

# Hamilton City Council 2006/07 Annual Report Summary

---

## *Building A Vibrant Hamilton*

**INVESTING IN OUR PEOPLE  
CREATING IDENTITY & PROSPERITY  
PROTECTING OUR FUTURE**

## Contents

About the Annual Report .....	1
Mayor and Chief Executive's Letter .....	2
Hamilton at a Glance .....	4
Council's Direction for the City .....	5
Key Achievements in 2006/07 .....	8
Council's Partnership with Maori .....	24
Monitoring Council's Performance .....	25
Reporting on Community Outcomes .....	30
Financial Overview .....	31
Summary of Financial Statements .....	35
Audit Report .....	37

## About the Annual Report

This document is a summary of Council's full 2006/07 Annual Report. Council must produce an Annual Report at the end of each June financial year. The Annual Report shows how Council's activities and services measured up to what it said it would achieve in the Long-Term Plan. This year's Annual Report looks at year one (2006/07) of Council's 2006-16 Long-Term Plan.

The full 2006/07 Annual Report is available from the main Council office in Garden Place or at any branch of Hamilton City Libraries. This summary document and the full report are also available to view/download on Council's website [www.hamilton.co.nz/annualreport](http://www.hamilton.co.nz/annualreport). Alternatively, you can request a copy by contacting the Strategic Group on 838 6810 or emailing [strategic@hcc.govt.nz](mailto:strategic@hcc.govt.nz).

## Mayor and Chief Executive's Letter



Council has continued to bring its Vibrant Hamilton vision alive this year, building on its position as a thriving urban centre and addressing the many challenges and opportunities brought by continued city growth and profile.

The 2006/07 year has been especially formative as it also marks the first year of Council's 2006-16 Long-Term Plan, its primary planning document for Hamilton's development over the next decade.



Alongside continued growth, 2006/07 has also been a year of change. An unprecedented change in leadership occurred in early 2007. In February 2007, Tony Marryatt resigned from the role of Council's Chief Executive after 11 years. Following an external candidate search, Michael Redman subsequently relinquished the Hamilton mayoralty to be appointed as Council's new CEO and elected members unanimously voted former deputy-mayor Bob Simcock to the office of mayor in May 2007.

Hamiltonians indicated that they are increasingly positive about their experiences of Council and the city this year. Council's most recent quarterly Residents Survey in June 2007 presented the first full four-quarters' results and revealed record highs across a number of key aspects. These record-high results are reinforced through the 2006 national Quality of Life Survey where Hamilton recorded the highest result for residents' confidence in Council's decision-making at 67% compared with the average for all 12 councils in the project at 42%.

Hamilton's increasing popularity and recognised value as a place to live was evidenced in the November 2006 three-yearly general revaluation of Hamilton city, which revealed an exceptional rise in city property values.

Future-proofing Hamilton to sustainably respond to continued city population and development growth has been at the forefront of Council planning. In July 2006 Council formally adopted City Scope, its urban design strategy, hosted the Sustainable Urban Design lecture series and became one of three Councils nationally to employ an eco-design advisor as part of a 10-month pilot scheme launched by BRANZ Ltd (Building Research Association of New Zealand) to make environmental design information more accessible to homeowners, designers and tradespeople.

Several major infrastructural projects to support and respond to ongoing city growth were undertaken in the 2006/07 year. In August 2007 Council approved the revised Peacockes structure plan, that provides a more integrated and holistic picture of the area's transportation network, marking a major infrastructural and planning milestone.

The first stage of Hamilton's CBD upgrade was completed in August 2007, with the design aimed to provide a more functional hospitality and event experience in the heart of the city's arts and culture precinct.

Access Hamilton remains at the forefront of Council planning and delivery. Council took a further step to relieve traffic congestion around the city by partnering with Transit New Zealand to fast-track the four-laning of Wairere Drive from Te Rapa Road to Pukete Road by April 2007 from its initial scheduling for completion under Council's 2008/09 Annual Plan.

The \$22m upgrade of Hamilton's Water Treatment Station was completed in February 2007. The upgrade addresses the impact of algae levels in the Waikato River, provides increased capacity and improvement treatment processes and aligns Hamilton's water supply with changes to the New Zealand Drinking Water Standards.

Events continue to be a platform for showcasing Hamilton to national and international audiences by drawing increased visitors to the city.

In December 2006, Council successfully achieved one of New Zealand's most comprehensive resource consents for the V8 Supercars streetrace in Hamilton.

For the first time, Hamilton hosted the New Zealand leg of the World Rally Championship (the Propecia Rally of New Zealand) between 16 and 19 November 2006. Hood Street was the official rally start point, with 44 rally cars being on public display and their drivers and teams signing autographs and meeting rally fans.

The Annual Report offers Council the opportunity to share achievements for the city and show how it is delivering on its commitment to the 2006-16 Long Term Plan, while celebrating Hamilton's continued growth and sophistication.



**Bob Simcock**  
**HAMILTON MAYOR**



**Michael Redman**  
**CHIEF EXECUTIVE**

## Hamilton at a Glance

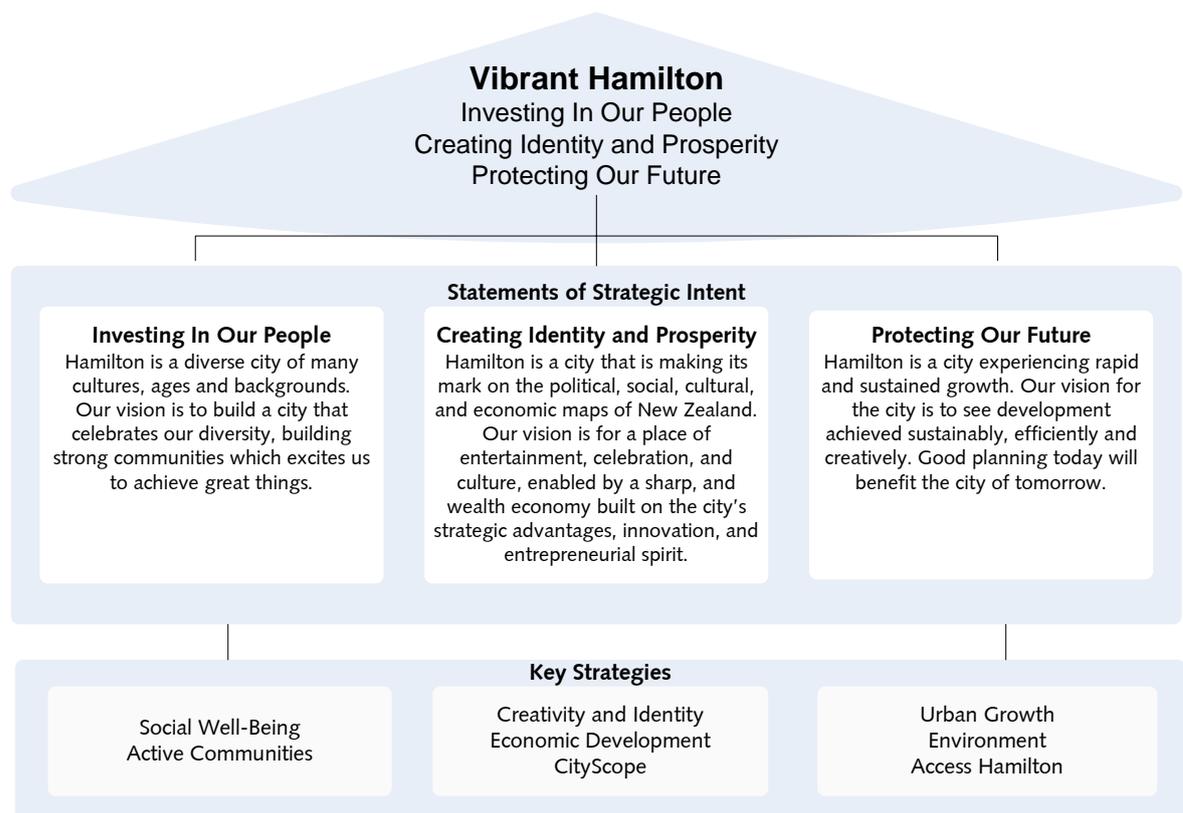
	Hamilton present	Hamilton past	A growing city...
<b>Population</b>	In 2007, Hamilton's estimated population is 137,503.	In 2001, Hamilton had a population of 121,000.	Hamilton has seen an estimated population increase of 11.2% between June 2001 to June 2006, well above the national increase of 7.8%. The population is projected to be almost 150,000 by 2012.
<b>Population density</b>	Hamilton has a population density of 1,319 people per square kilometre (compared with 15 people per square kilometre for New Zealand as a whole).	Hamilton's population density in 2001 was 1,223 people per square kilometre (compared with 13.6 people per square kilometre nationally).	The total hectares of green space per 1,000 residents in Hamilton has increased from 8.1 in 2004 to 12.4 in 2006.
<b>Employment</b>	There were 64,400 people employed in Hamilton as at March 2007.	On census day 2001, there were 53,079 people employed in Hamilton.	The property and business services industry employs more Hamilton residents than any other industry (approximately 16%).
<b>Average earnings</b>	On average, Hamilton employees earn \$22.45 per hour (March 2007 quarter).	Hamilton employees earned an average of \$17.74 per hour in February 2001.	The average weekly income in the Waikato Region was \$590 per week in the June 2006 quarter (an increase of 4.6% compared with the June 2005 quarter).
<b>Average sale price of houses</b>	The average Hamilton home now costs \$384,000 (March 2007 quarter).	The average Hamilton house sale price in the March 2004 quarter was \$227,891.	Hamilton house prices are the 9 <sup>th</sup> most expensive in New Zealand, behind the Auckland and Wellington cities and Tauranga.
<b>Value of building consents</b>	In the year to March 2007, 1,135 new houses worth \$210.2 million were authorised for construction within Hamilton.	In the year to March 2003, 892 new houses worth \$133.8 million were authorised for construction within Hamilton.	The value of commercial building consents in Hamilton has more than doubled in the past five years, from \$71.6 million in 2003 to \$159.4 million in 2007.
<b>Travel to work</b>	69.6% of employed residents living in Hamilton drove to work on Census day 2006.	67.2% of employed residents drove to work on Census day in 2001.	The percentage of employed residents using a public bus to get to work rose from 1.5% in 2001 to 1.8% in 2006.
<b>Retail sales</b>	Retail sales in Hamilton for the year ending March 2007 were up 10.3% on the previous year. Total retail sales for the year stood at \$2.4 billion.	Hamilton's retail sales for the year ending March 2001 totalled \$1.7 billion.	The Base Retail park in Te Rapa, which opened in July 2005, offers over 50 retail stores, including a 15,000 square metre Warehouse store and 1,100 car parks.

## Council's Direction for the City

Council has developed a Strategic Framework for Hamilton which:

- provides a focus for Council's planned direction for the city's development
- provides a mechanism to integrate Council's plans and policies
- communicates Council's direction to other key stakeholders and enables them to align their strategic planning with Council's vision
- highlights that the unique urban issues facing Hamilton are of a different nature to that of the region.

The vision contained in the Strategic Framework comprises three key statements of strategic intent that outline Council's vision for planning and managing the city's ongoing sustainable development. Eight key strategies have been identified that will deliver on the statements of strategic intent.



## PROGRESS ON THE KEY STRATEGIES IN 2006/07

### **Social Well-Being Strategy**

In December 2006 a steering group of representatives from key social development agencies was formed to oversee the development of a Social Well-Being Strategy for Hamilton. This group came together with a shared commitment to discuss a new way of solving the problems and issues that they held in common.

Consequently, the strategy that has since been developed is based on strong collaborative leadership and an understanding that the planning and implementation of development projects in Hamilton will be significantly enhanced if a partnering approach between key organisations is adopted.

A strategy document has been produced that describes the priorities of the strategy and how the various social development agencies will 'turn the corner' in achieving the desired outcomes of the strategy over the next five years. Progress will be monitored annually. The Social Well-Being Strategy will be finalised and adopted in September 2007.

### **Creativity and Identity Strategy**

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

Throughout May and June 2007 a number of Hamilton's creative thinkers and strategists were interviewed and asked to provide their perspectives on how creative and innovative thinking can be fostered in our city. These discussions were a valuable input into the development process for the strategy and served as the basis for a one and a half day strategic think tank process that was undertaken in early July 2007. The think tank process involved 16 creative and business thought leaders and was facilitated by visiting international cultural planner Charles Landry.

From this process a set of core principles were developed for the strategy and four key theme areas were identified:

- making small effective
- attracting and growing our talent
- expanding the aesthetic experience
- reconnecting to the river as a deeper source of meaning.

The Creativity and Identity Strategy will be finalised and adopted in September 2007.

### **CityScope – Urban Design Strategy**

CityScope is the City's Urban Design Strategy. In April 2006 CityScope was made available for wide public feedback as part of Council's Proposed 2006-16 Long-Term Plan. The summary document was sent to all Hamilton households and public feedback overwhelmingly supported CityScope. Council formally adopted the strategy in July 2006.

The document proposed a strategic framework for a three-year programme of initiatives aimed at improving the design quality of the built environment. Many of

these involved existing Council projects. However, there are many new areas and projects across Council and externally where the urban design bar needs to be raised including, linkages with sister strategies like Creativity and Identity.

Significant progress has been made in structure planning and a pre-design process is now firmly established in resource consents to raise the significance of urban design matters and to encourage early pre-design consultation.

Between March and August 2007 the CityScope working party commissioned a Draft City Design Guide and agreed the terms of reference for a future Urban Design Advisory Panel.

**Economic Development Strategy**

Council's City Strategic Framework also identifies economic development as the focus for one of the key eight strategies required to deliver on Council's vision for the city.

Council currently has an Economic Development Strategy that was developed in October 2005. This strategy was due to be updated in 2007/08 to ensure consistency with CityScope and the new Social Well-Being and Creativity and Identity strategies.

A high-level leadership group is being formed and will commence the strategy development process from mid-September 2007. The process for the development of the Economic Development Strategy will be consistent with the other key strategies.

## Key Achievements in 2006/07

This section highlights some of the key projects and programmes that Council completed or worked towards in 2006/07. The first two highlights outline Council's progress with the Peacocke Structure Plan and the key strategic land purchase at Claudelands. The remaining highlights are grouped by Council's significant services.

### **Peacocke Structure Plan (Variation No. 14)**

Council's 2006-16 Long-Term Plan has made provision for urban development within Stage One of Peacocke. Stage One is approximately 40 hectares and is located in the Dixon Road area. Stage One will accommodate approximately 500 dwellings and is timed for release in 2008.

Whilst the proposed Peacocke Structure Plan was approved by Council in September 2006, further work has been undertaken to enable details of the Southern Links roading study as well as issues relating to riverbank stability to be incorporated into the plan. This will provide a more integrated and holistic picture of the area's transportation network. The structure plan has been updated to address these matters.

The revised Peacocke Structure Plan (adopted by Council on 15 August 2007) will be incorporated as part of the Proposed District Plan through a formal variation. As well as including the Structure Plan Diagram, Vision and Urban Design Strategy into the plan there will be a number of other consequential changes relating to subdivision standards for interim development and the staging of development. It is anticipated that the Variation will be notified in September 2007. Rezoning of land will occur at a later stage and be coordinated with the availability of infrastructure.

### **Key Strategic Land Purchase at Claudelands**

Council has purchased a strategic piece of commercial land on the corner of Grey Street and Brooklyn Road.

Ownership of the property provides a unique opportunity to strategically align the surrounds of the Claudelands Events Centre, the central city and the road and rail transport corridors.

The process for determining the final use of the site will form part of the master planning for the development of the Heart of the City (CBD), which includes the connection between the CBD and Claudelands.

Council has invested \$4.7 million in the purchase, which will enable a range of future options to be considered for the site. The vast majority of this \$3.2m investment was financed through already budgeted strategic land funds.

Ownership will officially transfer to Council during September 2007.

## COMMUNITY DEVELOPMENT

### Graffiti Strategy

Council's Graffiti Management Policy was updated this year as a result of the increasing amount of tagging around the city. Subsequently, a number of actions have been completed to give fuller effect to the new policy. In April 2007, the number of graffiti removers was doubled, which has enabled alleyways and underpasses to be painted out. In June 2007 a Terms of Reference document was signed by Council and the Police to focus on catching and prosecuting taggers. Closer working relationships have also been developed between Council, businesses and community groups. Work will continue in developing a sustainable, long-term graffiti removal model for Council to adopt in the future.

## COMMUNITY FACILITIES

### Housing Upgrade of Graham Street Units

A total of 16 bedsits at the Graham Street housing complex received a \$1m upgrade, including refurbished kitchen facilities, self-contained laundries, improved insulation and modern decking. Level entry showers in bathrooms enable residents with mobility issues safer use of bathroom facilities. Terracing and exterior landscaping have also enhanced residents' outdoor living experience.

Prior to the refurbishment, the Graham Street complex consisted of single roomed bedsits with adjoining bathrooms and communal laundry facilities. Council partnered with Housing New Zealand to complete the Graham Street upgrade. The project is part of Council's long-term commitment to providing safe, quality accommodation for eligible Hamiltonians. The redeveloped housing was officially opened on 7 September 2007.

## EMERGENCY MANAGEMENT

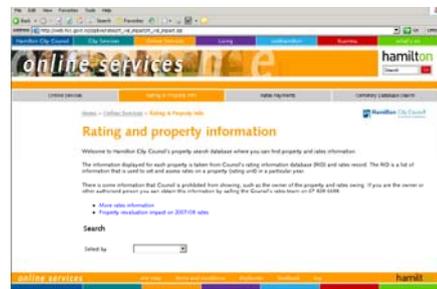
### Welfare a Top Priority for Civil Defence Emergency Management

Council's Emergency Management Officers hosted senior managers from territorial local authorities, government departments, and community organisations throughout the Waikato at a Welfare Centre Management course held in November 2006 as part of the regional civil defence emergency management training.

## REPRESENTATION AND CIVIC AFFAIRS

### Rating and Property Information Online

A rating and property search was made available online on the Hamilton website in May 2007 - [www.hamilton.co.nz/myproperty](http://www.hamilton.co.nz/myproperty). The Rating Information Database was made accessible on the website to help people access rating and property information. This followed the September 2006 three-yearly revaluation of all properties in Hamilton by Quotable Value New Zealand.



### **ANZAC Day with a difference in Hamilton**

ANZAC Day in Hamilton recreated the famous Belgium Menin Gate Ceremony and incorporated the unique presence of a visiting delegation from Ieper (pronounced ee-per), Belgium. Four Belgium delegates, including the Mayor of Ieper, the Chairman and two buglers from the Last Post Association attended a 10am ANZAC ceremony at Memorial Park.

The impetus behind the delegation's visit was Hamilton's recognition of the ongoing tribute and honour that European countries, particularly Belgium, pay to our fallen ANZAC soldiers on an ongoing basis.

The Belgium delegation's presence in Hamilton this year was also significant because 2007 marks the 90th anniversary of the Battle of Passchendaele. The village of Passchendaele lies close to Ieper and when fighting began on 12 October between British Empire forces and German troops, 841 New Zealanders were killed in a matter of only two - three hours and nearly 800 more were injured.

### **Council Submissions to External Organisations**

Council represents the interests of the organisation and city through submissions to a range of external organisations. This is seen as an important mechanism to raise the profile of Hamilton and ensure that the views of Council and the city's residents are advocated at a city, regional and national level. In 2006/07 a total of 31 submissions were made.

### **Finalisation of Council's 2007/08 Annual Plan**

Council received a total of 201 submissions to its Proposed 2007/08 Annual Plan, with 58 people requesting to be heard in support of their written submission.

Of the 201 submissions received, the largest number (125 submissions) requested that Council designate Hamilton East as a Special Character Area and change the Proposed District Plan to address infill residential development and heritage values.

As a result of submissions and Council decisions, funding provision was made for a number of additional projects to those shown in the Proposed 2007/08 Annual Plan including:

- \$250,000 to develop comprehensive local area plans for Hamilton East and Frankton residential areas. Council will also highlight the relationship between the two local area plans and the proposed Heritage Policy, which will consider the need for further area studies.
- \$130,000 towards restoration of the Rangiriri river boat.
- a small increase in the annual grants to Surf Lifesaving Northern Region and Surf Lifesaving Bay of Plenty (both receiving \$21,000 per annum).



### **Your City Expo**

As part of the consultation for Council's Proposed 2007/08 Annual Plan, an interactive information day was held at Claudelands Events Centre on 31 March 2007. The *Your City Expo* featured displays on citywide plans and initiatives, including the proposal for the



Claudelands Events Centre, lido and hydroslide leisure pool, north-east sector library, the Lake Domain café, transport issues, the V8 supercars event, eco-design, climate protection, parks and rates. Staff and elected members were on hand to discuss projects and former Hamilton Mayor Michael Redman presented key aspects of the proposed plan. The expo was a huge success, with around 350 people attending.

### **Citizenship Ceremonies**

Council held four citizenships ceremonies in 2006/07 to welcome 1,059 people (made up of 49 ethnicities) to the city. Ceremonies were held on 25 September 2006 (245 people), 27 November 2006 (230 people), 12 March 2007 (293 people) and 7 May 2007 (291 people).



New citizens add a valuable dimension to Hamilton's diversity and growing multi-cultural community, which Council welcomes and encourages. Becoming a citizen in a new city or country can take some transitioning and Hamilton offers a range of resources and support for its new citizens. Council has a dedicated ethnic development advisor who works closely with the Waikato Migrant Resource Centre. This centre offers newcomers information, resources and a place to gather to help new citizens to get settled.

## **ENVIRONMENTAL HEALTH**

### **Food Safety Awards**

The 2006 Food Safety Awards were held at Waikato Stadium on 25 October 2006 in order to publicly recognise those food businesses that maintain a level of excellence in food safety and provide incentive for other food businesses to improve their standard of hygiene and commitment to food safety training.

Twenty-nine Hamilton food businesses received Excellence Awards for the safe handling of food. In addition to the Excellence Awards, 11 Hamilton food businesses received Merit Awards for food safety.

Council staff also routinely carry out inspections of Hamilton food businesses during the year in order to assess their food safety and the level of compliance with food safety legislation.

## **PARKS AND GARDENS**

### **New Destination Playground at Tauhara Park**

A third destination playground (called the Potter Children's Playground) was officially opened on 13 February 2007 at Tauhara Park in Rotorua. A playground is deemed to have 'destination' status based on its larger scale and range of play equipment available and the strength of its proximity to other attractions and features in the area.

Council jointly funded the playground in conjunction with the Potter Trust (administered from the national office of the Freemasons of New Zealand) and the WEL Energy Trust. Public toilets and a car park to serve Tauhara Park were also provided by Council.

### **Te Parapara Garden at Hamilton Gardens**

Te Parapara Garden was officially unveiled at Hamilton Gardens on 20 July 2006 and signified the newest addition to the Hamilton Gardens themed garden collection. The first phase of this garden is in the form of a carved gateway to the lot allocated for the Te Parapara Garden. The carved gateway symbolises the passing through from the current to the traditional world.



Te Parapara takes its name from an ancient pa that stood on the banks of the Waikato River not far from where the new garden is being built. The garden is the first project in the world to re-create traditional Maori gardening practices so authentically and in doing so serves an important function in preserving knowledge and tradition.

The majority of the preparation work for the second phase was completed in 2006/07 and provides the foundation works for a palisade enclosure and traditional gardens and features.

### **Tills Lookout to Taitua Arboretum Walkway**

In November 2006 a walkway from Tills Lookout to Taitua Arboretum was constructed with funding assistance provided from the Waikato Foundation Trust. It serves both as access from the city to Taitua Arboretum and as the first stage of a regional walkway that will link to the Temple View area and Barrett's Bush. The walkway is used by both pedestrians and cyclists.

## **SPORTS AREAS**

### **Resurfacing of Minogue Park Netball Courts**

In 2006/07 the asphalt netball courts (numbers 6-15) at Minogue Park were regraded and resurfaced to ensure the courts continue to be well drained and the surface safe. Court numbers 2,3,4 and 5 were similarly upgraded in 2005/06 and the remaining courts (numbers 16-20) are programmed to be completed during 2007/08.

## **SWIMMING FACILITIES**

### **Council Swimming Facilities Achieved New National Standard**

Council's swimming facilities have successfully registered with Swimming New Zealand as a Quality Swim School (QSS) under the new industry standards launched on 7 February 2007. Waterworld and Gallagher Aquatic Centre joined a limited group of swim schools within the Waikato Region to achieve the nationally recognised QSS standards set out by Swimming New Zealand.

### **Refurbishment of Waterworld Ceiling**

Council completed a major refurbishment of the ceiling within the Waterworld complex in 2006/07. The first phase of the ceiling refurbishment to be completed was above the dive pool and 50-metre training pool. This comprised a suspended ceiling made up of a new vapour barrier, roof tiles and a lighting and sound system. The ceiling above the 25-metre pool and foyer area was completed as part of the second phase. The new



ceiling has improved the aesthetics of the facility and positive feedback has been received from the public.

#### **Contributions to Campus Pool**

Council made an 80 per cent contribution of \$211,200 to the University of Waikato Campus Pool in 2007/08. A further \$182,600 is to be made in 2008/09. This contribution will enable remedial works and upgrades to the pool and plant facilities.

The Campus Pool is an integral partner of Council's partner pool agreements, and is in an ideal geographic position to cater for residents on the east side of the city.

#### **ANIMAL CARE AND CONTROL**

##### **Hamilton's Dog Day Afternoon**

Hamilton's Dog Day Afternoon was held at Innes Common on 3 March 2007 for the fifth year to promote positive and responsible dog-ownership in Hamilton.

This year's theme was the Adopt a Dog Programme that is run by Council's Animal Care Centre. The dog adoption programme re-homes suitable dogs with responsible dog owners.

Dog Day Afternoon 2007 had a varied and entertaining programme including competitions and prizes available for the cutest dog, best-dressed dog, dog and owner look-alikes plus biggest and smallest dog.

#### **BUILDING CONTROL**

##### **Eco-design Advisor**

In July 2006 Council employed an eco-design advisor who is available to provide free, independent information on a range of environmental design issues to homeowners, designers and tradespeople. Advice includes a broad range of sustainable building issues such as solar heating, orientating buildings to the sun, upgrading insulation levels and options on earth building.



Council joined Waitakere City Council and Kapiti Coast District Council in a 10-month pilot scheme launched by BRANZ Ltd (Building Research Association of New Zealand), which placed eco-design advisors into the three participating councils to advise on sustainability issues and options in home design. The Eco-Design Advisor position was set up in conjunction with The Foundation for Research Science and Technology, BRANZ and the Ministry for the Environment.

The eco-advisor has had a direct impact on the public level of understanding of sustainable building and has helped to raise knowledge and skill relating to sustainable building options and practices in the building community. It is Council's intention to continue the partnership with BRANZ and roll out the project for another year.

## PARKING ENFORCEMENT

### Improvements to Parking

The need to keep clearways and bus stops free from vehicles has increased in the 2006/07 year and as a result Council's Parking Enforcement Team are now towing illegally parked vehicles from these areas. It is important to ensure that the bus stops are kept clear for the safety of passengers using the service.

Council's Parking Enforcement Team has also been more involved with city events being held and this has helped to ensure that the road closure restrictions are adhered to.

## PLANNING GUIDANCE

### Resource Consent Pre-Application Meetings

Council continued to have resource consent pre-application and pre-consent meetings with developers to discuss how aspects of CityScope (Council's urban design strategy) and Access Hamilton (Council's transport strategy) can be incorporated into subdivisions within the City.

A total of 214 meetings were held during the 2006/07 year, and as a result of these meetings, 45 changes were made in order to better address issues of urban design and transport.

## ECONOMIC DEVELOPMENT

### Hamilton Urban Fibre Network – a Broadband Initiative

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

The Hamilton Urban Fibre Network (HUFN) is a collaborative project that has been led by Hamilton City Council with strong support from Wintec, Environment Waikato, the University of Waikato, the Waikato District Health Board and a private partner.

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

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

## CITY PROMOTION

### Resource Consent Granted for Hamilton's V8 Supercars Event

In October 2006 Council submitted one of New Zealand's most comprehensive resource consent applications. It was open for public submissions and an independent Resource Management Act Commissioner heard the resource consent application. Around 4,300 parties were officially notified as being affected and



subsequently 234 submissions were received in support of the event and 34 against. The majority of submitters worked cooperatively with Council and the promoter to resolve the identified issues.

In early November 2006, the application hearings took place. The period for appeals to the Environment Court passed in December 2006 and there were no objections to the decision by the commissioner to grant the resource consent for the event. Full planning for the first race in April 2008 began in December 2006.

Council won an award for the communication work carried out around the community consultation for the resource consent for the V8 event. The award was made by the Society of Local Government Managers at the Communication Managers Conference in Tauranga on 23 February 2007. The Hamilton project was led by Council's Communication Manager Sarah Bettle and was selected from 16 finalists for the award.

The overall net V8 project cost is \$7.954m (funded from the CBD Upgrade Fund) which takes into account the projected revenue over the seven year contract which will be reverse funded.

#### **Propecia Rally New Zealand – World Rally Championship**

The New Zealand leg of the World Rally Championship (the Propecia Rally of New Zealand) was held between 16 and 19 November 2006. The World Rally Championship is one of the largest sporting championships in the world with an estimated 880 million television viewers in 2005. The New Zealand leg is one of 16 rounds, 11 of which are held in Europe with the other rallies in Mexico, Argentina, Japan and Australia.

Hood Street was the official rally start point, with 44 rally cars being on public display and their drivers and teams signing autographs and meeting rally fans. Major events such as Propecia Rally New Zealand provide a platform for showcasing Hamilton to national and international audiences by drawing increased visitors to the city.

Council's Event Sponsorship Fund provides funding towards this event, which is expected to bring an economic impact of around \$12m to the wider Hamilton economy.

#### **HAMILTON CITY THEATRES**



##### **Bjorn Again In Concert (20 and 21 December 2006)**

This highly successful international tribute to ABBA played to two sold out concerts at the Founders Theatre in December 2006, at which many audience members dressed in ABBA-style clothing. *Bjorn Again in Concert* was a joint initiative with SkyCity Theatre Auckland.

##### **Season07 (April 18 to 29 September 2007)**

In response to requests for an increase in professional theatre shows in the city, Hamilton City Theatres launched its own inaugural drama series and offered this on a subscription basis. The season included work from the Auckland Theatre Company (Dave Armstrong's new play *The Tutor* at Clarence St Theatre), Te Ao Marama Tapui's *Mau* production at the Founders Theatre, and Wellington's Downstage Theatre production of Roger Hall's *Who Needs Sleep Anyway?*

## HAMILTON CITY LIBRARIES

### Internet Terminals in all Libraries

Internet terminals were installed in all of the Hamilton City Libraries in August 2006 and an immediate appreciation from all communities was noted with increased usage recorded across all sites. Library staff are available to actively assist customers with accessing information on the internet.



### Expansion of Availability of Electronic Databases

As part of its commitment to making information more accessible to the community, Hamilton City Libraries expanded its collection of electronic databases in 2006/07. New subscriptions include databases for family history, art, music and science, most of which can be accessed from residents' homes through the Library website – [www.hamiltonlibraries.co.nz](http://www.hamiltonlibraries.co.nz).

### Development of Te Reo Maaori Services

Translation of the online catalogue, introduction of Maaori language web pages, bilingual signage and wayfinder and Library orientation tours in te reo Maaori have been implemented to facilitate access by te reo Maaori customers to library resources.

The introduction of new activities such as a regular playgroup in te reo at Dinsdale Library, a Kapa Haka performance by Aberdeen School in celebration of Matariki, and Treaty of Waitangi workshops have all been popular with a cross-section of Hamilton communities.

## WAIKATO MUSEUM OF ART AND HISTORY

### 'More Than Looking'

The Waikato Museum of Art and History featured *More Than Looking*, which was New Zealand's first exhibition created for and about the vision-impaired. The *More Than Looking* exhibition was designed for school students to learn about and use Braille to enhance the experience of art for vision-impaired people along with other members of the community. The exhibition included a collection of photographic art accompanied by poetry that is translated into Braille. It extended past the original photographic shows and was interactive, with visitors being encouraged to touch the artworks and photographs.

### Mrs Brown's Big Day Out: Hamilton Women in the 1950's

Stopping in at the Dolly Vardon, the Centreway Tearooms, or browsing at Milne and Choyce – the *Mrs Brown's Big Day Out* exhibition offered a fun look at life in the 1950's for Hamilton women. A trip into town to shop on Victoria Street was often a 'big day out' for women and the exhibition used this loose narrative to explore fashion, beauty, house keeping and leisure, and the social expectations that ran through these aspects of life.



### **Murder at Waikato Museum!**

The Waikato Museum was the scene of a murder mystery for the internationally renowned exhibition *Whodunit? Murder Mystery at Menagerie Park*. This major exhibition has been viewed by 1.5 million people in cities around the world including people in Paris, Hong Kong, Bristol, Canberra, Brisbane and over 4,000 people in Hamilton. Created specially for older children, youth and adults, the exhibition is based on unravelling a mystery at a zoo, where an overnight break-in resulted in a dead zookeeper, stolen rhino and a major crime to solve. Twenty-four interactive exhibits helped 'sleuths' in their quest to solve the crime, which provided visitors with a vibrant, challenging, interesting and fun experience.

### **EVENT FACILITIES**

#### **New Zealand Versus Australia Chappell Hadlee Cricket Match at Seddon Park**

The New Zealand versus Australia Chappell Hadlee cricket match on 20 February 2007 was especially memorable as it highlighted New Zealand Cricket bringing back One Day Internationals to Seddon Park after several years of major developments at the cricket ground. Just on 11,500 people attended the event with New Zealand winning from behind.



#### **Wide Range of Events Held at Waikato Stadium**

On 3 March 2007 the *Crusty Demons* freestyle motorcross team ended their Kiwi Carnage Tour with over 10,000 people attending the final show. The *Crusty Demons* hail from Australia and specialise in thrilling crowds with spectacular jumps and flips from a series of ramps.

The All Black vs. Canada rugby match played on 16 June 2007 was the sixth annual All Black match held consecutively at Waikato Stadium. These matches have all attracted capacity crowds.

Following a number of matches being played at Waikato Stadium for the inaugural 2006 Air New Zealand Cup national rugby championship (which runs from August to October), Waikato won the competition on 21 October 2006 with a thrilling final being held at Waikato Stadium.

### **HAMILTON ZOO**

#### **Animal Exchanges**

The relationship between Hamilton and Auckland Zoo continued to strengthen over 2006/07.

On 17 October 2006 *Molek* (one of female Sumatran tigers at Hamilton Zoo) transferred from Hamilton to Auckland Zoo. The purpose of the move was to protect the family blood lines of *Molek* whilst avoiding an over representation of *Molek's* family bloodline at Hamilton Zoo. *Molek* isn't alone in her new home – Auckland Zoo imported an unrelated male tiger from Tel Aviv called *Oz*, and it is hoped that breeding will occur between *Molek* and *Oz* in the near future.



On 28 February 2007, a male giraffe called *Dume* moved from Auckland Zoo to Hamilton Zoo. Upon relocating to Hamilton Zoo, *Dume* met two older brothers *Ndale* and *Jambari* and half-brother *Masamba* for the first time. *Dume* joined the zoo's bachelor herd of five.

On 16 June 2007 three of Hamilton Zoo's white rhino males (*Zambezi* and sons *Inkosi* and *Mtoto*) moved to Auckland to create the only bachelor herd of white rhino in New Zealand. On the same day, Auckland Zoo transferred a single white rhino male called *Kruger* to Hamilton Zoo. The purpose of the swap was to expand the white rhino breeding programme at the Hamilton Zoo. *Kruger* will hopefully mate with one of the four female white rhino at Hamilton Zoo.

#### **New Baby Rhino for Hamilton Zoo**

On 26 March 2007 Hamilton Zoo's white rhino female *Cabelle* gave birth to a baby girl named *Imani*. *Cabelle* and *Zambezi*, both of Hamilton Zoo, were the proud third-time parents. Their union was significant because both parents were wild-caught in Kruger National Park in South Africa and imported to Hamilton in 1999. Their three offspring are the only rhino calves conceived and born in New Zealand from wild-caught parents. *Imani* has two older brothers (*Inkosi* aged six and *Mtoto* aged four).



### **WASTEWATER MANAGEMENT**

#### **Extension of the Far Eastern Interceptor**

The project outline and design scope were undertaken for the extension of the Far Eastern Wastewater Interceptor. Construction of the next 720-metre extension of the 1-metre diameter interceptor will occur in conjunction with the construction of the Hukanui to Gordonton Road section of Wairere Drive. Construction of the road and infrastructure pipelines under the gully will proceed during the 2007/08 financial year.

#### **Wastewater Treatment Plant Upgrade**

The Wastewater Treatment Plant Upgrade programme has been developed over a number of years and focuses primarily on increasing the capacity of the plant to cater for growth, construction of new components, and process improvements to ensure compliance with resource consent conditions. The upgrade project is timed to coincide with the granting of the new discharge consent, which was heard in April 2007. Council is currently awaiting the Commissioners' decision on the resource consent conditions.

The upgrade works include the construction of a new digester, clarifier and aeration basin, as well as multiple process enhancements. The construction work is programmed to occur over a 10-year period, commencing in 2007/08.

### **STORMWATER MANAGEMENT**

#### **Provision for Stormwater Drainage in the Rototuna Growth Area**

Development of stormwater drainage in Rototuna centred on installing 1.2 kilometres of 2-metre diameter stormwater pipe in Borman Road, east from Resolution Drive. The pipeline was completed ahead of



schedule and within the approved budget. All stormwater services from future subdivisions in the area will be connected to this new pipeline.

## RECYCLING / REFUSE COLLECTION

### Capping, Reinstatement and Closure of Horotiu Landfill

Landfill operations at Horotiu ceased on 31 December 2006 and work began immediately to secure the gas and leachate generated by the buried refuse. A gas collection system and a water-shedding 'cap' were completed early in 2007. This work has significantly reduced the quantity of leachate needing to be treated. Gas emissions are used to power an electricity generator located at the site. Planning work for the long-term management of the closed landfill will continue through the 2007/08 financial year.

## WATER SUPPLY

### Water Treatment Plant Upgrade Completed

Council progressed its commitment to future-proofing the city with a \$22m upgrade of Hamilton's Water Treatment Station, which started in January 2005 and was completed in February 2007. The reasons behind the upgrade were three-fold. Firstly, increased algae levels in the Waikato River have impacted directly on the taste and odour of Hamilton's drinking water. Secondly, increased city growth and development have further necessitated an upgrade to provide greater capacity and improved treatment processes. Thirdly, an upgrade was required to align the city's water supply with changes to the New Zealand Drinking Water Standards.



Highlights of the upgrade include: the fitting of six GAC (granulated activated carbon) filters for taste and odour removal and toxin management; installation of a UV (ultra-violet) disinfection system, and upgraded chemical dosing systems for improved control and health and safety; refurbishment of existing sand filters; improved automation, control and electrical systems; and installation of a wash water tank to increase capacity and efficiency.

Hamiltonians should no longer experience taste and odour issues with their drinking water when there are high algae levels in the Waikato River. The improved filtering and treatment processes protect against the risk of algal toxins entering the water supply and the upgraded plant also provides advanced protozoa protection in the form of UV disinfection. The latest customer satisfaction score of 72.6 from Council's 2007 Residents Survey is a marked improvement over the score of 67.0 received in 2006.

## SUSTAINABLE ENVIRONMENT

### Communities for Climate Protection - Adoption of Milestones 2 and 3

The Communities for Climate Protection™ New Zealand (CCPTM-NZ) programme is a world-wide campaign and provides a framework through which councils and their communities can take action to reduce greenhouse gas emissions. In November 2006, Council adopted Milestone 2 and 3 of its CCPTM-NZ programme. Milestone 2 establishes emission reduction goals for both Council and the community and Milestone

3 sets out a local action plan to help Hamilton address its greenhouse gas emissions and reach those reduction goals.

Hamilton's Local Action Plan on Global Warming is a mechanism for Council to achieve its reduction targets committed to in Milestone 2. It is Council's blueprint for putting together a set of effective and practical measures to use renewable energy, use energy more efficiently and to reduce greenhouse gas emissions generated from Council operations and from the community, in line with New Zealand's international and national commitments. It will help to improve Hamilton's liveability through sustainable resource use, minimising the city's contributions to global warming, and infrastructure planning that accommodates climate change. Actions from the plan are underway and Council will be reporting back regularly on Hamilton's progress towards its goals.

#### **Free Sustainable Urban Design Lecture Series**

As part of the implementation of CityScope (Council's urban design strategy) and the drive to contribute to a sustainable future for Hamilton, Council ran the Sustainable Urban Design lecture series (in collaboration with the Centre for Continuing Education at the University of Waikato) in November 2006. Some of the topics covered included:

- Urban sustainability
- Indigenous biodiversity and restoration
- Sustaining stream life in an urban environment
- Oil depletion
- Discussion on Earthsong Eco-Neighbourhood, New Zealand's first co-housing community in Ranui, Waitakere City.



#### **Sustainable Urban Design Workshop on Ecobuilding**

A seminar held in March 2007 offered an introduction to ecobuilding and covered a wide range of activities such as passive solar heating, insulation, energy conservation and water conservation. This was a vital first step for those considering retrofitting their current domestic dwelling or considering building their own dwelling based on 'green building' principles.

### **TRANSPORT: ROAD NETWORK MANAGEMENT**

#### **Hood Street Upgrade**

The Hood Street redevelopment is the first stage of CBD upgrade. The objectives of the CBD upgrade are to foster a sense of place and identity in the central city, provide a safe, clean, serviceable, sheltered environment, make the CBD more pedestrian friendly, and facilitate the specific requirements of diverse users and retailers.

Hood Street is the significant café/bar and restaurant area in the CBD, in the heart of the arts and culture precinct. The design aimed to provide a more pleasurable pedestrian experience, with the width of road dedicated to vehicle traffic reduced to accommodate parallel parking on each side and one lane of traffic in each direction.



Narrowing the road has enabled the pedestrian area to be widened, creating a boulevard effect. The wider footpaths provide additional room for al-fresco dining, while enabling good pedestrian circulation. There is also the potential to temporarily close the street for events.

Stormwater run-off is managed in an environmentally sustainable manner, through the use of rain gardens. A unique overhead catenary lighting system celebrates the diurnal cycle, providing silhouettes during the day, and a starry sky effect at night. Improved pedestrian linkages are provided at the signalised Hood St/Victoria St intersection, helping to connect Hood Street to ArtsPost and the Waikato Museum.

With the majority of the work undertaken within the 2006/07 year, the Hood Street redevelopment was completed in August 2007, with the official opening held on 29 August 2007.

### **Hamilton's Quality of Local Road Maintenance Given a Big Tick**

Land Transport New Zealand (LTNZ) gave Hamilton's local roads a big tick in April 2007 for the quality of roading maintenance. The periodic review (the previous review was in May 1996) focused on roads and improvements in Hamilton that have been funded by LTNZ.

The review concluded that Council has made great progress since the last review, and that maintenance costs have fallen in real terms since 2001. The review also noted that the level and quality of the road maintenance being carried out is realistic and acceptable, pavement maintenance is well managed, and bridges and other structures are in good order.

Of particular credit to Council was the comment that 'Council is at or near a least cost, long-term maintenance programme level'. Also noted was that the five recommendations from the previous report had been actioned. The achievements recognised in this report are due in great measure to the significant area-wide pavement and reseal programme set in place 15 to 20 years ago.



### **Rototuna Minor Arterial (Borman Road)**

The Rototuna Minor Arterial (which is now named Borman Road) is a 23-metre wide new road, 4.1 kilometres in length that extends either side of Resolution Drive and links Horsham Downs Road to Kay Road. It is a key link in the city's transport network that will accommodate traffic generated by growth in the Rototuna area.

During 2006/07, land purchase and detailed design (including resource consents) were completed for a 1.2 kilometre section of this road, east of Resolution Drive (Resolution Drive to Moonlight Drive). The design includes the formation of a 12-metre wide carriageway (including traffic lanes, cycle lanes, flush median and refuge islands), a 2.1-metre diameter stormwater line and culvert, wastewater and water mains, footpaths and a cycle/pedestrian underpass, street lighting and landscaping. The project also includes the realignment of North City Road.

The Borman Road extension will allow for access to the proposed Ministry of Education Primary School with construction and sealing to be completed by 31 January 2008 in order to provide access for the new school year.

A further 720-metre section of Borman Road, west of Resolution Drive (Resolution Drive to Sylvester Road) is currently being constructed by Glaisdale Property Partnership as part of a subdivision development. This portion of road is expected to be completed later in 2007.

## TRANSPORT: ACCESS HAMILTON

### Two New Shared Cycle and Walkway Routes

Council's Access Hamilton strategy addresses issues of traffic congestion and promotes transport choices. Providing for cyclists and walkers is an important element of the strategy and acknowledges the need to provide safe, attractive infrastructure for these users.



Two new shared-use cycle and walkways were completed in 2006/07, which provide two additional kilometres of off-road infrastructure to Hamilton's walking and cycling network.

The new section of cycle and walkway along Cobham Drive extends 900 metres (between Hungerford Crescent and Cobham Bridge) and provides a safe alternative to riding on the busy Cobham Drive roadway. In addition, a 1.1 kilometre extension was made to the Hayes Paddock route, where the walkway has been widened to meet the specifications for shared use between cyclists and walkers. Both the Cobham Drive and Hayes Paddock routes provide an important link for commuter and recreational walkers and cyclists from the Hillcrest area onto the river corridor and into the central city.

### CBD Shuttle Bus Usage Continue Strong Growth

The CBD shuttle bus service commenced in April 2006 with 2,095 passengers using the service within the first month of operation. This increased to over 8,000 passengers in May 2006. Patronage of Hamilton's CBD shuttle bus service continued to grow throughout the 2006/07 financial year, with over 153,000 people using the service.



The free CBD Shuttle is a jointly funded initiative between Hamilton City Council and Environment Waikato and is strongly aligned to Council's Access Hamilton transport strategy, which aims to improve transport efficiency. The service runs every 10 minutes along Knox Street, Victoria Street, London St, Anglesea St and Alexandra Street.

The new service also has the ability to cater for large events in the city. For example, when Hamilton hosted the All Blacks test against Ireland at the Waikato Stadium, over 700 people used the free bus service to get to the game and then back into the CBD.

### **Free Bus Rides Snapped Up**

Hamilton residents responded enthusiastically to Council's offer in October 2006 of two free rides on the local bus network, with over 6,780 free rides taken on Hamilton buses during the month.

The promotion was designed to encourage ongoing use of public transport and to thank Hamiltonians who are already using the bus service. Coupons were issued city wide in the October 2006 edition of City News.

### **Record Bus Patronage**

Annual bus patronage levels in Hamilton are at an all-time high, achieving 2 million passengers by March 2007, with 2.5 million rides forecast for the 2007/08 financial year. New initiatives such as the Orbiter, CBD Shuttle and Chartwell Direct have been the major drivers of the growth in patronage.



Council equally subsidises these three new services with Environment Waikato, and is continuing to work to ensure that more new services are included in the network to service Hamilton's rapid growth.

### **Wairere Drive Four-Laning (Te Rapa Road to Pukete Road)**

During the 2006/07 year the section of Wairere Drive between Te Rapa Road and Pukete Road was widened to four lanes of traffic in anticipation of the intersection upgrade planned by Transit New Zealand at Wairere Drive/Te Rapa Road/Avalon Drive. Completion of the four-laning represents another step towards managing traffic congestion in the north of Hamilton. The work was completed earlier than planned as a result of a partnership between Council, Transit New Zealand and Tainui Group Holdings.

### **Wairere Drive Extension – Hukanui Road to Tramway Road**

Detailed design and planning for construction of this new stretch of Wairere Drive (part of the city's ring-road network) has been finalised. The ring road will eventually stretch from Te Rapa Road (SH1) in the west, to Cobham Drive (SH1) in the south.

Land Transport New Zealand approved 55% funding assistance (\$8.4m) of the total \$15.3m roading cost - the largest subsidy that the city has received for any transport project to date. The balance of the project cost (\$4.7m) is for water and wastewater infrastructure, including a new watermain and an extension to the Far Eastern Wastewater Interceptor, which connects to the Wastewater Treatment Plant at Pukete. This funding recognises the importance of completing the city's ring road and the special transportation issues facing Hamilton.

The project will include all the same high quality features already established along the western end of Wairere Drive, including noise mitigation, landscaping, and a shared off-road pedestrian/cycle path. The contract for construction was awarded in July 2007, with physical construction work starting on site during September 2007 and completion expected in 2009. The \$20m project is the largest that Council has ever awarded. A blessing ceremony to launch construction of the Wairere Drive extension was held on 31 August 2007.

## Council's Partnership with Maori

### **In remembrance of Te Arikinui Dame Te Atairangikaahu**

Sadly, Te Arikinui Dame Te Atairangikaahu 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 Atairangikaahu's tangi at Turangawaewae Marae in Ngaruawahia on 17 August 2006.

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

---

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 develop its partnerships with:

- Waikato Raupatu Trustee Company Ltd – the 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 mana whenua<sup>1</sup> (Maori with historic ties to the local Hamilton/Kirikiriroa area) on issues relating to the management of Hamilton's natural and physical resources
- Te Runanga o Kirikiriroa (TeROK) – an urban Maori organisation representing the views of maataa waka<sup>2</sup> (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.

---

<sup>1</sup> 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.

<sup>2</sup> 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 living in Kirikiriroa/Hamilton under a broad application of this concept.

## Monitoring Council's Performance

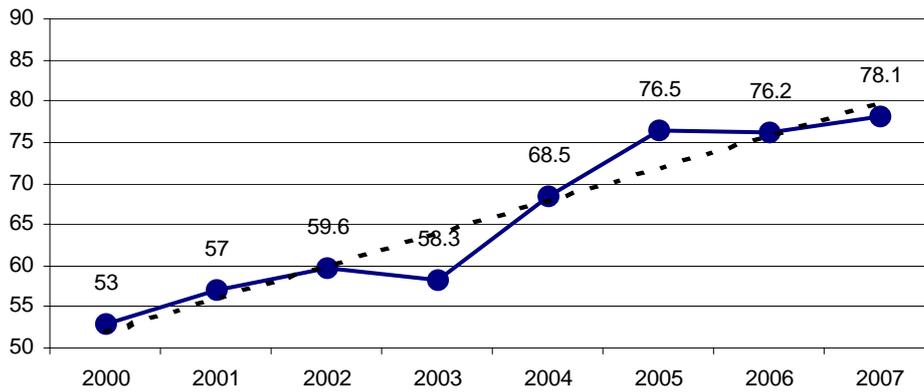
Council monitors its performance through a range of mechanisms. Council's Quarterly Residents Survey is one of the main methods of ascertaining residents' views on how effectively Council is operating, particularly in regard to its provision of key facilities and services. The Quarterly Residents Survey contains four key measures of Council's overall performance and resident's satisfaction with services and facilities.

Results from the 2007 Quarterly Residents Survey show that high levels of satisfaction for key areas reached in the 2006 survey (the highest results satisfaction levels recorded to date for most facilities and services) were confirmed again this year.

### Overall Performance of Council

Residents were asked how they rated Council's overall performance over the 2006/07 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 was 78.1, the highest rating recorded to date.

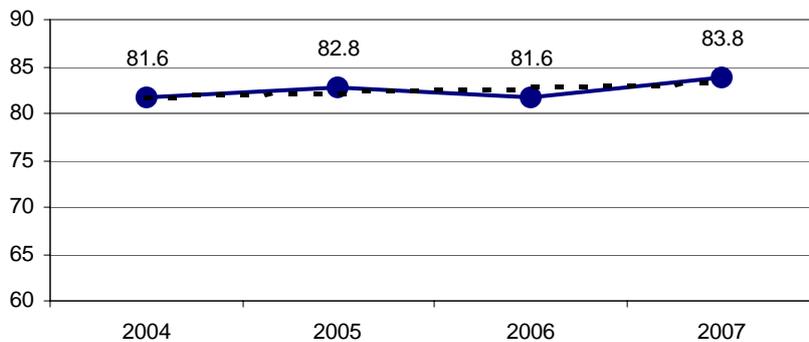
OVERALL PERFORMANCE OF COUNCIL (CSI Score)



### 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 83.8, reflecting exceptional customer satisfaction and the highest score recorded to date.

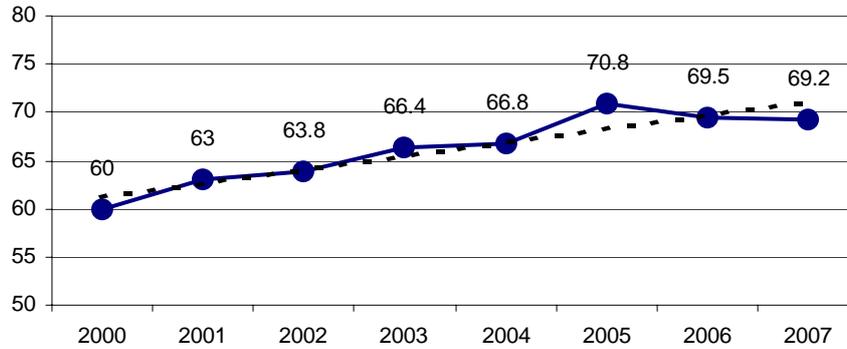
HAMILTON AS A PLACE TO LIVE (CSI Score)



**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 69.2, slightly down from the record high of 70.8 achieved in 2005.

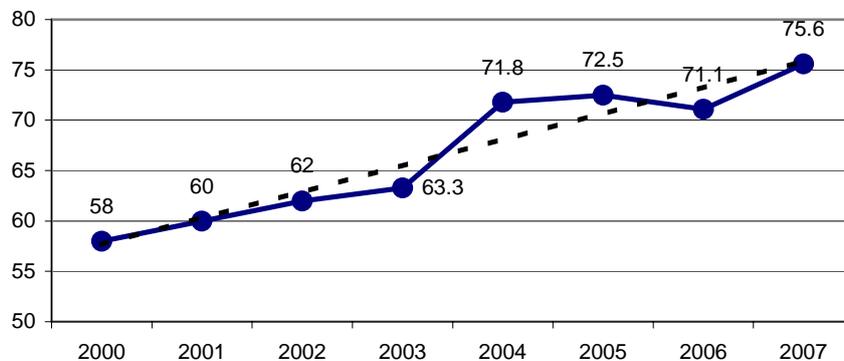
**VALUE FROM RESIDENTIAL RATES (Value Index)**



**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 2007 was 75.6, reflecting a 4.5 point increase from last year (71.1), which is the highest rating obtained since this question has been asked.

**QUALITY OF COUNCIL SERVICES AND FACILITIES (Improvement Index)**



Council is striving to be a world-class organisation and to provide Hamilton with facilities and services of a very high standard. The results outlined above show that Council is continuing to improve upon the high standards of the last three years. The continual drive toward making a difference in the community, along with the dedication of elected members and staff to that vision, are major factors of the organisation being so highly regarded.

**Main Issues Council Should be Looking at**

Respondents to the Quarterly Residents Survey 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.

Traffic (including congestion) was again rated the main issue for 2007 (22.0%), with roads (20.3%) the second most commonly mentioned and law and order (16.7%) the third. A summary of the responses from the last five years is provided below.

2003	2004	2005	2006	2007
<ul style="list-style-type: none"> <li>• <b>Law and Order</b> (including safety, crime and other law and order) (21.8%)</li> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (16%)</li> <li>• <b>Water or drinking water</b> (14.1%)</li> <li>• <b>Traffic</b> (including congestion) (12.3%)</li> <li>• <b>Political in-fighting or lack of Councillor teamwork</b> (10.7%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Traffic</b> (including congestion) (26.9%)</li> <li>• <b>Law and Order</b> (including safety, crime and other law and order) (18.4%)</li> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (17.1%)</li> <li>• <b>Water or drinking water</b> (11.3%)</li> <li>• <b>Car parking</b> (9.9%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Traffic</b> (including congestion) (45.3%)</li> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (21.6%)</li> <li>• <b>Public Transport</b> (21.6%)</li> <li>• <b>Law and Order</b> (including safety, crime and other law and order) (16.5%)</li> <li>• <b>Car parking</b> (12.5%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Traffic</b> (including congestion) (36.6%)</li> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (26.6%)</li> <li>• <b>Public Transport</b> (15.0%)</li> <li>• <b>Law and Order</b> (including safety, crime and other law and order) (14.1%)</li> <li>• <b>City Development / Planning</b> (9.7%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Traffic</b> (including congestion) (22.0%)</li> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (20.3%)</li> <li>• <b>Law and Order</b> (including safety, crime and other law and order) (16.7%)</li> <li>• <b>City Development / Planning</b> (10.6%)</li> <li>• <b>Public Transport</b> (10.4%)</li> </ul>

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 targeted rate for Access Hamilton was adopted by Council through the 2005/06 Annual Plan to generate revenue to address transportation issues in the city. Council made budget provision of \$2.560m in 2006/07 for Access Hamilton projects and programmes and work has been initiated and/or completed on a number of these, e.g. Orbiter Bus Services and Knox Street car park.

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

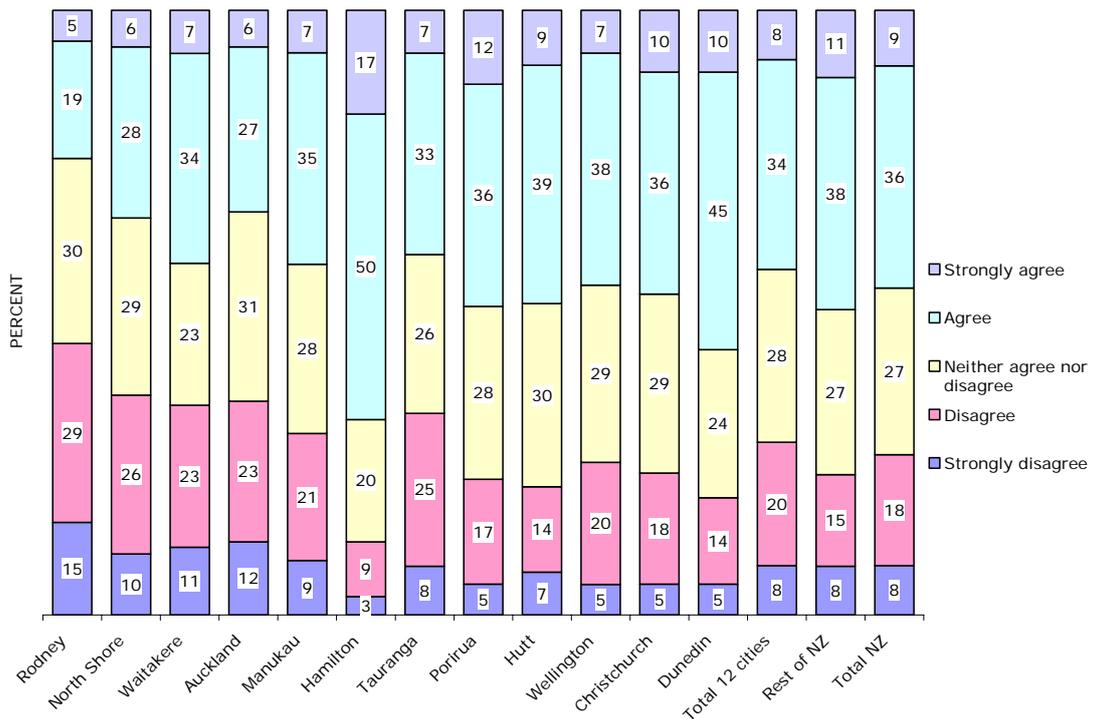
develop and implement initiatives that effect a reduction in crime and improve people's safety in the central city. For example, the central city crime prevention camera network, the City Safety Patrol Team, vehicle crime reduction programme, youth-at-risk initiative, the Nightrider late night bus. A Liquor Control Bylaw is also in effect in the central city 24 hours a day, seven days a week and an Alcohol Strategy with the Police to address continuing problems has been agreed to.

**Quality of Life Project**

Hamilton City Council is a contributing member council of the Quality of Life Project – [www.bigcities.govt.nz](http://www.bigcities.govt.nz). 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 Local Government Act 2002's four well-beings and to raise the profile of urban policy issues at a national level.

A key result from the 2006 Quality of Life Survey showed that Hamilton recorded the highest level of confidence in Council's decision-making at 67% compared to the average for all 12 cities of 42%.

**Residents' Confidence in Council's Decision-Making**



**Performance Measures and Targets for Significant Services**

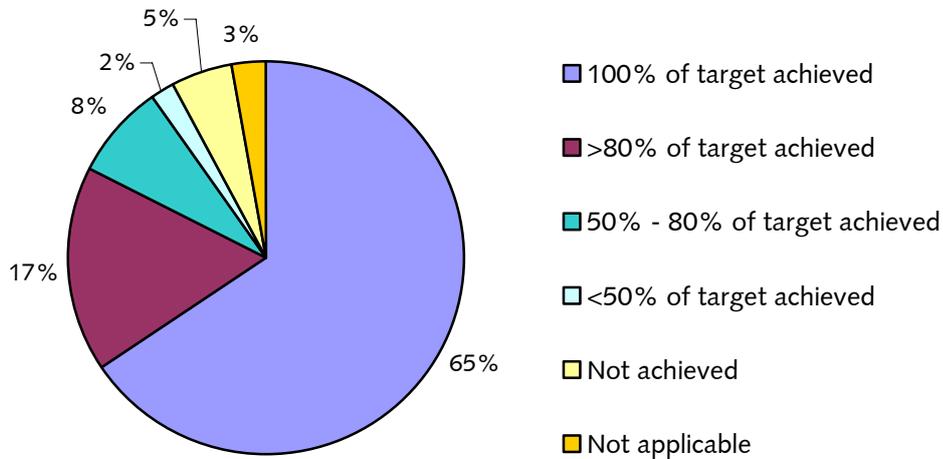
Council's 2006-16 Long-Term Plan includes the key performance measures and targets for each of the 10 financial years covered by the plan. These measures are used to report on how the following significant services performed in 2006/07:

Investing In Our People	Creating Identity and Prosperity	Protecting Our Future
<ul style="list-style-type: none"> <li>• Community Development</li> <li>• Community Facilities</li> <li>• Emergency Management</li> <li>• Partnership with Maori</li> <li>• Representation and Civic Affairs</li> <li>• Environmental Health</li> <li>• Parks and Gardens</li> <li>• Sports Areas</li> <li>• Swimming Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Services                             <ul style="list-style-type: none"> <li>➢ Animal Care and Control</li> <li>➢ Building Control</li> <li>➢ Parking Enforcement</li> <li>➢ Planning Guidance</li> </ul> </li> <li>• Economic Development</li> <li>• City Promotion</li> <li>• Performing Arts</li> <li>• Hamilton City Libraries</li> <li>• Waikato Museum of Art and History</li> <li>• Event Facilities</li> <li>• Hamilton Zoo</li> </ul>	<ul style="list-style-type: none"> <li>• Wastewater Management</li> <li>• Stormwater Management</li> <li>• Recycling/Refuse Collection</li> <li>• Water Supply</li> <li>• Sustainable Environment</li> <li>• Transport: Road Network Management</li> <li>• Transport: Access Hamilton</li> <li>• Endowment and Investment Property Portfolio Management</li> </ul>

The performance measures and targets take into account the diversity of Council's facilities and services and were developed from a wide range of sources. They measure things such as quality, customer satisfaction, usage, meeting legislative requirements, public health and safety, timeliness, etc. They were also independently assessed and signed off by Council's auditors, Audit New Zealand.

In 2006/07 there were 142 performance measures were used to assess how well Council's 25 significant services had performed. Of these, 93 measures (65%) were 100% achieved, 24 (17%) were greater than 80% achieved, 11 (8%) were 50% - 80% achieved, 3 (2%) were less than 50% achieved, 7 (5%) were not achieved and 4 (3%) were not applicable. The pie graph below shows the overall performance results for 2006/07 against the achievement scale.

**Summary of 2006/07 Performance Results**



## Reporting on Community Outcomes

The Local Government Act 2002 requires councils to get their local communities thinking about and identifying how they would like to see Hamilton develop over the next 10 years and beyond and to translate this thinking into what are known as community outcomes. Hamilton's Community Outcomes, which were developed using extensive community engagement throughout 2004 and 2005, have seven themes:

### HAMILTON'S COMMUNITY OUTCOMES

<p style="text-align: center;"><b>Sustainable and Well-Planned</b> <i>"An attractive city that is planned for the well-being of people and nature, now and in the future"</i></p>
<p style="text-align: center;"><b>Vibrant and Creative</b> <i>"A city that encourages creativity for a vibrant lifestyle"</i></p>
<p style="text-align: center;"><b>Unique Identity</b> <i>"A city with a strong identity that recognises the significance of its river and history"</i></p>
<p style="text-align: center;"><b>Safety and Community Spirit</b> <i>"A safe, friendly city where all people feel connected and valued"</i></p>
<p style="text-align: center;"><b>Health and Happy</b> <i>"Active and healthy people with access to affordable facilities and services"</i></p>
<p style="text-align: center;"><b>Intelligent and Progressive City</b> <i>"Business growth that is in harmony with the city's identity and community spirit"</i></p>
<p style="text-align: center;"><b>Working Together</b> <i>"Collaborative decision-making and planning are common practice"</i></p>

One hundred and sixteen Community Outcomes Progress Indicators have been developed to measure progress towards Hamilton's Community Outcomes.

Approximately 50 of the 116 Community Outcomes Progress Indicators are shown throughout Section 10.0 of the full 2006/07 Annual Report (Statements of Service Performance section). The indicators shown under each significant service:

- Are those indicators that are considered to be influenced by the activities of that significant service.
- Were able to be readily reported as Council already had monitoring processes in place to collect and report on relevant measure(s) for each indicator.

The indicators reported focus on the two most recent results available. No interpretative analysis of these results has been undertaken. In depth analysis and interpretation will be included in the full 3-year Community Outcomes report to be released in late 2008.

These indicators also assist in measuring identified effects (positive and negative) that the delivery of each significant service has on community well-being.

## Financial Overview

Council has reported a net surplus after tax of \$26.6m for the 2006/07 financial year (2005/06 \$27.9m). The net surplus for 2006/07 includes non-cash vested assets received (\$8.4m) and capital subsidies/other capital contributions (\$18.3m) used to fund capital expenditure.

The significant variances to the financial result for 2005/06 included:

- Net rates revenue was \$85.5m, an increase of \$7.2m over the last year (2005/06 \$78.3m), of which \$2.0m was from city growth (new rateable properties).
- Other income was \$67.6m, a decrease of \$2.7m over last year (2005/06 \$70.3m). This was mainly due to fewer assets being vested to Council compared to the previous year.
- Other gains/(losses) increased from \$9.4m in 2005/06 to \$13.4m in 2006/07. This was due to rising interest rates reflecting in a fair value gain in loan interest rate swaps.
- Employee benefit expenses increased from \$38.4m in 2005/06 to \$43.3m in 2006/07 as a result of salary and wage increases, increased working hours and greater staff numbers.
- Other operating expenses was \$52.8m, an increase of \$3.8m over last year (2005/06 \$49.0m).

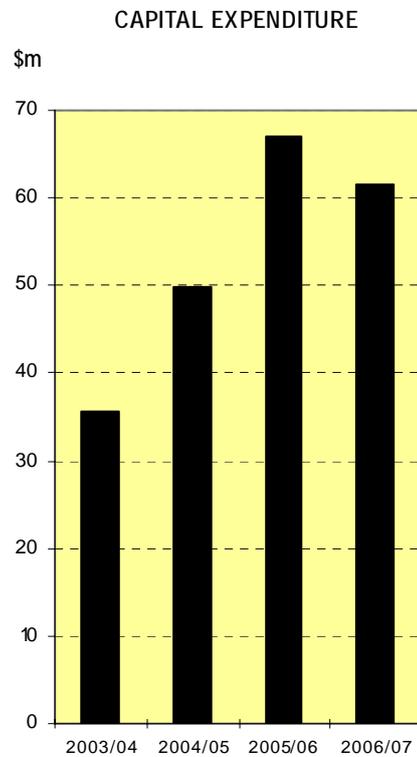
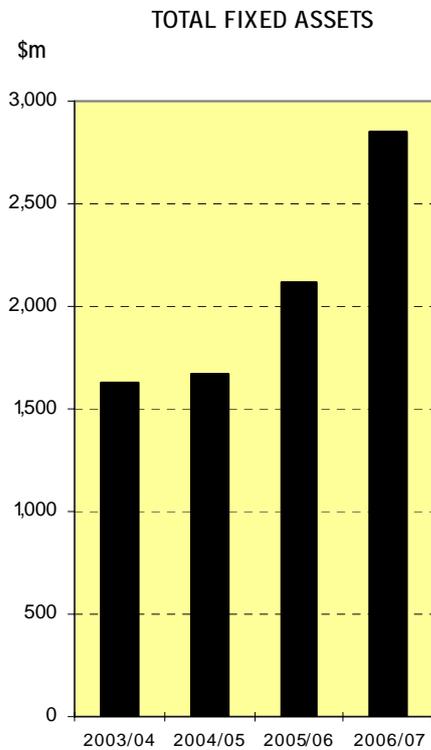
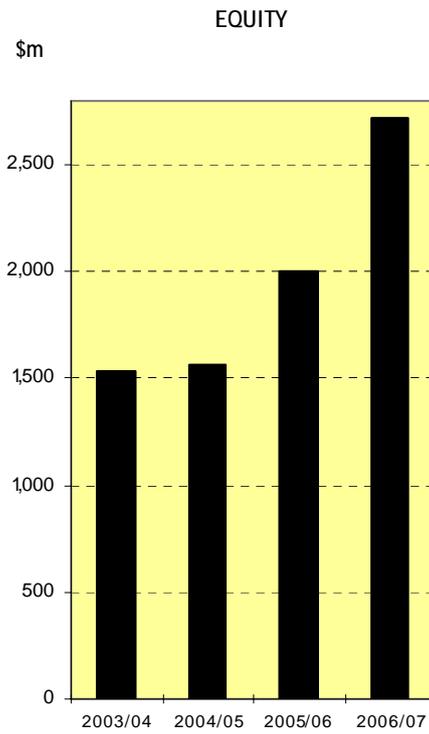
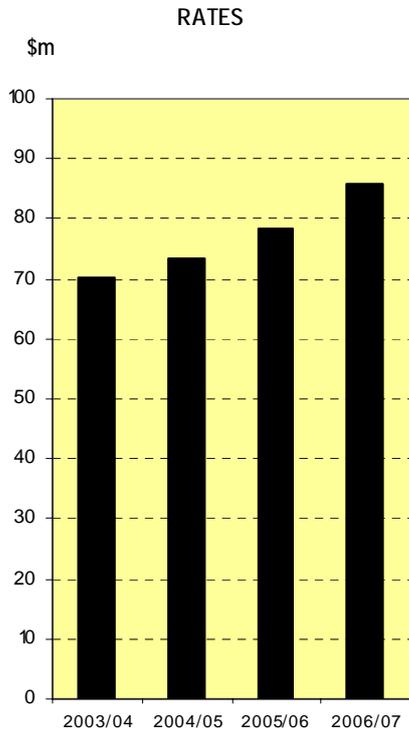
Interest cost incurred in servicing debt (excluding internal borrowing interest) increased to \$9.7m (2005/06 \$8.6m). Overall net debt (including internal borrowing) increased to \$187.5m (2005/06 \$160.9m) due to loan funded capital expenditure.

During the year a revaluation of land, operational buildings, heritage assets, and the water and wastewater treatment plants was undertaken, which resulted in a \$696.0m increase in the value of these assets. Largely as a result of these revaluations, total fixed assets increased to \$2,851.6m (2005/06 \$2,120.8m).

Capital expenditure for the 2006/07 financial year was \$61.6m (2005/06 \$67.1m). A number of significant projects were undertaken during the 2006/07 financial year. These included continued work on the upgrade to the water treatment station (\$1.6m), the Waterworld pool ceiling (\$1.9m), major roading projects at Wairere Drive (\$1.0m) and Rototuna roading growth (\$5.1m), strategic land purchases (\$7.5m), and land purchases for reserves \$3.5m).

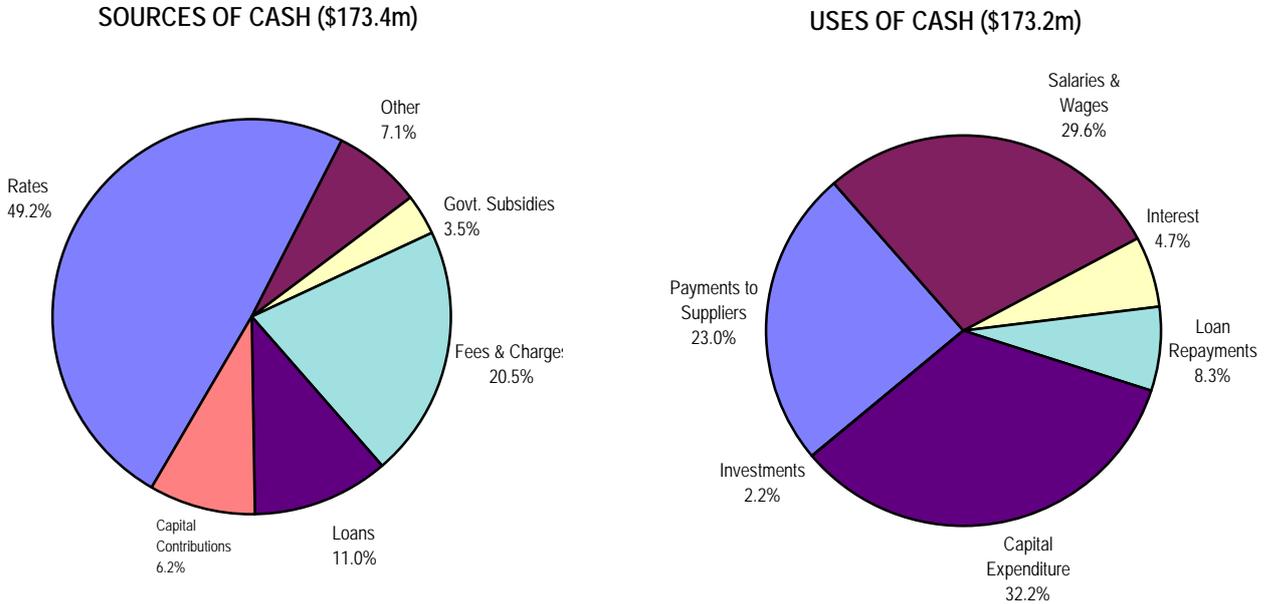
**Financial Summary**

The financial summary of key items from June 2004 to June 2007 is shown as follows:



**Cash Flow**

The sources and uses of cash for the year ended 30 June 2007 are summarised as follows:

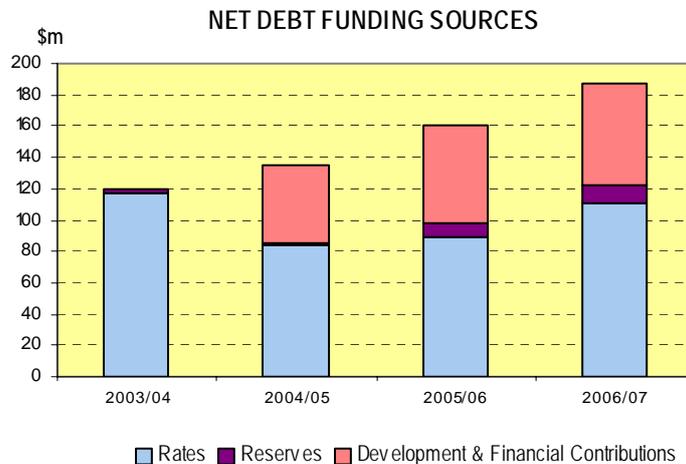


**City Debt**

Council introduced an internal borrowing programme during the 2000/01 financial year. 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, which is then added to the reserves.

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 the 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 2004 to June 2007 and how it is funded in subsequent years.



## Debt Servicing Performance Targets

### Policy Limits – Council Net Debt

**1. Interest on Council debt (excluding interest on Development and Financial Contributions Levy (DCL) debt) shall not exceed 20% of total rating income.**

Interest on Council's debt for the year ended 30 June 2007 was \$6.6m, compared with rating income of \$85.8m.

- The target has been met at 7.7%.

**2. Net debt (Council) shall not exceed 180% of total income (excluding total DCL contributions received per annum in income).**

Council's net debt as at 30 June 2007 was \$122.6m, compared with total income of \$137.0m.

- The target has been met at 89.5%.

**3. Net debt (Council) per capita shall not exceed \$1,800.**

Council's net debt as at 30 June 2007 was \$122.6m, compared with the estimated population of Hamilton of 137,503.

- The target has been met at \$891.

### Policy Limits – Total Net Debt

**1. Net debt shall not exceed 25% of total assets.**

Total net debt as at 30 June 2007 was \$187.5m, compared with total assets of \$2,906.1m.

- The target has been met at 6.5%.

**2. Net debt shall not exceed 300% of total income (including total DCL contributions received per annum in income).**

Total net debt as at 30 June 2007 was \$187.5m, compared with total income of \$144.8m.

- The target has been met at 129.5%.

**3. Interest (total) shall not exceed 20% of total income (including total DCL contributions received per annum in income).**

Total interest as at 30 June 2007 was \$11.6m, compared with total income of \$144.8m.

- The target has been met at 8.0%.

**4. Liquidity (on total net debt and working capital) will be at least 110%.**

- The target has been met at 125.8%.

SUMMARY FINANCIAL STATEMENTS

## Summary Financial Statements

	Note	Council and Consolidated			Comments
		Actual 2007 \$000	Budget 2007 \$000	Actual 2006 \$000	
<b>FINANCIAL PERFORMANCE TO 30 JUNE</b>					
Rates revenue		85,461	85,031	78,289	Includes all rates and rates penalties received.
Other revenue		67,645	67,531	70,296	Includes operating revenue, capital contributions, and sundry other income.
Other gains/(losses)	(1)	13,442	-	9,396	Includes gains on disposal of assets, gain in value of investment properties, and fair value gain on interest rate swaps.
<b>Total revenue</b>		<b>166,548</b>	<b>152,562</b>	<b>157,981</b>	
Employee benefit expenses		43,257	42,607	38,426	Includes salaries, wages and any other employee benefits.
Depreciation and amortisation		36,150	33,746	35,908	
Other expenses		52,825	49,145	49,017	All other operating expenses.
Finance costs	(2)	9,897	15,081	9,465	Interest on borrowings.
<b>Total expenditure</b>		<b>142,129</b>	<b>140,579</b>	<b>132,816</b>	
Surplus before taxation		24,419	11,983	25,165	
Taxation		-	-	-	
Share of associate's retained surplus/(loss)		2,133	670	2,703	Includes Hamilton Riverview Hotel Ltd and Waikato Regional Airport Ltd.
<b>Net surplus</b>	(3)	<b>26,552</b>	<b>12,653</b>	<b>27,868</b>	
<b>MOVEMENTS IN EQUITY (CHANGES IN THE VALUE OF NET ASSETS OWNED BY RATEPAYERS) TO 30 JUNE</b>					
Net surplus		26,552	12,653	27,868	
Increase in asset revaluation reserves	(4)	694,235	5,000	414,089	Assets revalued includes land, operational buildings, the water and wastewater treatment plants, heritage assets and shareholdings.
<b>Total recognised revenues and expenses for the year</b>		<b>720,787</b>	<b>17,653</b>	<b>441,957</b>	
Equity at the beginning of the year		2,004,115	1,623,012	1,562,158	
<b>Equity at the end of the year</b>		<b>2,724,902</b>	<b>1,640,665</b>	<b>2,004,115</b>	Represents the net value of assets owned by the city
<b>FINANCIAL POSITION AT 30 JUNE</b>					
Current assets		13,950	11,465	15,430	Assets expected to be converted to cash over the next 12 months, e.g. cash, accounts receivable.
Non-current assets		2,892,155	1,901,887	2,156,040	Assets expected to be held for longer than 12 months, e.g. fixed assets.
<b>Total assets</b>		<b>2,906,105</b>	<b>1,913,352</b>	<b>2,171,470</b>	
Current liabilities	(5)	47,714	52,282	54,727	Due for repayment within 12 months, e.g. payables, current portion of loan repayments.
Non-current liabilities	(5)	133,489	220,405	112,628	Due for repayment after 12 months, e.g. term debt
Equity		2,724,902	1,640,665	2,004,115	Represents the net value of assets owned by the city.
<b>Total equity and liabilities</b>		<b>2,906,105</b>	<b>1,913,352</b>	<b>2,171,470</b>	
<b>CASH FLOWS TO 30 JUNE</b>					
Opening cash balance at 1 July		290	107	107	
Net cash inflows/(outflows) from operating activities		41,065	41,421	37,527	Includes rates, subsidies, receipts from customers, capital contributions, and payments to suppliers, employees and interest on loans.
Net cash inflows/(outflows) from investing activities		(47,563)	(122,306)	(67,913)	Includes capital expenditure and investments.
Net cash inflows/(outflows) from financing activities		6,766	80,778	30,569	Includes loans uplifted and repaid.
<b>Closing cash balance at 30 June</b>		<b>558</b>	<b>-</b>	<b>290</b>	

**Notes**

- (1) These net gains of \$13.4 million are not budgeted for as they are either unexpected, such as gains on disposal of assets, or not yet realised such as revaluation gains on investment properties.
- (2) Finance costs were \$5.2 million less than budget due to the later timing of borrowings required for various capital projects.
- (3) The net surplus includes non-cash vested assets received \$8.4 million, and capital subsidies/other capital contributions received \$18.3 million used to fund capital expenditure.
- (4) Assets (including land, operational buildings, water and wastewater plants, heritage assets and shareholdings) increased in value by \$694.2 million and were revalued one year earlier than was budgeted due to the rapid increase in the value of these assets.
- (5) Total liabilities are \$91.5 million lower than budget, due to various loan funded capital projects being deferred to the next financial year.

**Accounting Policies**

Hamilton City Council is a territorial authority governed by the Local Government Act 2002. The financial statements cover all the activities of Hamilton City Council and its 100 per cent owned Council Controlled Organisation (CCO), Hamilton Properties Ltd. As this CCO is non-trading, Council and consolidated figures have not been disclosed separately in the financial statements.

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

Hamilton City Council has complied with New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS) as applicable for public benefit entities.

This is the first set of financial statements using NZ IFRS and comparatives for the year ended 30 June 2006 have been restated to NZ IFRS accordingly. Reconciliations of equity and net surplus/(deficit) for the year ended 30 June 2006 under NZ IFRS, to the balances reported in the 30 June 2006 financial statements are detailed in the note "Explanation of transitions to NZ IFRS" in the full financial report.

**Disclaimer**

The specific disclosures included in this summary annual report have been extracted from the full annual report and were authorised for issue by the Chief Executive on the 28<sup>th</sup> September 2007.

This summary cannot be expected to provide as complete an understanding as provided by the full annual report of the financial and service performance, financial position and cash flows of Hamilton City Council.

The summary has been examined for consistency with the full annual report and was audited by Audit New Zealand on behalf of the Office of the Auditor-General. The full annual report and summary received an unqualified audit opinion on the 28<sup>th</sup> September 2007.

The full annual report can be obtained from the website [www.hamilton.co.nz](http://www.hamilton.co.nz) or from the Hamilton City Council main office.

## Audit Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

### AUDIT REPORT

#### TO THE READERS OF HAMILTON CITY COUNCIL AND GROUP'S SUMMARY ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2007

We have audited the summary annual report.

#### Unqualified Opinion

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the information reported in the summary financial statements complies with FRS-43: Summary Financial Statements and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 28 September 2007, on:

- the full financial statements; and
- the Council and group's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

#### Basis of Opinion

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. Other than in our capacity as auditor, we have no relationship with or interests in Hamilton City Council or any of its subsidiaries.

#### Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on that report. These responsibilities arise from the Local Government Act 2002.



M G Taris, Audit New Zealand  
On behalf of the Auditor-General  
Hamilton, New Zealand  
28 September 2007