with these financial statements.



STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS		Council and Consolidated		
		Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
	Note			
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Rates		78,132	78,229	73,787
Petrol tax		952	950	972
Government operating subsidies and grants		2,598	3,184	2,930
Government capital subsidies and grants		3,241	3,427	5,043
Fees, rents and charges		38,462	37,113	33,471
Other capital contributions		10,902	6,352	7,119
Interest on investment and special funds		9	2	8
Interest on sinking funds		316	320	244
Dividends		426	225	237
		135,038	129,802	123,811
Cash was applied to:				
Salaries and wages		37,696	38,459	33,928
Payments for supplies and services		51,009	50,188	43,470
Interest paid		8,521	11,386	6,991
Net GST paid		285	0	220
		97,511	100,033	84,609
Net Cash Inflow/(Outflow) from Operating Activities	20	37,527	29,769	39,202
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Sale of fixed assets		1,001	1,575	1,063
Mortgage principal and investment withdrawn		4	0	103
		1,005	1,575	1,166
Cash was applied to:				
Investments and loans made		841	1,135	3,262
Purchase of fixed assets		68,077	56,708	47,500
		68,918	57,843	50,762
Net Cash Inflow/(Outflow) from Investing Activities		(67,913)	(56,268)	(49,596)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
Loans uplifted		39,059	34,176	21,614
Finance leases raised		683	0	1,151
		39,742	34,176	22,765
Cash was applied to:				
Loan repayments		8,556	7,067	11,873
Finance lease repayments		617	610	409
		9,173	7,677	12,282
Net Cash Inflow/(Outflow) from Financing Activities		30,569	26,499	10,483
Net increase in cash held		183	0	89
Plus opening cash balance 1 July		107	(300)	18
Closing Cash Balance 30 June		290	(300)	107
Made up of:				
Cash and bank		290	0	107
Bank overdraft		0	(300)	0
Closing Cash Balance 30 June		290	(300)	107

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.





STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2006

REPORTING ENTITY

Hamilton City Council is a territorial local authority governed by the Local Government Act 2002 (the Act). The financial statements of Hamilton City Council and Group are prepared in accordance with the requirements of Section 98 and Part 3 of Schedule 10 of the Act.

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.

Hamilton City Council's 50 per cent share in the Waikato Regional Airport Ltd, 41.38 per cent share in Hamilton Riverview Hotel Ltd (Novotel), 7.69 per cent share in Local Authority Shared Services Ltd (which includes 13.72 per cent shared valuation data service shares), and 3.17 per cent share in New Zealand Local Government Insurance Company Ltd, is equity accounted.

MEASUREMENT BASE

The financial statements have been prepared on an historical cost basis, modified by the revaluation of certain fixed assets and investment properties.

ACCOUNTING POLICIES

The following accounting policies, which materially affect the measurement of results and financial position, have been applied:

1. BASIS OF CONSOLIDATION

i) 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.

ii) Associate Companies

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

The results of Waikato Regional Airport Ltd, Hamilton Riverview Hotel Ltd, Local Authority Shared Services Ltd, and New Zealand Local Government Insurance Company 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 increases/decreases in net assets in the Statement of Financial Position.

2. REVENUE RECOGNITION

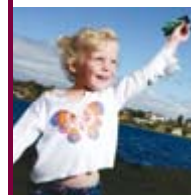
Rates revenue is recognised when levied.

Water-by-meter revenue is recognised on an accrual basis with unread meters at year end accrued on an average usage basis. Land Transport New Zealand 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.

Dividend income is recognised as revenue on the date the entity's right to receive payment have been established.



3. GOODS AND SERVICES TAX (GST)

The financial statements have been prepared exclusive of GST with the exception of accounts receivable and accounts payable, which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense.

4. TAXATION EXPENSE

Income tax expense is charged in the Statement of Financial Performance in respect of the current year's surplus, after allowing for permanent differences.

Deferred taxation is determined on a comprehensive basis using the liability method. Deferred tax assets attributable to timing differences or income tax losses are recognised only when there is virtual certainty of realisation.

The main activities of the Council are not taxable as the Council is tax exempt.

5. FIXED ASSETS

i) These assets consist 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, library books and 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.

ii) Valuation

Unless stated valuations are carried out or reviewed by independent qualified valuers and are carried at least five yearly. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant and equipment within a class is at a valuation 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 in accordance with FRS-3 as follows:

Operational Buildings were revalued by Beca Valuations Ltd effective 1 July 2001 at market value where possible otherwise depreciated replacement cost.

Plant and Equipment (excluding vehicles) were revalued by Beca Valuations Ltd effective 1 July 2001 at market value where possible otherwise depreciated replacement cost.

Vehicles are recorded at cost less depreciation.

Library Books were valued at cost by Council's professionally qualified library staff at 30 June 1992 ('deemed cost'). Subsequent purchases were expensed in the Statement of Financial Performance until 30 June 1998. From 1 July 1998 purchases of library books have been capitalised at cost and depreciated in the Statement of Financial Performance.

Zoo Animals were revalued effective 1 July 2001 at estimated replacement cost by the zoo manager.

Heritage Assets were revalued effective 1 July 2001 by professionally qualified library staff (library collection) and an independent consultant, Robin Watt & Associates (museum collection).

Infrastructural Assets were revalued by MWH and BECA at depreciated replacement cost effective 1 July 2005.

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.

Vested Assets. Certain infrastructural assets and land have been vested in Council as part of the subdivisional consent process. The vested reserve land has been valued at the latest appropriately certified government 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.

Additions between valuations are recorded at cost. Changes on revaluation of assets are included in the appropriate asset revaluation reserve.

6. INVESTMENT PROPERTIES AND PROPERTIES FOR RESALE

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. Council properties surplus to requirements are identified as properties for resale.

VALUATION

Investment properties are revalued annually at net current value by independent registered valuers. The result of the revaluation is credited or debited to the investment property reserve. Where this results in a debit balance in the reserve, this balance is expensed in the Statement of Financial Performance.

Properties for resale are valued at the lower of cost or net realisable value.



7. DEPRECIATION

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

The useful lives of major classes of assets have been estimated as follows:

Buildings	40–100 years
Plant and Vehicles	3–15 years
Furniture, Fittings and Equipment	5–10 years
Library Books	14 years
Zoo Animals	10 years
Roads and Traffic Network:	
top surface (seal)	6–18 years
pavement (basecourse)	25–50 years
catchpits	50 years
culverts	60–80 years
footpaths	50–70 years
kerbs and traffic islands	70 years
signs	12 years
street lights	25 years
bridges	150 years
traffic signals	15 years
barriers	25–40 years
bus shelters and parking meters	4–10 years
verge, embankment and retaining walls	60 years
Wastewater Reticulation:	
pipes	60–100 years
manholes	75 years
treatment plant	5–100 years
bridges	75–100 years
pump-stations	15–100 years
Stormwater System:	
pipes	100 years
manholes, cesspits	100 years
service connections and outlets	30–100 years
Water Reticulation:	
pipes	60–80 years
butterfly valves	50–75 years
treatment plant	10–120 years
meters	20 years
hydrants	50 years
reservoirs	30–80 years

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.





8. INVESTMENTS

All investments are stated at cost, except for shares in other organisations, which are at the lower of cost or net realisable value.

9. EMPLOYEE ENTITLEMENTS

Provision is made in respect of the liability for annual leave, long service leave and retirement gratuities.

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 30 June 2006.

10. LEASES

Leases consists of:

i) Finance Leases

Leases that effectively transfer to the lessee substantially all the risks and benefits incident to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period Council is expected to benefit from their use.

ii) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

11. 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.

12. EQUITY

Accumulated Funds 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.

13. ACCOUNTS RECEIVABLE

Accounts receivable are stated at expected realisable value after providing for doubtful and uncollectable debts.

14. MORTGAGE ASSETS

Mortgages are held over a number of properties. These mortgages are valued at cost.

15. INVENTORIES

Inventories are valued at the lower of cost (determined on a first-in-first-out basis) 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.

16. 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.

17. 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.

18. FOREIGN CURRENCY

Foreign currency transactions have been converted into New Zealand dollars at the rate of exchange at the date of the transaction. Gains or losses on exchange have been recognised in the Statement of Financial Performance.





19. FINANCIAL INSTRUMENTS

Council is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, debtors, creditors and loans. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are shown at their estimated fair value except for loans, which are recorded at cost, and those items are covered by a separate accounting policy.

20. BUDGET FIGURES

The budget figures are based on those approved by Council at the beginning of the year after a period of consultation with the public as part of the Annual Plan process and subsequent Council approved adjustments. The budget figures have been prepared in accordance with the accounting policies adopted by the Council for the preparation of the financial statements. A reconciliation of the approved budget to the restated budget is shown in the notes to the financial statements.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in the accounting policies since the date of the last audited financial statements. All policies have been applied on a basis consistent with the previous period.

PROPOSED CHANGES IN ACCOUNTING POLICIES

Council proposes to adopt the New Zealand International Financial Reporting Standards (NZ IFRS) for the 30 June 2007 financial statements. Council have used the expertise of an external accounting firm to analyse the differences between current generally accepted accounting principles (GAAP) and NZ IFRS to determine the potential impacts on adoption of the new standards. Accounting policies have also been drafted by staff and reviewed by the external accounting firm. By December 2006, Council intends to have prepared a pro forma set of financial statements for the 30 June 2006 financial year using NZ IFRS, to use as an opening position for the 30 June 2007 financial statements. This opening position will be audited at this time to provide assurance that all transitional impacts have been recognised.

Upon adoption of NZ IFRS there will be some differences in accounting policies which would have had an impact upon the financial statements had they been prepared using NZ IFRS. These include:

- The opening balance of investment property revaluation reserves of \$14,637,000 would have been transferred to retained earnings under NZ IFRS. The increased valuation of investment properties for the 2005/06 financial year of \$7,814,000 would be required to be recognised as revenue for the year rather than being transferred to equity.
- Changes in the fair value of foreign currency contracts and derivative financial instruments held at balance date will need to be recognised in the Statement of Financial Performance under NZ IFRS. Currently this is not required. The effect of this would be to recognise \$802,000 of revenue. Council has reviewed NZ IAS 39 on financial instruments and decided not to adopt hedge accounting.
- A provision for sick leave that is expected to be taken in excess of individual employees annual entitlement would need to be recognised in the Statement of Financial Performance under NZ IFRS. Currently this is not required. The estimated provision would be for \$57,000.
- Reclassification of some opening balance sheet items would be required under NZ IFRS. Computer software and resource consents would be transferred to 'Intangible Assets' from 'Property, Plant and Equipment' (\$2,379,000). Sinking funds and the loan to CTC Aviation (NZ) Ltd (\$9,673,000) would be reclassified from 'Investments and Loans' to 'Held to Maturity Investments'. Investments in associated companies would be disclosed separately to 'Investments and Loans' (\$29,823,000).
- The actual impact of adopting NZ IFRS may vary from the information presented above, and any variations will potentially have a material impact.

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VISIONS

NOTE 1: SUMMARY OF COST OF SERVICES

	Council and Consolidated		
	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Revenue from Outcome Areas			
Sustaining Hamilton's environment	15,192	13,157	13,728
Growing Hamilton	19,853	16,205	15,179
Promoting Hamilton	0	0	0
Experiencing our arts, culture and heritage	1,999	1,665	1,879
Living in Hamilton	1,629	3,092	3,269
Enjoying our city	6,491	6,237	6,551
	45,164	40,356	40,606
Less internal revenue	(4,137)	(3,700)	(3,758)
Total Revenue from Outcome Areas	41,027	36,656	36,848
Expenditure from Outcome Areas			
Sustaining Hamilton's environment	46,331	40,571	37,970
Growing Hamilton	37,797	31,995	29,747
Promoting Hamilton	1,640	1,808	1,553
Experiencing our arts, culture and heritage	13,909	13,393	12,880
Living in Hamilton	12,923	16,424	14,995
Enjoying our city	26,537	26,459	25,033
	139,137	130,650	122,178
Less internal expenditure	(4,137)	(3,700)	(3,758)
Less rates charged to Council properties	(604)	(550)	(519)
Less internal transfers to reserves	0	0	(64)
Less interest on internal borrowing	(1,880)	(1,023)	(1,540)
Total Expenditure from Outcome Areas*	132,516	125,377	116,297

Revenue from outcome areas includes fees, rents and charges, and government operating subsidies and grants.

* Refer to note 31 for explanation of major budget variances.



NOTE 2: RATES

	Council and Consolidated		
	Actual	Budget	Actual
	2006	2006	2005
	\$000	\$000	\$000
Rates	78,524	78,446	73,628
Rates penalties	510	550	461
Rates remissions	(141)	(217)	(137)
Less rates charged to Council properties	(604)	(550)	(519)
Total Rates	78,289	78,229	73,433

NOTE 3: REVENUE ASSIGNED TO ASSET DEVELOPMENT

	Council and Consolidated		
	Actual	Budget	Actual
	2006	2006	2005
	\$000	\$000	\$000
Land Transport New Zealand capital subsidies	3,241	4,334	5,043
Contributions – vested assets	13,112	4,125	11,363
Other capital contributions			
Reverse contributions	2,816	900	2,260
Contributions to infrastructural reserves	2,054	2,212	2,079
Cemetery fees	71	55	62
General contributions	5,961	3,684	2,718
	10,902	6,851	7,119
Total Revenue Assigned to Asset Development	27,255	15,310	23,525

NOTE 4: OTHER REVENUE

	Council and Consolidated		
	Actual	Budget	Actual
	2006	2006	2005
	\$000	\$000	\$000
Petrol tax	952	950	987
Investment income	325	322	252
Sundry revenue	342	0	693
Dividends	426	225	237
Total Other Revenue	2,045	1,497	2,169



NOTE 5: OPERATING SURPLUS BEFORE TAXATION

The following items are included in the Statement of Financial Performance:

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Audit fees		
Fees paid to principal auditor for annual report	104	93
Fees paid to principal auditor for council's long term plan	54	0
Cost of offering credit		
Bad debts written off	18	27
Increase in provision for doubtful debts*	1,070	44
* The increase from 2005 to 2006 is as a result of parking fines now being recognised as income when the tickets are issued rather than when the cash is received. This doubtful debts provision includes the portion not expected to be received in the next 12 months.		
Depreciation		
Buildings	6,461	6,285
Improvements – parks and gardens	1,787	1,830
Plant and equipment	2,441	2,347
Vehicles	480	385
Library books	725	659
Zoo animals	97	97
Museum and library	29	27
Refuse	1,608	2,415
Roads and traffic network	9,241	7,695
Stormwater system	3,170	2,112
Wastewater system	3,594	1,811
Wastewater treatment plant	2,185	1,537
Water system	3,594	2,189
Water treatment statement	496	506
Total depreciation	35,908	29,895
Other expenditure		
Operating leases rental expense	1,187	1,223
Finance charges on leased assets	139	101
Interest expense	8,587	6,910
Loss/(gain) on disposal of assets	(31)	288
Insurance premiums	1,156	1,115

NOTE 6: TAXATION

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Surplus before taxation	16,038	20,333
Prima facie taxation at 33%	5,293	6,710
Plus/(less) tax effect of:		
Permanent differences	(5,294)	(6,711)
Taxation loss not recognised	1	1
Taxation Expense	0	0

Council has unrecognised tax losses of \$68,404 (2005 \$64,804) with a tax effect of \$22,573 (2005 \$21,385). The Group has unrecognised tax losses of \$548,113 (2005 \$544,513) with a tax effect of \$180,877 (2005 \$179,689).



NOTE 7: EQUITY

			Council and Consolidated	
			Actual	Actual
			2006	2005
			\$000	\$000
Accumulated Funds				
Opening balance			1,301,457	1,286,928
Net surplus			15,857	20,333
Transfer from revaluation reserve on disposal of assets			(5)	(62)
Transfers from restricted and Council created reserves			63,829	32,304
Transfers to restricted and Council created reserves			(64,781)	(38,046)
Total Accumulated Funds			1,316,357	1,301,457
Revaluation Reserves				
General Asset Revaluation Reserves				
Opening balance			218,178	213,792
Transfer to accumulated funds on disposal of assets			5	62
Transfer from investment property revaluation reserve on recategorisation			545	(155)
Increase in revaluation of assets			401,367	4,479
Increase in revaluation of shareholdings			15,821	0
Closing balance			635,916	218,178
Investment Property Revaluation Reserves				
Opening balance			14,637	10,527
Transfer to statement of financial performance on disposal of assets			(338)	(409)
Transfer to general asset revaluation reserve on recategorisation			(545)	155
Increase in revaluation of investment properties			7,814	4,364
Closing balance			21,568	14,637
Total Revaluation Reserves			657,484	232,815
Restricted Reserves				
	Transfers to	Transfers from		
Cemetery plot maintenance in perpetuity	175	104	1,450	1,379
Domain sales endowment reserve	725	4	2,522	1,801
Municipal crown endowment reserve	286	286	3,897	3,897
Waikato art gallery endowment reserve	2	0	32	30
Total Restricted Reserves	1,188	394	7,901	7,107

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	Transfers to	Transfers from	Actual 2006 \$000	Actual 2005 \$000
Council Created Reserves				
Access Hamilton reserve	2,668	644	2,024	0
Berm levy reserve	1	0	1	0
Bus shelter (Adshel) reserve	11	29	40	58
CBD improvement reserve	208	10	890	692
Dame Hilda Ross library memorial	0	0	2	2
Debt repayment reserve	7,710	7,710	0	0
Development contributions	4,622	4,190	432	0
Disaster recovery fund	333	0	3,024	2,691
EECA loan	0	66	66	132
General interest reserve	4	105	4	105
Horotiu aftercare reserve	374	0	1,945	1,571
Horotiu landfill reserve	2,020	3,032	(1,123)	(111)
Infrastructural subdivision reserve	2,781	4,125	1,665	3,009
Lake Domain Drive reserve	9	1	125	117
Loan funds	34,651	34,651	0	0
Loan repayment reserve	839	0	6,375	5,536
Mighty River Power fund	3,028	2,300	728	0
Museum collection reserve	32	0	105	73
Peachgrove lounge site development	106	0	33	(73)
Project watershed – Environment Waikato	453	446	363	356
Public transport and parking reserve	437	406	1,611	1,580
Reserve contributions fund	3,224	5,196	4,325	6,297
Roman catholic schools library fund	0	0	5	5
Storm damage reserve	18	89	183	254
Waikato Stadium events	5	101	0	96
Waitawhiriwhiri plant reserve	3	0	37	34
Wastewater treatment plant sludge lagoon reserve	17	324	0	307
Wintec recreation area development	0	0	(2)	(2)
Zoo animal purchases reserve	39	10	79	50
Total Council Created Reserves	63,593	63,435	22,937	22,779
Total Restricted and Council Created Reserves	64,781	63,829	30,838	29,886
Total Equity			2,004,679	1,564,158





NOTE 8: INVESTMENTS AND LOANS

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Sinking fund commissioners	4,936	0
Other investments	39	37
Current Investments and Loans	4,975	37
Sinking fund commissioners	1,439	5,536
Loan to CTC Aviation Training (NZ) Ltd	3,259	3,259
Shares in other organisations (refer note 9)	30,922	15,060
Non-Current Investments and Loans	35,620	23,855
Total Investments and Loans	40,595	23,892

The weighted average effective interest rates on investments and loans (current and non-current) and the maturities were:

	Council and Consolidated	
Weighted average effective interest rate	2006	2005
Short-term deposits	7.48%	7.00%
Sinking funds	7.23%	6.84%
Loan to CTC Aviation Training (NZ) Ltd	6.84%	6.84%

	Less than 6 months \$000	6-12 months \$000	1-2 years \$000	2-5 years \$000	> 5 years \$000	Total \$000
Maturities						
Short-term deposits	39	0	0	0	0	39
Sinking funds	1,975	2,961	299	1,140	0	6,375
Loan to CTC Aviation Training (NZ) Ltd	0	0	0	3,259	0	3,259
	2,014	2,961	299	4,399	0	9,673

Council has loaned CTC Aviation Training (NZ) Ltd \$3,259,135 to construct an aviation training facility at Hamilton International Airport. This is an interest only loan with the principal repayable on 15 October 2008. The loan is secured by a registered first mortgage over the building including all fixtures, partitions and fittings included in the original construction.



NOTE 9: SHARES IN OTHER ORGANISATIONS

Shares in other organisations are comprised as follows:

	Number of Shares	% Holding	Balance Date	2006 \$000	2005 \$000
Hamilton Riverview Hotel Ltd (Novotel)	6,000	41.38	31 Dec	12,091	4,223
Hamilton Properties Ltd	1,000	100.00	30 Jun	0	0
Local Authority Shared Services Ltd					
– Ordinary shares	1	7.69	30 Jun	1	0
– Shared Valuation Data Services shares	220,514	13.72	30 Jun	221	0
NZ Local Government Insurance Co Ltd	202,729	3.17	31 Dec	509	464
Waikato Regional Airport Ltd	1,430,000	50.00	30 Jun	18,100	10,373
Total Shares and Investments in Other Organisations				30,922	15,060

Council investments include a \$1,000 investment in Hamilton Properties Ltd which has been eliminated on consolidation.

The Shared Valuation Data Services Shares are non-voting and do not carry the right to share in any distributions of the company.

Council's share of associates surplus/(loss) is as follows:

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Hamilton Riverview Hotel Ltd (Novotel)	647	487
NZ Local Government Insurance Co Ltd	45	63
Waikato Regional Airport Ltd	(873)	117
	(181)	667

NOTE 10: ACCOUNTS RECEIVABLE AND PREPAYMENTS

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Rates debtors	1,282	1,021
Land Transport New Zealand	1,341	1,060
Water by meter	1,229	920
Sundry debtors	5,500	5,028
GST refund due	508	661
Prepayments	580	668
	10,440	9,358
Less provision for doubtful debts	(1,252)	(182)
Total Accounts Receivable and Prepayments	9,188	9,176




NOTE 11: PROPERTIES INTENDED FOR SALE

	Council and Consolidated 2006			Council and Consolidated 2005		
	Cost/Val	Acc Depn	Book Value	Cost/Val	Acc Depn	Book Value
	\$000	\$000	\$000	\$000	\$000	\$000
At cost – current	0	0	0	545	0	545

NOTE 12: INVESTMENT PROPERTIES

	Council and Consolidated 2006			Council and Consolidated 2005		
	Cost/Val	Acc Depn	Book Value	Cost/Val	Acc Depn	Book Value
	\$000	\$000	\$000	\$000	\$000	\$000
At valuation	49,468	0	49,468	42,201	0	42,201

Investment properties have been valued by Attewell Gerbich Havill Ltd, Registered Valuers and Property Consultants, as at 30 June 2006. This has resulted in an increase in the investment property revaluation reserve of \$7.814m (refer note 7).



NOTE 13: FIXED ASSETS

Council and Consolidated 2006

	Cost \$000	Val \$000	Acc Depn \$000	Book Value \$000
Operational Assets				
Land	744	21,868	0	22,612
Buildings	49,160	94,705	(27,939)	115,926
Land – parks and gardens	5,095	98,251	0	103,346
Improvements – parks and gardens	12,604	20,713	(8,883)	24,434
Plant and equipment	11,578	6,868	(10,322)	8,124
Vehicles	4,347	0	(2,155)	2,192
Library books	9,862	0	(4,013)	5,849
Zoo animals	0	971	(486)	485
	93,390	243,376	(53,798)	282,968
Restricted Assets				
Land	2,352	4,098	0	6,450
Heritage Assets				
Museum and library	291	21,951	(135)	22,107
Infrastructural Assets				
Land	0	3,392	0	3,392
Refuse	0	45,521	(1,608)	43,913
Roads and traffic network	20,432	996,164	(9,241)	1,007,355
Stormwater system	0	208,576	(3,170)	205,406
Wastewater system	0	170,477	(3,594)	166,883
Wastewater treatment plant	393	41,233	(2,184)	39,442
Water system	0	160,169	(3,594)	156,575
Water treatment station	0	23,769	(497)	23,272
	20,825	1,649,301	(23,888)	1,646,238
Work in Progress	113,555	0	0	113,555
Total Fixed Assets	230,413	1,918,726	(77,821)	2,071,318





Council and Consolidated 2005

	Cost \$000	Val \$000	Acc Depn \$000	Book Value \$000
Operational Assets				
Land	583	21,323	0	21,906
Buildings	44,382	94,570	(21,507)	117,445
Land – parks and gardens	3,545	98,251	0	101,796
Improvements – parks and gardens	11,566	20,713	(7,096)	25,183
Plant and equipment	10,627	7,023	(8,000)	9,650
Vehicles	3,873	0	(2,030)	1,843
Library books	9,862	0	(3,288)	6,574
Zoo animals	0	971	(389)	582
	84,438	242,851	(42,310)	284,979
Restricted Assets				
Land	1,406	4,098	0	5,504
Heritage Assets				
Museum and library	291	21,951	(106)	22,136
Infrastructural Assets				
Land	0	3,392	0	3,392
Refuse	10,172	10,049	(8,456)	11,765
Roads and traffic network	47,327	838,760	(34,068)	852,019
Stormwater system	6,611	144,225	(8,367)	142,469
Wastewater system	6,453	81,432	(7,015)	80,870
Wastewater treatment plant	24,655	16,106	(5,636)	35,125
Water system	6,029	89,617	(8,679)	86,967
Water treatment station	2,347	21,460	(2,057)	21,750
	103,594	1,205,041	(74,278)	1,234,357
Work in Progress	79,927	0	0	79,927
Total Fixed Assets	269,656	1,473,941	(116,694)	1,626,903

NOTE 14: BANK OVERDRAFT

The bank overdraft on the daily trading account is secured by way of debenture trust deed over general rates. The facility totals \$500,000. At 30 June 2006 the interest rate on the facility was 9.0 per cent per annum.

The bank overdraft on the direct fees account is also secured by way of a debenture trust deed over general rates. The facility totals \$10,000. At 30 June 2006 the interest rate on the facility was 11.15 per cent per annum.

NOTE 15: ACCOUNTS PAYABLE AND INCOME IN ADVANCE

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Trade creditors and accruals	14,149	16,421
Agency funds	404	370
	14,553	16,791
Income in advance	1,988	1,882
Total Accounts Payable and Income in Advance	16,541	18,673

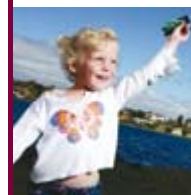
NOTE 16: EMPLOYEE ENTITLEMENTS

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Accrued pay	706	556
Annual leave and long service leave	2,432	2,407
Retirement gratuities	1,612	1,669
Total Employee Entitlements	4,750	4,632
Made up of:		
Current	3,416	3,255
Non-current	1,334	1,377
Total Employee Entitlements	4,750	4,632

NOTE 17: TERM DEBT

Council'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 over the Claudelands Park property.

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Payable no later than one year	54,193	26,696
Later than one, not later than two years	2,082	28,044
Later than two, not later than five years	23,196	10,227
Later than five years	57,704	41,704
Total Term Liabilities	137,175	106,671





	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Payable within one year	54,193	26,696
Less renewal loans to be raised*	(20,278)	(20,238)
Current	33,915	6,458
Non-current	103,260	100,213
Total Term Liabilities	137,175	106,671

* Renewal loans to be raised is bank funding to be refinanced within the next 12 months through evergreen facilities, less asset sales and total debt repayments

The weighted average effective interest rate on borrowings (current and non-current) was 6.87% including the impact of synthetic instruments (2005, 6.69%).

Council uses synthetic instruments (swaps and FRAs) to manage its interest rate risk profile based on independent professional advice (see note 22).

Term liabilities include an interest free loan from the Energy Efficiency and Conservation Authority (EECA) \$0.158m (2005, \$0.244m)

Under authority of the Local Government Act 1974 (Local Authorities Loans Act 1956), Sinking Funds to the value of \$6.375m (2005, \$5.536m) are held to provide for the repayment of debt.

Under the Local Government Act 2002, Section 98(1), there have been no significant variations or material departures from Council's Liability Management Policy.

Council reduces its financing costs by utilising an internal borrowing programme. Rather than sourcing all its borrowing externally. Council utilises funds from reserves and working capital cash to reduce external borrowing and charges an internal interest rate on these funds. Provision for the repayment of internal borrowing is covered via committed external bank funding facilities

Internal borrowing from cash held for special funds and working capital as at 30 June 2006 is \$29.910m (2005, \$34.318m). If this is added to Council's net debt of \$130.642m (2005, \$100.891m) the overall net debt (excluding EECA) at 30 June 2006 is \$160.552m (2005, \$135.209m).

Council introduced a policy of development and financial contributions from 1 July 2005 which provides a dedicated funding stream to support urban growth. In line with the introduction of this policy, 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 as outlined below.

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Total term liabilities	137,175	106,671
Less sinking funds	(6,375)	(5,536)
Less EECA loans	(158)	(244)
Net debt (excluding internal borrowing)	130,642	100,891
Add internal borrowings	29,910	34,318
Net debt (including internal borrowing)	160,552	135,209
Overall net debt will be funded in subsequent years as follows:		
Rates	89,287	83,893
Reserves	9,383	1,492
Development and financial contributions	61,882	49,824
Net debt (including internal borrowing)	160,552	135,209

The statement of financial performance, reflects a net off of internal borrowing interest of \$1.880m (2005, \$1.540m) to eliminate the internal interest charged to outcome areas.

NOTE 18: FINANCE LEASE LIABILITIES

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Payable no later than one year	804	691
Later than one, not later than two years	718	608
Later than two, not later than five years	854	1,013
Later than five years	0	0
	2,376	2,312
Future finance charges	(279)	(281)
Total Finance Lease Liabilities	2,097	2,031
Made up of:		
Current	638	504
Non-current	1,459	1,527
Total Finance Lease Liabilities	2,097	2,031

The interest rates applying to lease liabilities for 2006 ranges from 5.24% to 7.40% (2005 ranges from 5.23% to 7.94%).

NOTE 19: LANDFILL AFTERCARE PROVISION

Hamilton City Council gained resource consent in October 1985 to operate the Horotiu landfill. Council has the responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed. There are closure and post-closure responsibilities such as the following:

Closure Responsibilities:

- final cover application and vegetation
- incremental drainage control features
- completing facilities for leachate collection and monitoring
- completing facilities for water quality monitoring
- completing facilities for monitoring and recovery of gas

Post-closure Responsibilities:

- treatment and monitoring of leachate
- groundwater and surface monitoring
- gas monitoring and recovery
- implementation of remedial measures such as needed for cover, and control systems
- ongoing site maintenance for drainage systems, final cover and control

Capacity of the Site

Under the term of the resource consent Horotiu is required to close no later than 31 December 2006. As at 30 June 2006 the remaining capacity was 138,123 cubic metres.

The cash outflows for landfill post closure are expected to occur between 2007 and 2056. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 7 per cent.





	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Statement of Movements in Landfill Aftercare Provision		
Opening Balance	7,247	5,316
Increase due to relative volume assumption	0	822
Increase/(decrease) due to aftercare cost assumption	(1,469)	737
Increase in discount amount from passage of time	507	372
Closing Balance	6,285	7,247

NOTE 20: RECONCILIATION OF NET SURPLUS/(DEFICIT) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Net surplus/(deficit)	15,857	20,333
Add/(less) non-cash items:		
Contributions – fixed assets vested	(13,112)	(11,363)
Depreciation	35,908	29,895
Landfill aftercare interest	507	372
Net loss/(gain) on disposal of assets	(31)	288
Share of associates deficit/(surplus)	181	(667)
Realisation of revaluation reserve on disposal of investment properties	(338)	(409)
	23,115	18,116
Add/(less) movements in working capital:		
Change in accounts receivable and prepaid expenditure	(12)	(132)
Change in inventory	(84)	(57)
Change in accounts payable and income in advance	(2,132)	3,459
Change in employee entitlements (including non-current portion)	118	332
	(2,110)	3,602
Add/(less) Items classified as investing activities:		
Change in capital expenditure accruals	665	(2,849)
	665	(2,849)
Net Cash Inflow from Operating Activities	37,527	39,202

NOTE 21: RELATED PARTIES

Council's wholly owned subsidiary, Hamilton Properties Ltd which previously managed Council's property portfolio and received most of its income from management fees, ceased trading as at 31 October 1998. As a result, there are no related party transactions included in these accounts.

No elected members or senior management were involved in any transactions with Council apart from payments of rates, use of Council services as part of the normal customer relationship and Council's involvement with Sport and Uniform (2004) Ltd and Versus Research Ltd.

Prior to the 2004 Triennial Election Michael Redman became a Director and shareholder of Sport and Uniform (2004) Ltd who historically provided some of the staff uniforms to Council. This role has continued after Michael Redman was elected as His Worship the Mayor in October 2004. He had no involvement in the decisions concerning the proposed contracts with Council.

The actual spend with Sport and Uniform (2004) Ltd for the year ended 30 June 2006 was \$42,807 (2005 \$39,701), which has been approved by the Office of The Controller and Auditor General.

Versus Research Ltd, of which Councillor Gordon Chesterman is a shareholder, provided services to Council in the normal course of business totalling \$13,889. This was within the \$25,000 allowable without having to gain approval by the Office of The Controller and Auditor General.

NOTE 22: FINANCIAL INSTRUMENTS

Credit Risk

In the normal course of business, Council incurs credit risk from trade debtors and financial institutions. Council has placed its cash, interest bearing deposits and funds to be managed with financial institutions of high credit worthiness and limits its amount of credit exposure to any one such institution.

Interest Rate Risk

In the normal course of business, most long-term debt is at fixed interest rates. Interest rate risk is managed using synthetic instruments. Short-term debt and investments are subject to normal market fluctuations. Long-term debt is detailed in Note 17.

Synthetic Contracts Held

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Interest Rate Swaps		
Payable no later than one year	22,000	11,255
Later than one, not later than two years	13,000	22,000
Later than two, not later than five years	28,255	29,255
Later than five years	55,000	54,000
	118,255	116,510



Fair Value

The fair value of financial instruments is shown as follows:

	Council and Consolidated 2006		Council and Consolidated 2005	
	Carrying Amount	Fair value	Carrying Amount	Fair value
	\$000	\$000	\$000	\$000
Assets				
Cash and bank	290	290	107	107
Current investments and loans	4,975	4,975	37	37
Non-current investments and loans*	35,620	35,620	23,855	23,855
Liabilities				
Term debt	137,175	137,564	106,671	106,828
Finance lease liabilities	2,097	2,097	2,031	2,031

* Shares in other organisations are carried at values as stated in Note 9. It is not practical to estimate fair values of Council's shareholdings as there are no quoted market prices for the shares.

The revaluation of interest rate swaps held by Council shows an unrealised mark-to-market revaluation gain of \$795,890 as at 30 June 2006 (2005 unrealised loss \$753,505). This is a non-cash revaluation gain brought about by the comparison of the swap fixed rate with the interest rate yield curve. This non-cash revaluation gain has not been recognised in the Statement of Financial Performance.

In conjunction with Council's treasury advisors it was considered prudent to manage interest rate risk using interest rate swaps to provide Council with interest rates in the medium and long term that are below historical averages.

NOTE 23: CURRENCY RISK

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency forward exchange rates are used to manage foreign currency exposure. Council's policy is that foreign currency exposure of amounts greater than \$25,000 are to be covered by way of forward exchange contracts. Council held foreign currency forward exchange contracts of \$59,258 as at 30 June 2006 (2005, \$505,858).

	Council and Consolidated 2006		Council and Consolidated 2005	
	Carrying Amount	Fair value	Carrying Amount	Fair value
	\$000	\$000	\$000	\$000
Foreign currency forward exchange contracts	59	53	506	497

DELIVERED TO COUNCIL'S VISION
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NOTE 24: REMUNERATION OF MAYOR, COUNCILLORS AND CHIEF EXECUTIVE

Mayor and Councillors

The following people held office as elected members of Council during the year ended June 2006. The total remuneration received by elected members during the year totalled \$854,929 (2005, \$805,853) which was within the allowable pool determined by the Remuneration Authority. Remuneration includes salary, statutory meeting allowances, directors fees, motor vehicle allowance and other taxable allowances.

	Council and Consolidated	
	2006	2005
	\$	\$
Mayor		
Michael Redman		
Salary and taxable allowances	106,274	73,293
Motor vehicle	4,986	2,838
Councillors		
Daphne Bell	55,074	35,898
Peter Bos (includes payment of Novotel directors fees \$6,300 (2005, \$4,070))	60,554	57,307
Gordon Chesterman	59,426	39,514
Joe Di Maio	54,670	35,652
John Gower	62,968	55,590
Roger Hennebry	57,615	51,590
Dave Macpherson	60,002	56,736
Pippa Mahood	61,134	57,525
Glenda Saunders	56,054	38,003
Bob Simcock	58,879	39,214
Grant Thomas	51,641	51,278
Maria Westphal	51,656	34,850
Ewan Wilson	53,996	52,786
Mayor and Councillors paid up to Oct 2004 (not re-elected)		
Mayor – David Braithwaite	0	31,461
Ted Armstrong	0	18,518
Jody Garrett	0	13,683
Mavora Hamilton	0	13,923
Brian Impson	0	16,683
Jocelyn Marshall	0	14,853
Bill Ward	0	14,658
Total cost	854,929	805,853

Council unanimously resolved that effective 7 December 2005 the Stadiums Management Board be discontinued. This resulted in one less minor chair position from this date. As a result the remuneration of all 13 councillors was amended from 8 December 2005 to reflect this change and redistribute the additional minor chair salary no longer applicable. This resulted in the remuneration paid to 12 councillors (excluding Glenda Saunders) exceeding the individual remuneration limits set by the Remuneration Authority by \$117 each. The total allowable remuneration pool for the current financial year was not exceeded, and the Mayor's remuneration was not affected. Retrospective approval is being sought from the Remuneration Authority for this change for the year ended 30 June 2006. The revised remuneration structure reflecting the council decision from 7 December 2005 has been approved by the Remuneration Authority for the financial year beginning 1 July 2006.





Chief Executive

The Chief Executive of Hamilton City Council, Tony Marryatt was appointed under section 42(1) of the Local Government Act 2002. For the year ended June 2006, the total annual cost to Hamilton City Council of the remuneration package being received by Tony Marryatt was \$287,526 (2005, \$266,207).

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$	\$
Salary	254,657	242,036
Motor vehicle	19,662	17,682
Superannuation subsidy	13,207	6,489
Total cost	287,526	266,207

Tony Marryatt is also a Director of Hamilton Riverview Hotel Ltd (appointed by Hamilton City Council) and received directors fees of \$22,600 (2005, \$18,433) for his work in that capacity.

NOTE 25: SEVERANCE PAYMENTS

For the year ended 30 June 2006 Council made a severance payment to one employee totalling \$1,000 (2005 \$52,818).



NOTE 26: STATEMENT OF COMMITMENTS

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Capital Expenditure Commitments		
Approved and committed	6,619	22,281
Non Cancellable Operating Lease Commitments		
Not later than one year	990	994
Later than one year and not later than two years	524	650
Later than two years and not later than five years	83	229
Later than five years	128	136
	1,725	2,009
Total Commitments	8,344	24,290

In addition to the above commitments, Council has authorised the following capital projects:

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Roading	7,113	12,805
Stormwater	479	718
Wastewater	1,683	1,863
Water supply	5,039	3,294
Parks and gardens	4,771	2,821
Other activities	5,474	4,420
	24,559	25,921

NOTE 27: CONTINGENCIES

Guarantees

Council is at times requested to act as Guarantor to loans raised by community organisations and sports clubs to construct facilities on Council reserve land. These structures form part of the reserve but are not included in the fixed asset figures. Council's potential liability under the guarantees is as follows:

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Lending Institution		
ANZ	0	268
ASB Bank	230	296
Bank of New Zealand	96	118
Westpac	201	239
	527	921





Insurance and Liability Claims

Council was involved as defendant in various public liability and professional indemnity claims at 30 June 2006. Council's potential liability, if at all, would be its insurance excess. Council has also estimated its other liability claims.

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Insurance claim excess	321	316
Other liability claims	1,034	260
	1,355	576

Uncalled Capital or Loan

During May 2004, the shareholders of Waikato Regional Airport Ltd (WRAL) of which Hamilton City Council has a 50% shareholding, authorised the company issuing 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 five 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.

During March 2005, Council gave a commitment to WRAL to provide if necessary a further \$1m by way of uncalled capital or by loan for the proposed purchase of land for future runway development. WRAL proposes to fund this purchase from sale of commercial land. Council's liability is contingent upon WRAL not securing \$2m funding by 30 June 2007 or if the purchase by WRAL causes it to breach its covenants with the bank.

	Council and Consolidated	
	Actual	Actual
	2006	2005
	\$000	\$000
Uncalled capital – Waikato Regional Airport Ltd	10,800	10,800
Uncalled capital or loan – Waikato Regional Airport Ltd	1,000	1,000
	11,800	11,800

WEL Energy Trust

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



NOTE 28: 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.

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Roads and Traffic Business Unit		
Revenue		
In-house professional services	608	814
Other revenue	1,119	1,096
Less Operating Expenditure	(1,898)	(1,872)
Net surplus/(deficit)	(171)	38

The net surplus/(deficit) on operation of the roads and traffic business unit is allocated to relevant outcome areas.

	Council and Consolidated	
	Actual 2006 \$000	Actual 2005 \$000
Design Services Business Unit		
Revenue		
In-house professional services	574	766
Other revenue	2,234	2,070
Less Operating Expenditure	(2,997)	(2,774)
Net surplus/(deficit)	(189)	92

The net surplus/(deficit) on operation of the design services business unit is allocated to relevant outcome areas.

NOTE 29: STATEMENTS OF SERVICE PERFORMANCE

During the period 19 May to 11 June 2006 Council commissioned International Research Consultants Ltd (in conjunction with Hamilton based survey company DigiPoll Ltd) to carry out a survey on public perceptions and interpretation of a number of Council provided facilities and services. The survey (which is conducted annually) was conducted by telephone interview and gained responses from 700 Hamilton residents. The questionnaire for the 2006 survey used a split path approach whereby all respondents were asked all the key questions, then the sample was split into two paths i.e. half of the respondents rated one set of facilities and services while the second stream answered questions about the other set. The margin of error for the 700 interviews on the key questions was plus or minus 3.7% at the 95% confidence level and for the questions in the split path segment of the questionnaire (based on 350 interviews) it was plus or minus 5.2% at the 95% confidence level. The relevant survey results have been reported in the Monitoring of Council's Performance and Statements of Service Performance sections of this Annual Report.

All physical maintenance and capital works are carried out under contract. Planning, programming, management, supervision and auditing the standards of the roading and utilities networks are carried out by Council's in-house engineering business units or independent consultants. All design work is undertaken by registered engineers. These contracts remain in maintenance until the required performance is achieved and only then is the contract fully paid.



NOTE 30: RECONCILIATION OF APPROVED TO RESTATED BUDGET

STATEMENT OF FINANCIAL PERFORMANCE	Approved Budget \$000	Carryover from 04/05 \$000	Other \$000	Restated Budget \$000
Revenue from Outcome Areas				
Sustaining Hamilton's environment	13,209	0	(52)	13,157
Growing Hamilton	16,094	59	52	16,205
Promoting Hamilton	0	0	0	0
Experiencing our arts, culture and heritage	1,665	0	0	1,665
Living in Hamilton	3,092	0	0	3,092
Enjoying Hamilton	6,237	0	0	6,237
Less internal revenue	(3,700)	0	0	(3,700)
Total Revenue from Outcome Areas	36,597	59	0	36,656
Rates	78,779	0	0	78,779
Less rates charged to Council properties	(550)	0	0	(550)
Total Rates	78,229	0	0	78,229
Revenue Assigned to Asset Development				
Land Transport New Zealand capital subsidies	3,427	907	0	4,334
Contributions – vested assets	4,125	0	0	4,125
Other capital contributions	6,352	499	0	6,851
Total Revenue Assigned to Asset Development	13,904	1,406	0	15,310
Other Revenue	1,497	0	0	1,497
Total Operating Revenue	130,227	1,465	0	131,692
Expenditure from Outcome Areas				
Sustaining Hamilton's environment	39,911	714	(54)	40,571
Growing Hamilton	30,945	910	140	31,995
Promoting Hamilton	1,672	136	0	1,808
Experiencing our arts, culture and heritage	13,302	210	(119)	13,393
Living in Hamilton	15,576	744	104	16,424
Enjoying Hamilton	26,330	200	(71)	26,459
Less internal expenditure	(3,700)	0	0	(3,700)
Less rates charged to Council properties	(550)	0	0	(550)
Less internal transfers to reserves	0	0	0	0
Less interest on internal borrowing	(1,023)	0	0	(1,023)
Total Expenditure from Outcome Areas	122,463	2,914	0	125,377
Other Expenditure	50	0	0	50
Total Operating Expenditure	122,513	2,914	0	125,427
Net Surplus/(Deficit)	7,714	(1,449)	0	6,265

This is a reconciliation of the annual plan budgets to restated budgets as presented in the Statement of Financial Performance and notes 1 to 4. Restated amounts relate to approved carryover budgets from 2004/05, transfers of budgets, and presentation of internal charges that were not included in the annual plan.



STATEMENT OF FINANCIAL POSITION

	Approved Budget \$000	Carryover from 04/05 \$000	Other \$000	Restated Budget \$000
Equity	1,547,523	26,607	0	1,574,130
Fixed Assets	1,668,510	26,607	0	1,695,117

The annual plan budgets as presented in the Statement of Financial Position have been restated as above. Restated amounts relate to approved carryover budgets from 2004/05, and transfers of budgets. All other budgets not shown are as per the annual plan.

NOTE 31: MAJOR BUDGET VARIANCES

Statement of financial performance

The Council result of a net surplus of \$15.86m is a variance of \$9.59m over the budgeted net surplus of \$6.27m.

The major reasons for this favourable variance were: assets vested to Council \$8.99m, contributions from subdividers and other capital contributions \$4.05m, and dividends received and sundry revenue \$0.54m.

Offsetting these favourable variances were: Land Transport New Zealand subsidies received less than budget \$1.09m, and depreciation exceeded budget \$4.89m due to the revaluation of infrastructure assets.

Statement of movement in equity

The level of equity as at 30 June 2006 was \$430.18m greater than budget. This was mainly due to the net surplus noted above, the earlier than budgeted revaluation of assets due to the significant increase in asset values \$417.74m, and the revaluation of investment properties \$6.93m.

Statement of financial position

The level of net assets as at 30 June 2006 was \$430.18m greater than budget.

Term debt was lower than budget by \$22.81m primarily due to various loan funded projects being deferred to the 2006/07 financial year.

Fixed assets were \$376.20m greater than budget. This is due to the unbudgeted net increase in asset revaluations, less capital projects that were budgeted for in 2005/06 but will be completed in the 2006/07 year.

Investment properties were greater than budget, mainly due to revaluation increases of \$6.93m.

Investments were \$19.95m higher than budget due to increases in the value of shareholdings in the Hamilton Riverview Hotel Ltd and Waikato Regional Airport Ltd.

Statement of cash flows

The overall movement in cash held was \$0.18m higher than budget.

Net cash inflows from operating activities was \$7.76m higher than budget. Major favourable variances were higher other capital contributions received, and fees, rents and charges. There were also lower interest payments, and lower salary and wages payments.

Net cash outflows from investing activities was \$11.65m higher than budget. This was due to capital expenditure in 2005/06 on projects budgeted for but not completed in the previous financial year.

Net cash inflows from financing activities was \$4.07m greater than budget. Gross borrowings exceeded budget due to the timing of refinancing requirements. This was partially offset by higher than budgeted loan repayments.

NOTE 32: EVENTS AFTER BALANCE DATE

Hamilton Riverview Hotel Ltd will be constructing a new hotel during 2006/2007. The construction period is 12 months, and it is estimated to start early in 2006/07.





INFORMATION ON COUNCIL CONTROLLED ORGANISATIONS AND COUNCIL ORGANISATIONS

Council operates three Council Controlled Organisations (CCOs), Hamilton Properties Ltd, Waikato Regional Airport Ltd and Local Authority Shared Services Ltd.

Council also has interests in Council Organisations (CO's) including a shareholding in a Joint Venture in Hamilton Riverview Hotel Ltd (Novotel) and a minor shareholding in NZ Local Government Insurance Co. Ltd (Civic Assurance). The latter organisation has been specifically exempted as a CCO in accordance with section 6(4)(f) of the Local Government Act 2002.

The following explains what these organisations do and the performance:

HAMILTON PROPERTIES LTD

Hamilton Properties Ltd is no longer trading and is 100% owned by Council. Council have retained Hamilton Properties Ltd as a non-operating company, with the view to utilising its tax losses in the future.

- For more information on the activities of Hamilton Properties Ltd, contact Mike Garrett, General Manager Corporate, Hamilton City Council, Private Bag 3010, Hamilton.

WAIKATO REGIONAL AIRPORT LTD

Waikato Regional Airport Ltd replaced the Airport Authority in 1989, which previously ran Hamilton Airport (and in which Council had a shareholding).

The objective of the airport company is to operate a successful commercial business, providing safe, appropriate and efficient services for the transportation of people and freight in and out of the port of Hamilton.

Council holds 50% of the airport company's shares. The remaining shares are owned by Matamata-Piako, Otorohanga, Waikato and Waipa District Councils.

Waikato Regional Airport Ltd reported a net deficit of \$1,745,558 for the year ended 30 June 2006 (2005 net surplus \$238,377). This net deficit is due to an abnormal item (asset impairment adjustment) of \$3,775,865 being recognised in the Statement of Financial Performance.

No dividend was paid in 2006 (2005 nil).

Refer to Note 9 of the financial statements for investment details and Council's share of the net surplus.

A comparison of the company's financial and performance measures for the year ended 30 June 2006 is shown below.

	Actual	Statement of Corporate Intent Targets
Operating surplus/(deficit) after taxation to shareholders' funds	1.92%	1.37%
Operating surplus/(deficit) before taxation and interest to total assets	2.59%	3.55%
Operating surplus/(deficit) after taxation to total assets	1.01%	0.69%
Operating surplus/(deficit) before taxation and interest to shareholders' funds	4.93%	6.98%
Percentage of non-landing charges revenue to total revenue	76.95%	81.38%
Net asset backing per share	\$12.66	\$7.37
Interest rate cover	3.7	2.2
Total liabilities to shareholders' funds	33:67	49:51

- For more information on the activities of the Waikato Regional Airport Ltd, contact: Chris Doak, Chief Executive, Airport Road, RD2, Hamilton.

LOCAL AUTHORITY SHARED SERVICES LTD

Council became a shareholder, along with all other local authorities within the Waikato Region, in a CCO called Local Authority Shared Services Ltd, to provide local authorities within the region with shared services. The first shared initiative of this company has been the establishment and operation of a Shared Valuation Database Service (SVDS).

Council holds 7.69% of the shares in Local Shared Services Ltd. The remaining shares are owned by Waikato Regional Council, Franklin, Waikato, Thames-Coromandel, Hauraki, Matamata-Piako, Waipa, Otorohanga, Waitomo, South Waikato, Taupo and Rotorua District Councils.

Council has contributed \$220,500 of capital (by way of its contribution to the capital cost development of SVDS), which represents 13.72% of the services shares in the SDVS.

The performance measures for Local Authority Shared Services Ltd for the year ended 30 June 2006 are shown below.

Performance Measure	Actual Outcome
Initial performance targets are shown as best estimates and will be fully reviewed year by year to ensure that the products offered continue to provide state-of-the-art cost effective processes for shareholders.	The performance targets have been reviewed and changed in line with comments received from the shareholders and after debate by the Directors. With the intent of keeping the operational costs to a minimum the new performance targets have been reduced in number and focus on financial management and customer satisfaction.
All products to be fully costed, including development costs, and recovered from revenue over a maximum of five years.	The full costs of SVDS are still being determined. These include development costs of the initial application, data load processes and refinement of business processes. The medium to long term operational costs are being determined based on the short term operational experience.
The company will enter into long-term contracts of at least three years with each participating party for any product development to ensure costs of development are spread equitably between the partners and over a realistic time frame.	No new products have been set up as a business unit under LASS during this period. The Directors require a full business case to be presented for their endorsement prior to acceptance. All such business plans will include a full cost breakdown of development and operational costs and will identify how these costs will be funded.
The participating parties will guarantee to provide capital and cash requirements of the organisation and provide guarantees to the company based on prevailing interest rates in the market to cover the cost of new product development.	Contracts are presently being negotiated between LASS and various service providers including Environment Waikato. Environment Waikato is currently providing company management and support services.
	The cost of development of products by a business unit will be financed by those councils that participate in that business unit.
	The ongoing development of the SVDS is being financed by councils through a service levy. Expenditure in excess of budget will be funded by a loan at prevailing interest rates. At the end of June 2006, this funding had been provided by Environment Waikato and Hamilton City Council. It is expected that this funding will be repaid from future revenue.




Performance Measure

Positive cash flow will be maintained so that equity ratio is maintained at least 40 percent.

Customers will be surveyed annually to ensure that there is at least 90 percent satisfaction with the services provided.

- For more information on the activities of Local Authority Shared Services Ltd, contact Mike Garrett, General Manager Corporate, Hamilton City Council, Private Bag 3010, Hamilton.

Actual Outcome

Cashflow for LASS is currently being provided by Environment Waikato. While it was anticipated that revenue would come from the sale of data held in the SVDS, or by sale of the software, this has not eventuated during this financial year. Debt / Equity ratio at 30 June 2006 is 18% which is significantly less than the allowable maximum.

As no sales were made during this period, no customers were surveyed.

HAMILTON RIVERVIEW HOTEL LTD (NOVOTEL)

In May 1998, Council entered into a joint venture agreement for the purpose of developing a Hotel and Conference Centre on a site bounded by Victoria Street, Alma Street and the Waikato River in Hamilton.

Council holds 41.38% of the shares in the Hamilton Riverview Hotel Ltd. Tainui Development Ltd and AAPC NZ PTY Ltd hold the remaining shares.

Hamilton Riverview Hotel Ltd reported a net surplus of \$2,078,139 for the year ended 31 December 2005 (2004 net surplus \$1,691,828).

A dividend of \$514,486 was declared for the year ended 31 December 2005 (2004 \$514,486). Due to timing, Council received it's share of \$212,891 for each of the years 2004 (19 July 2005) and 2005 (28 June 2006) which has been recognised in note 4 of the financial statements for year ended 30 June 2006.

Refer to Note 9 of the financial statements for investment details and Council's share of the net surplus.

- For more information on the activities of Hamilton Riverview Hotel Ltd, contact Mike Garrett, General Manager Corporate, Hamilton City Council, Private Bag 3010, Hamilton.

NZ LOCAL GOVERNMENT INSURANCE CO. LTD (CIVIC ASSURANCE)

NZ Local Government Insurance Co. Ltd's prime objective is to ensure the long-term provision of stable and cost effective risk financing products for local government in New Zealand.

Council holds 3.17% of the shares in the NZ Local Government Insurance Co. Ltd. The remaining shares are held by other Councils in New Zealand.

NZ local Government Insurance Co. Ltd reported a net surplus of \$2,182,553 for the year ended 31 December 2005 (2004 net surplus \$1,978,555).

A net dividend of \$25,544 was declared for the year ended 31 December 2005 (2004 \$24,327). Council received this dividend after the financial statements were closed, and therefore this will be recognised in the 30 June 2007 financial statements.

Refer to Note 9 of the financial statements for investment details and Council's share of the net surplus.

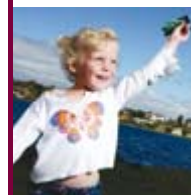
- For more information on the activities of NZ Local Government Insurance Co. Ltd, contact Mike Garrett, General Manager Corporate, Hamilton City Council, Private Bag 3010, Hamilton.

In order to achieve its objectives for Hamilton City Council, Council is involved and represented in a number of other organisations. The following table shows what the organisations do, how their performance is measured, and the results achieved in 2005/06.

The list of organisations Council is involved in and represented on is based on:

- Any organisation that Council controls, directly or indirectly, one or more of the votes at any meeting of the members or controlling body of the organisation
- Any organisation that Council has the right to directly or indirectly, appoint one or more of the trustees, directors or managers of the organisation

Organisation Representation (total members)	Why does it exist and what does it do?	What are its performance measures? (key performance targets)	Measurement against performance for 2005/06
Community Well-being Grants Allocation Committee <i>Representation: 2 (6)</i>	<ul style="list-style-type: none"> • To provide financial assistance to not-for-profit community groups and to allocate funds annually. • Representation is by Council policy. 	Annually report to Community Development Unit and minutes to Community and Leisure Committee.	Achieved.
Creative Fund Communities New Zealand Allocation Committee <i>Representation: 1 (9)</i>	<ul style="list-style-type: none"> • To administer funds on behalf of Creative New Zealand and to allocate funds annually. • Representation is by Council policy. 	Annually report to Community Development Unit and Community and Leisure Committee.	Achieved.
Hamilton City Crime Prevention Trust <i>Representation: 1 (4)</i>	<ul style="list-style-type: none"> • To promote safety and security for the public in the central city areas of Hamilton. The Trust previously owned 16 cameras (together with a control system) installed at the Hamilton Police Headquarters. The security camera network (including the transmission cable) assists the New Zealand Police with crime prevention. This network has now been transferred to Council. • Constitution allows for the appointment of one member of Council. 	The Trust is in remission. It oversees the contractual agreement with Council. Meets annually but does not report formally back to Council.	Not applicable.
Hamilton Community Arts Council <i>Representation: 1 (12)</i>	<ul style="list-style-type: none"> • To promote the arts and culture in the community. • To distribute funds, acts as an advisory agency for the arts, and manages projects and events in relation to the arts and culture. • Constitution requires appointment of one member of Council. 	Reports to Community Development Unit and Community and Leisure Committee.	Achieved.





Organisation Representation (total members)	Why does it exist and what does it do?	What are its performance measures? (key performance targets)	Measurement against performance for 2005/06
Hamilton Community Environmental Programme <i>Representation: 1 (34)</i>	<ul style="list-style-type: none"> To represent Council's interest in the affairs of a community-based programmes supported by Council. It consists of representatives from community groups, environmental organisations, business and industry, educational authorities and interested individuals. Its purpose is to address and resolve environmental issues through collective action. Representation is by Council request. 	Not applicable.	Not applicable.
Keep Hamilton Beautiful <i>Representation: 1 (12)</i>	<ul style="list-style-type: none"> To raise environmental awareness and encourage action within the local community. To undertake programmes and projects that encourage individuals and organisations to take responsibility for their environment. Representation is by Council request. 	Annual Plan is presented to City Development Committee. Annual Reports circulated to elected members.	The Annual Plan and Annual Report will be presented to the City Development Committee on 12 September 2006.
Lake Rotokauri Advisory Committee <i>Representation: 1 (8)</i>	<ul style="list-style-type: none"> The Committee was set up by the Waikato District Council in 2001, after it gained powers from the Department of Conservation to control and manage Lake Rotokauri reserve. The Committee oversees the management of the lake in line with the Lake Rotokauri Management Plan (the reserve is vested in the Crown). Council representation was requested. 	Annually report to the Community and Leisure Committee.	Achieved.
Te Runanga o Kirikiriroa Joint Committee <i>Representation: 3 (6)</i>	<ul style="list-style-type: none"> To promote the partnership established between Hamilton City Council and Te Runanga o Kirikiriroa and administer the Maori Project Fund. The Committee oversees the service delivery contract between the two agencies and works to promote the well-being of Maori and Pacific people in Hamilton City. A subcommittee of the Joint Venture Committee is also responsible for the allocation of the Maori project fund. 	Meets every six weeks with minutes presented to Community and Leisure Committee.	Two meetings were held. A review of partnerships with Maori organisations commenced in 2005/06 to reflect Waikato-Tainui's status and role as the region's iwi authority.

Organisation Representation (total members)	Why does it exist and what does it do?	What are its performance measures? (key performance targets)	Measurement against performance for 2005/06
The Katolyst Group (Kato-lyst) <i>Representation: 1 (9)</i>	<ul style="list-style-type: none"> Formed to bring together under one agency Business 2 Hamilton (B2H), Innovation Waikato Ltd (Innovation Park) and the Business Development Centre. An economic development agency formed with the goal of accelerating economic growth in Hamilton and the Waikato, through increased development of strategic industries and small business. 	Reports six monthly to Council through the City Development Committee on performance for the previous year and its business plan for the coming year.	Formal reporting was not undertaken in 2005/06. The Group was re-structured during the financial year to form the Kato-lyst Group (previously known as Waikato Economic Development). The service level agreement (including reporting requirements) is currently under development.
University of Waikato Council <i>Representation: Mayor (13)</i>	<ul style="list-style-type: none"> The functions, duties and powers of the University are defined under the Education Act 1989. Constitution requires one member appointed by the Council in the capacity as the Mayor. The University is constituted under provisions of the Education Act 1989. 	Annual budget and audited accounts publicly available and published.	Achieved.
University of Waikato Ethics Committee: On the Welfare of Experimental Animals <i>Representation: 1(7)</i>	<ul style="list-style-type: none"> To have an approved code of ethical conduct, and to ensure that individual projects are approved by the Animal Ethics Council and carried out in accordance with any conditions imposed. Constitution requires Council representation, on the basis that a lay person, who is not a member of staff or otherwise associated with the scientific community or any animal welfare agency, is nominated by a territorial authority or regional council. Established in accordance with the provisions of the Animal Welfare Act 1999. 	Not applicable.	Not applicable.



DELIVERING ON COUNCIL'S VISION
2005/06
ANNUAL REPORT



Organisation Representation (total members)	Why does it exist and what does it do?	What are its performance measures? (key performance targets)	Measurement against performance for 2005/06
University of Waikato Institutional Biological Safety Committee <i>Representation: 1 (9)</i>	<ul style="list-style-type: none"> To put in place processes to consider applications to develop genetically modified organisms. To approve or decline such applications. To keep a register of approved experiments. To notify any conflict of interest. Constitution requires Council representation on the basis that a lay person, not associated with the institution, who can consider wider community interests, is nominated by a territorial authority or regional council. The University has a statutory obligation to ensure that all genetically modified organisms developed or imported into containment have approval from the Environmental Management Authority. 	Not applicable.	Not applicable.
Waikato Civil Defence Emergency Management Group* <i>Representation: 1 (11)</i>	<ul style="list-style-type: none"> Coordinates civil defence response and recovery for the whole region. Constitution requires appointment of one member of Council. The Group is set up under the provisions of the Civil Defence Emergency Management Act 2002. 	Quarterly reporting of minutes to City Development Committee.	The Group met three times during the 2005/06 financial year. Minutes of these meetings were reported to the Committee.
Waikato Institute of Technology (Wintec) <i>Representation: 1 (22)</i>	<ul style="list-style-type: none"> Offers courses of study for the national and international student community. Constitution requires appointment of one member of Council. Established as the governing body to manage the functions of the institute. 	Annual budget and audited accounts publicly available and published.	Achieved.
Waikato SPCA Trust <i>Representation: 1 (8)</i>	<ul style="list-style-type: none"> To manage the investment funds arising from the sale of Higgins Road. Council representation requested. The trust is responsible for the rent at the animal centre. 	Does not currently report formally to Council.	Not applicable.
WEL Energy Trust Joint Territorial Capital Beneficiaries Working Party* <i>Representation: Mayor and 1 (6)</i>	<ul style="list-style-type: none"> A group comprising representatives from Hamilton City, Waikato District and Waipa District Councils, formed to monitor and influence WEL Energy Trust. To act in the best interests of the capital beneficiaries and the communities they represent. 	Reports to the City Development Committee, although no formal report is presented.	Not applicable.

REPORT ON FUNDING AND FINANCIAL POLICIES

INTRODUCTION

Each local authority is required to prepare and adopt a Revenue and Financing Policy, Funding Impact Statement, Investment Policy, and Liability Management Policy as part of its Long-Term Council Community Plan (LTCCP).

Schedule 10 of the Local Government Act 2002 specifies that every local authority must provide in its annual report sufficient information about each of the documents listed above to enable an informed assessment of the extent to which the objectives and provisions of the strategy and policies have been met during that year.

The information required should include an explanation of any significant variation between:

- the objectives and policies of the Funding and Financial Policy set out in the LTCCP for the financial year, and
- the actual achievement of those objectives and policies.

OVERVIEW

During 2005/06 Council made significant progress towards the achievement of objectives and policies for the year as set out in the Funding and Financial Policy of the LTCCP relating to its Revenue and Financing Policy, Funding Impact Statement, Investment Policy and Liability Management Policy.

Details of achievement against the objectives and policy are set out below.

1. Revenue and Financing Policy

Background

The Long-Term Council Community Plan (LTCCP) identifies significant activities of Council and provides for the associated estimated future expenses, revenues, cashflows and other movements in the Statement of Financial Performance and Statement of Financial Position. The general aim of the LTCCP is to ensure that Council has adequately considered and accounted for its future operations in accordance with the following six principles:

- prudent management of Council activities in the interest of the city and its inhabitants
- adequate provision for expenditure needs of Council
- adequate consideration and assessment of benefits and costs of different options
- lawful funding mechanisms that on reasonable grounds can be considered as appropriate
- maintaining prudent levels of debt in accordance with the Liability Management Policy, and
- operating revenue to cover all projected operating expenses.

Overall Performance

The net surplus for the year 2005/06 was \$15.86m, which is \$11.90m more than that outlined in the LTCCP of \$3.96m.

Major variations to year 2 of the 2004-14 LTCCP are noted below:

- rates revenue \$3.66m above LTCCP (primarily due to introducing the Access Hamilton Targeted Rate, and higher than budgeted growth in rates due to new ratepayers to the City).
- vested assets \$8.99m above LTCCP (due to higher than anticipated growth)
- general contributions \$4.89m above LTCCP (due to higher than anticipated growth)




Specific Objectives and Targets

Objective	2006 Targets	Performance	Significant Variations, Comments
To maintain the direction specified in the Long-Term Council Community Plan (LTCCP).	Achieve the budgeted figures specified in the LTCCP.	Net surplus of \$15.86m against a LTCCP net surplus of \$3.96m.	Refer to comments noted above for explanation of major variances.
To manage the level of commitments and contingencies.	Total contractual commitments do not exceed \$2m.	This target was not met. Contractual commitments totalled \$6.62m. Significant contracts include the footpath reconstruction and resurfacing, Resolution Drive extension and Horotiu stage 4/6 capping. Refer to the note 26 of the financial statements.	Council has a number of projects that were committed but not completed in the 2005/06 financial year. Funding for these projects in the 2005/06 financial year will be carried forward to 2006/07.
	Total contingencies do not exceed 2% of the general rate levied or the preceding financial year, (noting that for loan guarantees to only include the total annual contingent loan servicing charges of the loans, not the full value of the loan guarantees).	Achieved. Current contingencies are 1.78% of the general rate levied for the 2005/06 financial year. This figure is based on the total annual contingent loan servicing charges on loans Council has guaranteed, plus any insurance claim excess and other liability claims, as disclosed in note 27 of the financial statements, and outlined in Section 2.9 of the Revenue and Financing Policy.	No significant variation.
To maintain a mix of funding mechanisms to meet the total funding requirements of the city.	Fees and charges comprise at least 20% of total revenue.	Achieved. Fees and charges comprised 27.6% of total revenue.	No significant variation.
	Differentials on property sectors maintained to achieve the rate recovery specified in the LTCCP.	Achieved.	Rate revenue is higher than budgeted by \$78,000 – refer note 2 of the financial statements.

2. Funding Impact Statement
Background

The Revenue and Financing Policy, as outlined in the LTCCP, is designed to ensure that the allocation of costs by function is met by the people or groups benefiting from the function. The Funding Impact Statement disclosed in the LTCCP outlines the funding and rating mechanisms of Council for the following year, in accordance with the policies outlined in the Revenue and Financing Policy.

Overall Performance

Council has generally achieved the planned mix of funding and rating.

The actual allocation of the costs of Council's functions is not significantly changed from the LTCCP.

3. Investment Policy

Background

Council delegates responsibility for management, monitoring and reporting of Council's investments and activities to its Finance and Audit Committee, and its Finance and Administration Unit.

The investment policy document sets out the parameters for the operation of the Finance and Administration Unit, and the volume of investments that Council will be involved with. The mix of investments between current and non-current is determined according to Council's working capital needs. Refer to the LTCCP for detailed outline of the policy.

Overall Performance

There are no significant variations or material departures from Council's Investment Policy as reported in the LTCCP or as revised by Council during the year.

Specific Objectives and Targets

Objective	2005 Targets	Performance	Significant Variations, Comments
To manage risks associated with investments.	Any operating cash flow surpluses to be managed on a prudent cash management basis. Synthetic instruments may be used to manage interest rate and exchange rate risk.	Achieved. No synthetic instruments currently used for investments.	No significant variations.
Use of proceeds of asset sales (excluding vehicles and light plant).	Proceeds to be used for reduction of debt except as specifically authorised by Council or subject to legislative restrictions	Achieved.	

4. Liability Management Policy

Background

Council delegates responsibility for the management, monitoring and reporting of Council's debt and associated risks to its Finance and Audit Committee and its Finance and Administration Unit.

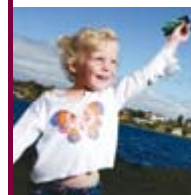
The main function of the Liability Management Policy is to ensure that Council's debt and its associated risks are maintained at prudent levels. Refer to the LTCCP for a detailed outline of the policy.

Overall Performance

There are no significant variations or material departures from Council's Liability Management Policy as reported in the LTCCP or as revised by Council during the year.

Specific Objectives and Targets

Objective	2005 Targets	Performance	Significant Variations, Comments
To manage interest rate and credit risk exposure.	Minimum (50%) and maximum (95%) levels of fixed borrowing are not exceeded.	Achieved.	No significant variations.
To maintain debt within specified limits and ensure adequate provision for repayments to maintain adequate liquidity.	Net debt does not exceed 15% of total rate-payers' equity.	Achieved: 8.0%. Refer to Financial Overview.	





Objective	2005 Targets	Performance	Significant Variations, Comments
<p>To maintain security for public debt by way of a charge over rates through the Debenture Trust Deed, or registered mortgage over specific assets.</p> <p>To ensure that transactions involving foreign currency exceeding \$25,000 in value are hedged by way of forward cover contracts.</p>	Net debt does not exceed 150% of total income for the year.	Achieved: 118.5%. Refer to Financial Overview.	
	Debt interest payments do not exceed 15% of the total income for the year.	Achieved: 7.7%. Refer to Financial Overview.	
	Debt interest payments do not exceed 20% of the rating income for the year.	Achieved: 13.3%. Refer to Financial Overview.	
	Term debt and committed borrowing facilities is not less than 110% of existing net debt, including working capital requirements.	Achieved: 140.2%. Refer to Financial Overview.	
	Net debt does not exceed \$1,500 per capita.	Achieved: \$1,208. Refer to Financial Overview.	
	Security documentation is reviewed to ensure compliance.	Achieved.	
	Compliance with this policy is monitored by reviewing payments in foreign currency.	Achieved. All known foreign currency payments hedged.	



STATEMENT OF COMPLIANCE AND RESPONSIBILITY

COMPLIANCE

Council and management of Hamilton City Council confirm that all the statutory requirements of the Local Government Act 2002 have been complied with.

RESPONSIBILITY

Council and management of Hamilton City Council accept responsibility for the preparation of the financial statements in accordance with generally accepted accounting practice in New Zealand.

Council and management of Hamilton City Council considers that the financial statements have been prepared using appropriate accounting policies, which have been consistently applied and adequately disclosed and supported by reasonable judgements and estimates, and that all relevant financial reporting and accounting standards have been followed.

Council and management of Hamilton City Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Hamilton City Council, the financial statements fairly reflect the financial position of Council and the group as at 30 June 2006, and the results of its operations and cash flows and the service performance achievements for year ended on that date.



Michael Redman
HAMILTON MAYOR
22 September 2006



Tony Marryatt
CHIEF EXECUTIVE
22 September 2006



Mike Garrett
GENERAL MANAGER CORPORATE
22 September 2006





11.0 PROFILE OF HAMILTON CITY

HE WHAKAATURANGA MO TE TAAONE NUI O KIRIKIRIROA

HAMILTON CITY: A PROFILE

A selection of comparisons (as at 30 June)	2005	2006
Population (usually resident in Hamilton)	131,400 ¹	133,000 ²
City area	9,860ha	9,860 ha
Businesses ³	10,693	not available
Employees ⁴	69,200	not available
Environment		
Number/area of parks and gardens	139 (563 ha)	144 (582 ha)
Number/area of sports areas	58 (426 ha)	59 (441 ha)
Number of play areas	83	85
Number of swimming pools ⁵	3	3
Walkways in parks and reserves	43.8 km	43.8 km
Number of street trees	28,645	29,013
Infrastructure		
Traffic bridges over the Waikato River	6	6
Number of bridges ⁶	56	57
Length of streets (road centreline length)	575 km	582 km
Length of footpaths	863 km	882 km
Length of cycleways ⁷	45 km	45 km
Length of wastewater pipes	743 km	760 km
Length of stormwater pipes	598 km	607 km
Length of open Stormwater drains and natural water courses	85 km	90 km
Length of water pipes	994 km	1011 km
Refuse Disposal		
Hamilton's residential and industrial/commercial waste sent to Horotiu landfill ⁸	103,045 tonnes	123,499 tonnes
Waste recycled through kerbside recycling, recycling centre operations and greenwaste composting at the Hamilton Organic Centre ⁹	23,101 tonnes	29,176 tonnes
Rating Data		
Rating system	Land value	Land value
Rateable properties (all excluding not-rated)	48,002	50,167
Rateable land value (all excluding not-rated)	\$4,238m	\$4,301m
Rateable capital value (all excluding not-rated)	\$12,590m	\$13,013m
Date of city revaluation	1 Sept 2003	1 Sept 2003
Years of rate revenue to repay city debt	1.84 years	1.96 years
Rates revenue	\$73.3m	\$82.1m
Net city debt (including internal borrowing)	\$135.2m	\$160.6m

Notes:

- 1 Statistics New Zealand estimates
- 2 Hamilton City Council estimates
- 3 Source: Statistics New Zealand (Business Frame Survey)
- 4 Employee count includes all part-time and full-time workers
- 5 In addition Council has partner pool relationships and provides funding to the University of Waikato Campus Pool, Hillcrest Normal School, Te Rapa Primary School and Fairfield College
- 6 Includes traffic bridges, large culverts, and pedestrian bridges/underpasses
- 7 Includes on-road cycle lanes and off-road cycle paths
- 8 For year ending 30 June 2006
- 9 For year ending 30 June 2006



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AVISIONFOROURCITY



A VISION FOR OUR CITY



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Hamilton City Council

Te kaunihera o Kirikiriroa